DRAFT RED HERRING PROSPECTUS
Dated August 10, 2018
Please read Section 32 of the Companies Act 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Building Offer

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 159.

Corporate Identity Number:U74899PB1995PLC033417
Registered Office: Theing Road, Phillaur, Jalandhar 144 410, Punjab, India; **Tel:** (+91 1826) 225 418 **Fax:**(+91 1826) 222 915
Corporate Office: 8thFloor, Block - B, Vatika Tower, Sector 54, Golf Course Road, Gurugram122 002, Haryana, India; **Tel:** (+91 124) 4096 300
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 UP TO [•] 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 ₹ [•] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ 8,000.00 MILLION (THE "OFFER") COMPRISING AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 338.00 MILLION BY MR. ANOOP BECTOR ("PROMOTER SELLING SHAREHOLDER"), UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 3,755.00 MILLION BY LINUS PRIVATE LIMITED, UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 630.00 MILLION BY MABEL PRIVATE LIMITED, UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 2,777.00 MILLION BY GW CROWN PTE. LTD. AND UPTO [•] EQUITY SHARES AGGREGATING UP TO ₹ 500.00 MILLION BY GW CONFECTIONARY PTE. LTD., ("MABEL PRIVATE LIMITED, GW CROWN PTE. LTD., AND GW CONFECTIONARY PTE. LTD.,TOGETHER REFFERED TO AS GATEWAY SELLING SHAREHOLDERS") (THE GATEWAY SELLING SHAREHOLDERS AND LINUS PRIVATE LIMITED, COLLECTIVELY REFERRED TO AS "INVESTOR SELLING SHAREHOLDERS") (THE PROMOTER SELLING SHAREHOLDER AND THE INVESTOR SELLING SHAREHOLDERS, COLLECTIVELY REFERRED TO AS THE "SELLING SHAREHOLDERS") AND SUCH OFFER BY SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [•] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS (THE "BRLMs") AND WILL BE ADVERTISED IN [•] EDITIONS OF [•] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [•] EDITIONS OF [•] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [•] EDITIONS OF [•] (A WIDELY CIRCULATED PUNJABI DAILY NEWSPAPER, PUNJABI BEING THE REGIONAL LANGUAGE OF PUNJAB, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (THE "BSE" OR THE "STOCK EXCHANGE") FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 EACH AND THE OFFER PRICE IS [•] TIMES THE FACE VALUE OF EQUITY SHARES

In case of a revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the websites of the BRLMs, and at the terminals of the members of the Syndicate.

In terms of Rule 19(2)(b)(ii) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), the Offer is being made through the Book Building Process, in compliance with Regulation 26(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**"), wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"), provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Category to Anchor Investors on a discretionary basis (the "**Anchor Investor Portion**"), of which one-third shall be reserved for the domesticMutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"). Further, 5.00% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors ("**Non-Institutional Category**") and not less than 35.00% of the Offer shall be available for allocation to Retail Individual Investors ("**Retail Category**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Investors (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process, and shall provide details of their respective bank account in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**").Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process.For details, see "***Offer Procedure***" on page 430.

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 Floor Price and Cap Price are [•] times and [•] times of the face value of the Equity Shares, respectively. The Offer Price (as determined and justified by our Companyand the Selling Shareholders in consultation with the BRLMs, in accordance with SEBI ICDR Regulations, and as stated in "***Basis for Offer Price***" on page 90) 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 16.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring 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 Draft Red Herring 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 Draft Red Herring 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 for statements made and undertakings expressly made by such Selling Shareholder in the Draft Red Herring Prospectus solely in relation to himself/itself and the Equity Shares being offered by him/it in the Offer for Sale. 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 Draft Red Herring Prospectus.

LISTING

The Equity Shares offered though the Red Herring Prospectus are proposed to be listed on the Stock Exchange. Our Company has received in-principle approval from BSEfor the listing of the Equity Shares pursuant to the letter dated [•]. For the purposes of this Offer, [•] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents 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 484.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
IDFC Bank Limited Naman Chambers, C-32, G Block BandraKurla Complex, Bandra (East) Mumbai 400 051, Maharashtra, India **Tel:** (+91 22) 7132 5500 **Fax:**(+91 22) 4222 2088 **Email:**mbfsl.ipo@idfcbank.com **Website:**www.idfcbank.com **Investor Grievance E-mail:**mb.ig@idfcbank.com **Contact person:** Gaurav Mittal/ Harsh Thakkar **SEBI Registration No:**MB/INM000012250	**Edelweiss Financial Services Limited** 14thFloor, Edelweiss House, Off C S T Road, Kalina, Mumbai 400 098, Maharashtra, India **Tel:**(+91 22) 4009 4400 **Fax:** (+91 22) 4086 3610 **E-mail:** cremica.ipo@edelweissfin.com **Website:** www.edelweissfin.com **Investor Grievance E-mail:** customerservice.mb@edleweissfin.com **Contact Person:**Disha Doshi/Jay Mehta **SEBI Registration No.:** INM0000010650	**IIFL Holdings Limited** 10thFloor, IIFL Centre, Kamala City SenapatiBapat Marg, Lower Parel (West) Mumbai 400 013, Maharashtra, India **Tel:**(+91 22) 4646 4600 **Fax:**(+91 22) 2493 1073 **E-mail:**cremica.ipo@iiflcap.com **Investor Grievance E-Mail:**ig.ib@iiflcap.com **Website:**www.iiflcap.com **Contact person:** Pinkesh Soni/Anant Gupta **SEBI Registration No.:**INM000010940	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai 400 083, Maharashtra, India **Tel:** (+91 022) 49186200 **Fax:** (+91 022)49186195 **E-mail:**bector.ipo@linkintime.co.in **Investor Grievance E-mail:** bector.ipo@linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BID/OFFER PERIOD

BID/OFFER OPENS ON*	[•]	BID/OFFER CLOSES ON**	[•]

* *Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*

** *Our Company and the Selling Shareholders, in consultation with the BRLMs, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

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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 Draft Red Herring 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***", "***Statement of Special Tax Benefits***", "***Industry Overview***", "***Regulations and Policies***", "***Financial Statements***", "***Outstanding Litigation and Other Material Developments***" and "***Part B***" of "***Offer Procedure***", will have the meaning ascribed to such terms in these respective sections.*

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

*Unless the context otherwise indicates, all references to Mrs. Bectors Food Specialities Limited, "***the Company***", "***our Company***", "***we***", "***us***" or "***our***" are references to Mrs. Bectors Food Specialities Limited, a company incorporated in India under the Companies Act 1956 with its Registered Office at Theing Road, Phillaur, Jalandhar 144 410, Punjab, India together with its Subsidiaries and Associate.*

*The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 ("***SEBI Act***"), the SEBI ICDR Regulations, the SCRA, 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 constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act 2013. For details, see "***Management***" on page 166
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 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.
BTA	Business Transfer Agreement dated October 11, 2006 entered between our Company and CAFL
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	Corporate Office of the Company located at 8th Floor, Block - B, Vatika Tower, Sector 54, Golf Course Road, Gurugram 122 002, Haryana, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board constituted in accordance with section 135 of the Companies Act 2013. For details, see "***Management***" on page 166
Condiments Business	The *erstwhile* 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

Term	Description
Condiments Undertaking	The *erstwhile* undertaking of our Company which 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 Plan 2017	Employee Stock Option Plan of the Company
Gateway Partners	Shall collectively mean GW Crown Pte. Ltd., GW Confectionary Pte. Ltd. and Mabel Private Limited (wherein Mabel Private Limited became a part of Gateway Partners with effect from July 23, 2018)
Gateway Selling Shareholders	Shall collectively mean GW Crown Pte. Ltd., GW Confectionary Pte. Ltd. and Mabel Private Limited who are offering to sale certain of the Equity Shares held by them in the Offer.
Group Companies	The group companies of our Company, as covered under the applicable accounting standards and other companies as considered material by our Board in terms of the Materiality Policy and as set forth in "***Group Companies***" on page 186
Independent Directors	The independent directors of our Company
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer, for details see "***Management***" on page 166
Investor Selling Shareholders	Shall collectively means Linus Private Limited and Gateway Selling Shareholders
Khapoli Manufacturing Facility	Our manufacturing facility situated at Khapoli, Maharashtra
KMP/ Key Management Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as described in "***Management***" on page 166
Linus	Linus Private Limited
Materiality Policy	The policy adopted by our Board on July 10, 2018 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
MBEOL	Mrs. Bector's English Oven Limited
Noida Manufacturing Facility	Our manufacturing facility situated at Greater Noida, Uttar Pradesh
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. For details see "***Management***" on page 166
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)(zb) of the SEBI ICDR Regulations, as discussed in "***Promoter and Promoter Group***" on page 184
Promoter Selling Shareholder	Mr. Anoop Bector
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 consolidated financial information of our Company and our Subsidiaries and Associate which comprises the consolidated balance sheet, the consolidated profit and loss statement and the consolidated cash flow statement as at and for the Financial Years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 together with the annexures and the notes thereto, which have been prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations
Restated Financial Information	Collectively the Restated Consolidated Financial Information and the Restated Standalone Financial Information
Restated Standalone Financial Information	The restated standalone financial information of our Company which comprises the restated standalone balance sheet, the restated standalone profit and loss statement and the restated standalone cash flow statement as at and for the Financial Years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 together with the annexures and the notes thereto, which have been prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations
Risk Management Committee	The risk management committee of our Board constituted in accordance with compliance with the Regulation 21 of the SEBI Listing Regulations. For details see "***Management***" on page 166

Term	Description
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 Food Limited, Cremica Foods Limited, Cremica Milk Specialities Limited, our Company and Cremica Food Industries Limited.
Selling Shareholders	Collectively, the Promoter Selling Shareholder and the Investor Selling Shareholders
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 constituted in accordance with Regulation 20 of the SEBI Listing Regulations and section 178 of the Companies Act, 2013. For details, see "***Management***" on page 166
Subsidiaries	The subsidiaries of our Company as on the date of the Draft Red Herring Prospectus being BFPL and MBEOL.
Tahliwal Manufacturing Facility	Our manufacturing facility situated at Thaliwal, Himachal Pradesh.
Technopak Report	Report on '*Indian Biscuit & Bread Industry*' dated July 28, 2018, 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, 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 Escrow Account	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	A QIB, who applies 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 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
Anchor Investor Allocation Price	The price at which allocation is done to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus. The Anchor Investor Allocation Price shall be determined by our Company and Selling Shareholders, in consultation with the BRLMs
Anchor Investor Bidding Date	The date being one Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors shall be submitted prior to and after which the BRLMs will not accept any Bids from Anchor Investors and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and Selling Shareholders in consultation with the BRLMs
Anchor Investor Portion	Up to 60.00% of the QIB Category, which may be 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 is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation price
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) by a Bidder (other than Anchor Investors) to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be 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)
ASBA Form	An application form, whether physical or electronic, used by Bidders bidding through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Bid	A Bid made by ASBA Bidder

Term	Description
ASBA Bidder	Bidders (other than Anchor Investors) in the Offer who intend to submit their Bid through the ASBA process
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s) and Public Offer Account Bank(s)
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in "***Offer Procedure***" on page 430
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 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
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus, including ASBA Form
Bid Lot	[●] Equity Shares
Bid/Offer Closing Date	Except in relation to Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids for the Offer, which shall be published in **[●]** editions of [●] (a widely circulated English national daily newspaper), **[●]** editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Punjabi daily newspaper, Punjabi being the regional language of Punjab, where our Registered Office is located**)** and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites of the Designated Intermediaries and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations. Our Company and Selling Shareholders in consultation with the BRLMs, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, subject to the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, which shall be published in **[●]** editions of [●] (a widely circulated English national daily newspaper), **[●]** editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Punjabi daily newspaper, Punjabi being the regional language of Punjab, where our Registered Office is located**)** and in case of any revisions, the extended Bid/Offer Opening Date shall also be notified on the websites of the Designated Intermediaries and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations
Bid/Offer Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus
Bidder/Investor	Any prospective investor who makes 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 shall accept 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 Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/BRLMs	IDFC Bank Limited, Edelweiss Financial Services Limited and IIFL Holdings Limited
Broker Centres	Broker centres of the Registered Brokers, where Bidders (other than Anchor Investors) can submit the Bid cum Application 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 Exchange at www.bseindia.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 will not be finalised and above which no Bids will be accepted, including any revisions thereof
Cash Escrow Agreement	Agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Anchor Escrow Bank and Refund Bank for collection of the Bid Amounts and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof
Client ID	Client identification number of the Bidder's beneficiary account

Term	Description
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, which shall be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are 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 and bank account details
Designated SCSB Branches	Such branches of the SCSBs which may collect the Bid cum Application Form used by Bidders (other than Anchor Investors), a list of which is available at the website of the SEBI (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (except Anchor Investors) can submit the Bid cum Application 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 Exchange 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, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and CRTAs, who are authorised to collect Bid cum Application Forms from the Bidders (other than Anchor Investors), in relation to the Offer
Designated RTA Locations	Such centres of the CRTAs where Bidders (except Anchor Investors) can submit 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 Exchange (www.bseindia.com) and updated from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated August 10, 2018 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, including any addenda or corrigenda thereto
Edelweiss	Edelweiss Financial Services Limited
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 constitutes an invitation to subscribe for the Equity Shares
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened, in this case being [●]
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
Floor Price	The lower end of the Price Band, and any revisions thereof, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
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 and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 notified by SEBI and included in "***Offer Procedure***" on page 441
GW Crown	GW Crown Pte. Ltd.
GW Confectionary	GW Confectionary Pte. Ltd.
IDFC	IDFC Bank Limited
IIFL	IIFL Holdings Limited
Linus	Linus Private Limited
Mabel	Mabel Private Limited

Term	Description
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	5.00% of the QIB Category (excluding the Anchor Investor Portion) or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Non-Institutional Category	The portion of the Offer, being not less than 15.00% of the Offer or [●] Equity Shares, available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price
Non-Institutional Investors/NIIs	All Bidders, including Category III FPIs 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	Public issue of up to [●] Equity Shares for cash at a price of ₹ [●] each through Offer for Sale
Offer Agreement	The agreement dated August 10, 2018 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to [●] Equity Shares aggregating up to 8,000.00 million by the Selling Shareholders comprising of: (i) up to [●] Equity Shares aggregating up to ₹ 338.00 million by Mr. Anoop Bector (ii) up to [●] Equity Shares aggregating up to ₹ 3,755.00 million by Linus Private Limited, (iii) up to [●] Equity Shares aggregating up to ₹ 630.00 million by Mabel Private Limited, (iv) up to [●] Equity Shares aggregating up to ₹ 2,777.00 million by GW Crown Pte. Ltd., (v) up to [●] Equity Shares aggregating up to ₹ 500.00 million by GW Confectionary Pte. Ltd., in terms of the Red Herring Prospectus and the Prospectus.
Offered Shares	Shall mean the Equity Shares offered by the Selling Shareholders in the IPO by way of Offer for Sale
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), 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.
Price Band	Price band of the Floor Price of ₹ [●] and a Cap Price of ₹ [●], including any revisions thereof. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, and advertised in **[●]** editions of [●], (a widely circulated English national daily newspaper), **[●]** editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Punjabi daily newspaper, Punjabi being the regional language of Punjab, where our Registered Office is located) at least five Working Days prior to the Bid/Offer Opening Date
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the BRLMs, shall finalize the Offer Price
Prospectus	The Prospectus 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, *inter alia*, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The account(s) to be opened with the Banker(s) 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 is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●]
QIB Category/QIB Portion	The portion of the Offer, being 50.00% of the Offer or [●] 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 being received at or above the Offer Price
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares shall be Allotted and which shall be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
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 Bankers to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
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 August 10, 2018, 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

Term	Description
Registrar to the Offer	Link Intime India Private Limited
Retail Category	The portion of the Offer, being not less than 35.00% of the Offer or [●] Equity Shares, available for allocation to Retail Individual Investors, which shall not be less than the minimum Bid lot, subject to availability in the Retail Category
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 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 Bids during Bid/Offer period and withdraw their Bids until Bid/Offer Closing Date
Self-Certified Syndicate Banks or SCSBs	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
Share Escrow Agreement	Agreement to be 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
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchange	BSE
Syndicate Agreement	The agreement to be 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
Share Escrow Agent	[●]
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being [●]. For details see "***General Information***" on page 67
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	[●]
Underwriting Agreement	The agreement to be entered into among our Company, the Selling Shareholders and the Underwriters, to be entered into on or after the Pricing Date
Working Day(s)	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Bid/Offer Opening Date and listing of the Equity Shares on the Stock Exchange, "Working Days" shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

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
Bn/bn	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category II FPIs	FPIs registered as category II FPIs under the SEBI FPI Regulations
Category III FPIs	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 2013/Companies Act	Companies Act 2013, as amended read with rules, regulations, clarifications and modifications thereunder

Term	Description
Consolidated FDI Policy	The extant consolidated FDI Policy, issued by the DIPP, and any modifications thereto or substitutions thereof, issued from time to time (currently, the Consolidated FDI Policy effective from August 28, 2017)
COPRA	Consumer Protection Act, 1986
Copyright Act	Copyright Act, 1957
CSR	Corporate social responsibility
CSR Policy	Corporate social responsibility policy as specified in Schedule VII of Companies Act
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
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
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
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
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
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
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
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
MAT	Minimum alternate tax
MCA	The Ministry of Corporate Affairs, Government of India
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
Notified Sections	The sections of the Companies Act 2013 that have been notified by the MCA and are currently in effect
NPD	New Product Development
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI

Term	Description
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	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, 2014
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, 2009
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
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
Biscuit Revenue from Direct Sales	Means the revenue from sale of biscuits in India and globally, excluding revenue from contract manufacturing
Biscuit Revenue from Contract Manufacturing	Means the revenue from contract manufacturing undertaken by the Company on behalf of its institutional customers.
Britannia	Britannia Industries Limited
CAGR	Compound Annual Growth Rate
DFIA Scheme	Duty Free Import Authorisation scheme
EBITDA	Earning before interest, taxes, depreciation and amortization excluding other income
EBITDA%	EBITDA / revenue from operations
EPCG	Export Promotion Capital Goods
FMCG	Fast Moving Consumer Goods
F&G	Food and Grocery

Term	Description
GDP	Gross Domestic Product
GT	General Trade
Harvest Gold	Harvest Gold Private Limited
HRD	Human Resource Development
HUL	Hindustan Unilever Limited
ICFNR	The Indian Council for Fertilizer and Nutrient Research
IMF	International Monetary Fund
kg	Kilogram
KWP	Kilowatt Peak
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
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 Draft Red Herring Prospectus to "India" are to the Republic of India.

Financial Data

Unless indicated otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Informations. Certain additional financial information pertaining to our group companies is derived from their respective financial statements. For further information see, "***Financial Statements***", "***Financial Indebtedness***" and "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" on pages 192, 398, and 366 respectively.

Unless the context otherwise requires, any financial data, as set forth in "***Risk Factors***", "***Summary of Business***" "***Business***", "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" on pages 16, 52, 135 and 366, respectively and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of our Restated Financial Informations 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 Draft Red Herring 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 Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in their respective sources.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been derived from an industry report titled "Indian Biscuit & Bread Industry" dated July 28, 2018 (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 Draft Red Herring 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 Draft Red Herring 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. 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 Draft Red Herring 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 36. 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.*

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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 Draft Red Herring 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 Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange Rates

This Draft Red Herring 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 Draft Red Herring Prospectus into Indian Rupees are provided below.

(in ₹)

Currency	Exchange rate as on March 31, 2018(1)(2)	Exchange rate as on March 31, 2017(2)	Exchange rate as on March 31, 2016 (2)	Exchange rate as on March 28, 2015 (2)	Exchange rate as on March 28, 2014(1)(2)
1 USD	65.04	64.84	66.33	62.59	60.10
I EURO	80.62	69.25	75.10	67.51	82.58

Source: RBI Reference Rate

(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 public holidays, respectively.

Exchange rate as on March 28, 2014, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.

(2) Exchange rate is rounded off to two decimal places.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring 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 Draft Red Herring 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:

- 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;
- Failure to successfully procure raw materials in a timely manner, at competitive rates, or at all, or to identify new raw material suppliers;
- Restriction on use of brand name and negative publicity of the products;
- Inability to maintain the competitive position;
- Inability to maintain and grow our brand image;
- Contamination or deterioration of our products;
- Concerns over nutritional value of our products;
- Seasonality, price fluctuation and adulteration of raw materials and packaging materials;
- Inability to comply with food safety laws, environmental laws and other applicable regulations in relation to our manufacturing facilities;
- Inability to expand our business network to various region of India; and
- Absence of long term contracts with QSR customers and disruption of business of QSRs.

For a further discussion of factors that could cause our actual results to differ, see "***Risk Factors***", "***Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 16, 135 and 366, 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 be materially be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring 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 statement based on them could prove to be inaccurate.

Neither our Company, nor the Selling Shareholders, nor the BRLMs, nor 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 bidders in India are informed of material developments from the date of the Red Herring 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 their respective portion of the Offered Shares in the Red Herring Prospectus until the time of the grant of final listing and trading approvals by the Stock Exchange. Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholders, as the case may be, in this Draft Red Herring Prospectus shall, severally and not jointly, deemed to be statements and undertakings made by such Selling Shareholder.

SECTION II - RISK FACTORS

*An investment in equity shares involves a high degree of risk. Bidders should carefully consider all the information disclosed in this Draft Red Herring 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. To obtain a complete understanding of our Company, Bidders should read this section in conjunction with the sections "**Business**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 135, 97 and 366, respectively, as well as other financial and statistical information contained in this Draft Red Herring 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. Bidders are advised to read the risk factors carefully before taking an investment decision in this Offer.*

*This Draft Red Herring 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 Draft Red Herring Prospectus. For further details, see "**Forward Looking Statements**" on page 14. 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

1. ***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 harm 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 incur heavy operating expenses that are relatively fixed. 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.

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

We are one of the leading companies in the non-glucose biscuits and premium breads segment in North India, according to Technopak Report, with products sold under our well-recognized brands, *'Mrs. Bector's Cremica'* and '*English Oven*'. We have a considerable presence in the export market covering 61 countries as on March 31, 2018, including large markets like North America, Africa and Caribbean region having high requirements in terms of products and volume.

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, in case 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 cannot use our brand name "*Mrs. Bector's Cremica*" for sale of our breads which are currently being sold under our brand name "*English Oven*" which is an established premium breads brand in Delhi (NCR) according to the Technopak Report. We may, in the future, not be able to attract consumers with respect to sale of our breads and bakery products in other parts of India due to our brand reach in such places.

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 acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, etc.***" and "***Promoter and Promoter Group – Change in the management and control of our Company***" on page 162 and 182 respectively.

3. ***We operate in a highly competitive industry. An inability to maintain our competitive position may adversely affect our business, financial conditions and results of operations.***

We operate in the branded biscuits and bakery industry segment and face significant competition from Indian as well as international biscuit and bakery brands. Competitive factors in the branded biscuits and bakery industry segment include product quality, taste, price, brand awareness among consumers, advertising and promotion, innovation of products, variety, nutritional content, access to supermarket shelf space, brand recognition and loyalty for our products and product packaging. Some of our peers such as Britannia, Parle and ITC in the biscuit segment and Britannia, Modern and Harvest Gold in the breads and bakery segment, according to the Technopak Report, have been in their respective businesses longer than we have and may accordingly have substantially greater financial resources, wider distribution tie-ups, larger product portfolio, greater production efficiencies, technology, research and development capability, and greater market penetration. They may also have the ability to spend more aggressively on marketing and distribution initiatives and may have more flexibility to respond to changing business and economic conditions than we do. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market better than us.

Our ability to compete largely depends upon our direct marketing initiatives, promotional tie ups, and prices of our products, quality and taste of our products, increasing our exports base, as well as leveraging and engaging through our distribution network. We cannot assure you that our current or potential competitors will not provide products comparable or superior to those we provide or adapt more quickly than we do to evolving industry trends, changing consumer preferences or changing market requirements, at prices equal to or lower than those of our products. Increased competition may result in our inability to differentiate our products from those of our competitors, which may lead to loss of market share. Accordingly, our failure to compete effectively with our competitors may have an adverse impact on our business, results of operations and financial condition.

4. ***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 non-glucose biscuits and premium breads segment in North India, according to Technopak Report, with products sold under our well-recognized 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 covering around 61 countries as of March 31, 2018. We manufacture and market our biscuits under the brand "*Mrs. Bector's Cremica*" to key export markets such as North America, Africa and Caribbean region. 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 maintaining and enhancing 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, predominantly focused on northern states of India. 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, or the quality of our products declines, 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, brand image, results of operations and financial conditions.

5. ***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, there can be no assurance 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. There can be no assurance 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. According to the Technopak Report, in case of spoilage of raw materials, the supply chain and infrastructure in relation to our business may get affected. 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, financial condition and results of operations.

6. ***Concerns over nutritional values of our products may reduce demand for our products.***

Health groups and consumers are increasingly linking consumption of certain food products such as 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. Categorization 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, 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.

7. ***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 consumed constituted 54.45%, 54.59% and 53.15% of our revenue from operations in Financial Year 2018, 2017 and 2016 respectively. The unavailability of these raw materials can be caused by external conditions, such as commodity price fluctuations within India and globally, weather conditions, 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. In case 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. 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.

8. ***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 153.

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 North America, Africa, and Caribbean region. 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 "***Business – Quality Control***" and "***Government and Other Approvals***" on pages 148 and 403, respectively.

There can be no assurance 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. No assurance can be given 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.

We are also in the process of obtaining other licenses and approvals with respect to operation of our facility which we are in the process of setting up at Dhar (Madhya Pradesh). We have procured land and are yet to obtain various licenses and approvals with respect to construction and commissioning of the facility. While we will apply to respective regulatory authorities to obtain such licenses and approvals with respect to our upcoming facility which we are in process of setting up at Dhar (Madhya Pradesh), there can be no assurance that we will receive such licenses and approvals in a timely manner which will lead to an efficient commissioning of these facilities. Any delay in receiving such licenses and approvals in a timely manner could adversely affect our business, financial condition and results of operations.

9. ***Our inability to expand our business network and our products to various regions of India may adversely affect our business, financial condition and results of operation.***

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 "***Business – Our Manufacturing Facilities***" on page 146. Given that these 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 account for 54.48%, 60.97 %, 67.15 % of our Biscuits Revenue From Direct Sales in Financial Years 2018, 2017 and 2016, 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 such as breads and buns in our manufacturing facilities located in Greater Noida (Uttar Pradesh), Khapoli (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 a range of 'ready-to-eat' frozen products such as frozen pizza, croissants and muffins, with the aim of supplying ready to serve products to hotels, restaurants and cafés. As a part of our expansion strategy, we are in the process of setting up a new manufacturing facility in Dhar (Madhya Pradesh) which will help us in serving markets outside North India, especially in our target markets of Maharashtra, and West Bengal and further expand our exports market. We seek to increase the capacity utilization of our manufacturing facility situated in Greater Noida (Uttar Pradesh) for manufacturing breads and buns and we have also introduced a new line of manufacturing in Greater Noida (Uttar Pradesh) for manufacture of croissants, panini, potato puffs, patties and other bakery products. Further, our recently commissioned facility at Rajpura (Punjab) is dedicated for manufacture of biscuits. 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 utilization. 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.

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

We are the largest supplier of buns to various international QSR chains according to the Technopak Report. The revenue from our buns (institutional) segment accounted for 13.09 %, 13.50 % and 11.14 % of our consolidated revenue from operations in Financial Year 2018, 2017 and 2016 respectively. We supply our buns to various international QSR chains in India, such as Hardcastle Restaurants Private Limited and Burger King 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. There is no assurance 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 which adversely affected our business, financial condition and results of operations.

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

We rely on independent certification of our products and must comply with the requirements of independent organizations or certification authorities including a certification from the US Food and Drug Administration under the Federal Food Drug and Cosmetic Act, as amended and Food Safety Modernisation Act, 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. 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.

12. ***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 Financial Year 2018, revenue from Biscuit Revenue from Direct Sales, contributed towards 65.32% of our consolidated revenues from operations. 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. There can be no assurance 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 manufacturing facility at Phillaur (Punjab), our recently commissioned facility at Rajpura (Punjab) and Tahliwal (Himachal Pradesh), we are in the process of setting up a manufacturing facility at Dhar (Madhya Pradesh) which will be 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 operating results and financial condition.

13. ***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 super stockists and distributors to sell our products to retailers who place our products in the market. As of June 30, 2018, our distribution network included 135 super stockists and over 570 distributors. 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.

14. ***We 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), Jawaharlal Nehru Port (Maharashtra), Nhavasheva Port (Maharashtra), Pipavav Port (Gujarat) to which our products are transferred through railways from Ludhiana (Punjab) and thereafter exported. Therefore we heavily depend on the functioning of these ports and the railway network from Ludhiana (Punjab).

Factors like disruption of transportation services due to weather-related problems, strikes, accidents 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 majure* 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 spoilt 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. There can be no assurance 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.

15. ***If we are unable to effectively implement our business and growth strategies regarding expansion of our product portfolio, our 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 operations in India and abroad, diversifying our product portfolio with introduction of new products such as frozen products, including frozen pizzas, croissants, Paninis, muffins, and bunfills. We also aim to expand our non-glucose biscuits product portfolio and premium breads and buns portfolio by offering niche biscuit and bakery products such health range of biscuits, premium rich cookies, premium flaky crackers, soda crackers, croissants and filled pastry, which will help us realize 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. For example, we intend to expand our frozen dough business segment to five-star hotel chains and reputed restaurants and cafés. However, we cannot guarantee that we will find adequate consumers as well as suitable distribution network required for supplying our frozen products to various five-star hotel chains, 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.

There can be no assurance 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. There can be no assurance 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. There can be no assurance 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 and business, financial condition and results of operations.

16. ***A shutdown of our manufacturing operations or under-utilization 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, Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khapoli (Maharashtra) and Bengaluru (Karnataka). We will also depend on our new manufacturing facility which we are in the process of setting up at Dhar (Madhya Pradesh). 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. 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 one 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. As a result, the costs to defend any 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 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 have recently installed a solar power generation plant having capacity of 224.6 KWP at our manufacturing facility located at Greater Noida (Uttar Pradesh). However, we largely depend of 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 an 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.

17. ***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 harm 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 an adequate remedy in the event of unauthorized disclosure of such information to our competitors. Consequently, such events may adversely affect our business, results of operations and financial condition.

18. ***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 Delhi NCR and Punjab. These modern trade channels have been established in recent years which in turn has resulted in penetration of large scale organized 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.

19. ***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, a significant growth opportunity for branded biscuits and bakery products lies in semi urban and urban markets of tier I and tier II cities in India. While we have a wide spread and established distribution network to cater to our retail and institution consumers with 18 operational depots, presence in over 450,000 retail outlets and over 570 distributors and 135 super stockists as on June 30, 2018, 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, results of operations and financial condition.

20. ***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. In Financial Year 2018, we exported biscuits under our brand as well as under third party private labels to 61 countries. We export biscuits to overseas geographies including North America, Africa, and Caribbean region. Our export revenues accounts for 45.52%, 39.03%, 32.85% of our Biscuits Revenue from Direct Sales in Financial Years 2018, 2017 and 2016 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. In case of any disputes arising out of any non-compliances under these purchase orders, we may be subject to jurisdictions other than India. There can be no assurance 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 new offices in Dubai and certain parts of Africa 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 realized 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.

21. ***We have significant working capital requirements. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our business, financial condition and results of operations.***

Our business requires significant working capital. Our working capital requirement is met through a combination of internal accruals, short term borrowings and proceeds from issuance of shares. In many cases, significant amounts of working capital are required to finance the procurement of raw materials, labour and the upkeep of our manufacturing facilities before payments are received from consumers. 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 Financial Year 2018, 2017 and 2016 respectively, we have incurred 0.05%, 0.10% and 0.01% respectively, of our revenue on defaults in payment by consumers and 0.03%, 0.01% and 0.13% respectively, of our revenue in bad debts.

We extend certain credit terms to certain of our first time domestic as well as export customers and those 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 customers to meet our payment schedules or any delay or non-receipt of payment from such distributors, 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.

Additionally, our working capital requirements have increased in recent years due to the general growth of our business and export business which is characterised by higher working capital requirements, on account of the fact that we routinely attempt to forecast the demand for our products to ensure we purchase an adequate amount of raw materials and will also increase with respect to our recently commissioned facility at Rajpura (Punjab) and upcoming facility which we are in process of setting up at Dhar (Madhya Pradesh). All of these factors may result, or have resulted, in increases in our working capital needs.

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.

22. ***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 high-end machinery for the purpose of improvement in our product quality. 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 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.

23. ***Our inability to manage our inventory and foresee accurate demand for our products for a future period may adversely affect our business, results of operation and 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. In case, we overestimate demand for our products and manufacture them, we may face difficulty on storage of such products due to lower shelf life and complications with respect to storage of perishable products. In case, 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. All of these factors could adversely affect our reputation, business, results of operation and our financial performance.

24. ***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, (Ludhiana), Ladowal (Punjab) and Raigad (Maharashtra).

We have also obtained leasehold rights over property at Greater Noida (Uttar Pradesh), Tahliwal (Himachal Pradesh) and Dhar (Madhya 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 have entered into a lease deed with Vatika Limited with respect to our corporate office in Gurugram (Haryana) for a period of three years from September 18, 2017.

There can be no assurance 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. 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.

25. ***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.***

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. We also cannot assure you that we will be able to obtain all the required license and approvals for our recently commissioned facility at Rajpura (Punjab) and upcoming manufacturing facility which we are in process of setting up at Dhar (Madhya Pradesh). For details of the licenses and approvals which we are yet to receive or renew for which applications have already been made, see "***Government and Other Approvals***" on page 403.

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.

26. ***We have incurred substantial 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 June 30, 2018, our total consolidated outstanding indebtedness was ₹ 1,490.94 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 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 will continue to incur substantial indebtedness even after 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.

27. ***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 the 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;
- undertake guarantee obligations on behalf of any third party or any other company;
- any contractual obligation of a long-term nature or affecting the 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 July 3, 2017 and ICRA rating of ICRA A+ on long term facilities and ICRA A1+ on short term facilities on February 21, 2018. 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 Subsidiary 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.

28. ***We are dependent on a number of key managerial 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 managerial 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 23 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 "***Business – Employees***" on page 151.

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. 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.

29. ***We are subject to labour laws and other industry standards and our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

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 and lockouts at our facility located at Tahliwal (Himachal Pradesh).There can be no assurance 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.

30. ***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 31 of these trademarks that are currently operational are already registered by us in our name, we have made application for renewal of one such trademark and made fresh applications with respect to certain of our trademarks. Additionally, we have registered certain of our trademarks outside India. Further, we have ten copyrights registered with the Registrar of Copyrights. For details, see "***Government and Other Approvals – Intellectual Property***" on page 405.

In the absence of these trademark and copyright 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 403.

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 harm 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 unauthorized 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.

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

Our Company, our Promoter, certain of our Directors and Group Company are involved in certain legal proceedings, pending at varying levels of adjudication at different fora. In this Draft Red Herring Prospectus, pending litigation involving our Company, our Subsidiaries, Promoter, Directors and Group Company, other than criminal proceedings, statutory or regulatory actions and taxation matters, are considered material if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of ₹ 9.04 million.

A summary of such legal proceedings, including material legal proceedings, is set out below:

(₹ in million)

S. No.	Nature of proceedings	No. of outstanding proceedings	Aggregate Approximate Amount Ascertainable
Litigation against our Company			
1.	Criminal proceedings	2	0.1
2.	Action taken by statutory/regulatory authority	5	Not ascertainable
3.	Direct tax proceedings	10	19.11
4.	Indirect tax proceedings	15	78.09
5.	Civil proceedings	-	-
Litigation by our Company			
1.	Criminal proceedings	32	9.89
2.	Civil proceedings	2	Not ascertainable
Litigation involving our Subsidiaries			
1.	Proceedings involving our Subsidiaries	Nil	N.A
Litigation involving our Directors*			
1.	Direct tax proceedings	1	Not ascertainable
Litigation involving our Promoter			
		Nil	
Litigation involving our Group Company			
1.	Indirect taxes	5	37.56

**Direct tax matter filed against our Whole-time Director, Ishaan 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 400.

32. ***We have contingent liabilities disclosed and not provided for as on March 31, 2018 and our profitability may be adversely affected if any of these contingent liabilities materialize.***

As of March 31, 2018, our contingent liabilities as per ***Annexure VI – Notes to Restated Consolidated Financial Information***, that have not been provided for were as follows:

Particulars	Amount (₹ million)
Income tax liabilities	2.14
Sales tax related matters	3.01
Civil matter	9.10
Bank guarantees	7.45
Impact of bonus due to retrospective amendment in the Payment of Bonus Act, 1965	10.47
Others*	91.07
Total	**123.24**

**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.*

There can be no assurance 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 realized, it could have an adverse effect on our business, financial condition and results of operations.

33. ***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 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 certain customers for whom we undertake contract manufacturing of biscuits. Since, the products which are subject matter of the aforementioned notices belong to our 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. 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***" on page 400.

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

We currently avail benefits under certain export promotion schemes, including Duty Free Import Authorization scheme ("**DFIA Scheme**"), Merchandise Exports from India scheme ("**MEIS**") and Export Promotion Capital Goods ("**EPCG**") license. As per the licensing requirement under the EPCG scheme, we are required to export goods of a defined amount, under which, we may have to pay the Government, a sum equivalent to the duty benefit enjoyed by us under the EPCG scheme along with interest. As of March 31, 2018, our pending obligations against EPCG License was ₹ 91.07 million. 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, financial condition and results of operations.

35. ***We are exposed to foreign currency exchange rate fluctuations, which may harm 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 North America, Africa and Caribbean region). In Financial Year 2018, foreign currency-linked revenue comprised around 29.73%, of our consolidated 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.

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.

36. ***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.

There can be no assurance 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.

37. ***In the past, our Group Company, CAFL, has been in violation of listing requirements of an erstwhile recognized 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.***

Our Group Company, 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 derecognized 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-recognized 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).

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

38. ***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 policy, loss of profit 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 cargo sales turnover 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. 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 "***Business – Insurance***" on page 151.

39. ***We did not have adequate controls for managing our compliances as a result of which there have been non-compliances with respect to certain provisions of the Companies Act and corporate actions taken by us in the past.***

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 in the shareholding pattern and objects of the issue.

While no legal proceedings or regulatory action has been initiated against our Company in relation to the aforementioned non-compliances as of the date of this Draft Red Herring 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, which may have an adverse impact on our business, financial condition and reputation.

40. ***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 51.00 % 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 "***Management***" and "***Our Promoter and Promoter Group***" and "***Group Companies***" on pages 166, 182 and 186, respectively.

41. ***We have entered into and may in the future enter into related party transactions and there is no assurance 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 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 "***Financial Statements***" on pages 192.

42. ***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 on the rent of the properties held by them.***

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 interested received on the unsecured loans provided by them to the Company and to the extent of the remuneration paid to them as the whole-time directors of our Company, each as applicable. Mr. Anoop Bector is interested to the extent of compensation received from renting of properties held by him to the Company. Our non-executive director, Ms. Rajni Bector, is interested to the extent of interest arising out of the unsecured loans provided by her to our Company. For further details, see "***Management***" and "***Promoter and Promoter Group***" on page 166 and 182.

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

Our Company, and our Group Company, 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 186.

44. ***This Draft Red Herring 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 Draft Red Herring Prospectus includes information that is derived from a report dated July 28, 2018, titled "*Indian Biscuit and Bread 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 among 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 Draft Red Herring 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 Draft Herring Prospectus, when making their investment decisions.

45. ***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. The sale of our biscuits and bakery products during this season is usually for the purpose of gifting of these products by our consumers. Any change in preference by our consumers may adversely affect our sales during these festive seasons. While we aim to introduce new products which appeal our consumer base on a regular basis, 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.

46. ***We have, from time to time, availed unsecured or other credit facilities that are repayable on demand. Any unexpected demand for repayment may adversely affect our liquidity, business, financial condition and results of operations.***

We have from time to time, availed certain unsecured or other credit facilities that are repayable on demand by the lenders. As on June 30, 2018, we have availed unsecured loans amounting to ₹ 24.64 million. In the event that the respective lenders call in any such credit facilities, alternative sources of financing may not be available to any of us on commercially reasonable terms, to the same extent, or at all. Any failure to service such indebtedness or comply with any obligations under such financing agreements may cause us to incur penalty interest or may result in the termination of one or more of our credit facilities or acceleration or cross-acceleration of payments under such credit facilities, as well as the declaration of an event of default or cross-default. Any such unexpected demand for repayment may adversely affect our liquidity, business, financial condition and results of operations.

47. ***We have experienced negative cash flows in the past. Any such negative cash flows in the future may adversely affect our business, financial condition and results of operations.***

We had negative cash flows from our investing activities in Financial Years 2018, 2017, 2016, and financial activities, on a consolidated basis, in Financial Years 2016, 2015, and 2014 respectively. For further information on our negative net cash flows, see "***Financial Statements***" on page 192. Negative cash flows in the future could adversely affect our business, financial condition and results of operations.

48. ***Our Group Company, CAFL, has incurred losses in some of the past Financial Years and may incur losses in the future.***

Our Group Company, CAFL, has incurred losses in some of the past Financial Years, the details of which are as follows:

(*in ₹ million*)

Particulars	Financial Year 2014	Financial Year 2015	Financial Year 2016	Financial Year 2017	Financial Year 2018
CAFL	-	-	-	-	(16.87)

Any such losses that our Group Company may incur in the future, including due to our failure to successfully operate any new lines of business we may commence in the future, may adversely affect our results of operations and financial condition.

49. ***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 dividend policy pursuant to a resolution of our Board dated July 10, 2018. 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, realization 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 191.

50. ***The proceeds from this Offer will not be available to us.***

As this Offer only includes an offer for sale of Equity Shares by the Selling Shareholders including our Promoter, the proceeds from the Offer for Sale will be remitted to the respective Selling Shareholders including our Promoter. Our Company will not benefit from such proceeds.

External Risk Factors

Risks Related to India

51. ***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.

52. ***Any adverse revision to India's debt rating by a domestic or international rating agency could adversely affect our business.***

India's sovereign debt rating could be adversely affected due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

53. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, financial condition, results of operations, and prospects. Also, a change in the Government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

54. ***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, including the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus, were prepared and presented in accordance with IND AS (for Financial Years

2018, 2017, 2016, 2015 and 2014). We have not attempted to quantify the impact of Indian GAAP, IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP and IND AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

55. ***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, financial condition and results of operations, 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 combines multiple taxes and levies by the Central and State Governments into a unified tax structure. While the GoI and certain State Governments have announced that all committed incentives will be protected following the implementation of the GST, given that the various rules and regulations regarding the new regime are being evaluated in terms of various implications concerning the GST, we cannot provide you with any assurance as to this or any other aspect of the tax regime following implementation of the GST including anti-profiteering regulations of the new tax regime and availability of input tax credit ("**ITC**").

Further, the General Anti-Avoidance Rules ("**GAAR**") became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in the denial of tax benefits to an arrangement, among other consequences. In the absence of any such 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.

On November 8, 2016, the GoI withdrew the legal tender of the ₹ 500 and ₹ 1,000 denominations of bank notes. Pursuant to this currency demonetisation, these high denomination notes have no value and cannot be used for transactions or exchange purposes. These notes were replaced with a new series of bank note of ₹ 500 and ₹ 2,000 denominations through banks. In an effort to monitor replacement of demonetised notes, the GoI had specified limits for exchange and withdrawal of currency all over India. The process of demonetisation and replacement of these high denomination notes has significantly reduced the liquidity in the Indian economy being a cash-based economy. There was substantial impact on predominantly cash-based businesses and unorganised sectors in particular.

We have not determined the impact of the abovementioned legislations on our business. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure 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, financial condition, and results of operations. 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.

56. ***Under Indian law, foreign investors are subject to 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 Reserve Bank of India (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.

57. ***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 is generally taxable in India. Any gain realized on the sale of listed equity shares on or before March 31, 2018, on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("**STT**"), has been paid on the sale transaction, additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or before October 1, 2004, except in the case of such acquisitions of such equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on such long term capital gains arising from sale of equity shares on or after April 1, 2018. However, where specified conditions are met, such long term capital gains are only taxed to the extent they exceed ₹ 100,000 and unrealised capital gains earned up to January 31, 2018 continue to be exempt. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to the payment of STT, on the sale of Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold.

Further, any gain realized on the sale of our 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 a 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 Equity Shares.

58. ***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

59. ***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 Exchange 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 is proposed to be 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.

60. ***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.

61. ***The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares will be determined by our Company and the Selling Shareholders in consultation with the BRLMs, and 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 90 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. Further, our BRLMs have previously handled issues wherein the market price of the issued shares declined below the issue price of shares 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 listing. For details of the price information of the past issues handled by the BRLMs, see "***Other Regulatory and Statutory Disclosures – Price Information of past issues handled by the BRLMs***" on page 412. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

62. ***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 76, we cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

63. ***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, 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.

64. ***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.

Prominent Notes:

- 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. 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., see "***History and Certain Corporate Matters - Amendments to our Memorandum of Association***" on page 159.

- Initial public offering of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each, aggregating up to ₹ 8,000.00 million comprising the Offer for Sale by the Selling Shareholders.

- Our net worth as on March 31, 2018, as per our Restated Consolidated Financial Information and Restated Standalone Financial Information is ₹ 2,671.02 million and ₹ 2,552.39 million, respectively. See "***Financial Statements***" on page 192.

- The net asset value per Equity Share as on March 31, 2018, as per our Restated Consolidated Financial Information and Restated Standalone Financial Information is ₹ 46.64 million and ₹ 44.57 million, respectively. See "***Financial Statements***" on page 192.

- The average cost of acquisition per Equity Share by our Promoter as on the date of this Draft Red Herring Prospectus is as follows:

Name of Promoter	Average cost of acquisition per Equity Share (₹)*
Mr. Anoop Bector	5.80

**As certified by SCV & Co. LLP, Chartered Accountants by their certificate dated August 10, 2018*

For further details, see "***Capital Structure***" on page 76.

- The average cost of acquisition per Equity Share by our Selling Shareholders, other than our Promoter, as on date of this Draft Red Herring Prospectus is as follows:

Name of Selling Shareholder	Average cost of acquisition per Equity Share (₹)*
Linus Private Limited	174.89
Mabel Private Limited	175.46
GW Crown Pte. Ltd.	175.46
GW Confectionary Pte. Ltd.	175.46

**As certified by SCV & Co. LLP, Chartered Accountants by their certificate dated August 10, 2018*

For further details, see "***Capital Structure***" on page 76.

- There has been no financing arrangement whereby our Promoter Group, our Directors, and their respective relatives, have financed the purchase by any other person of securities of our Company, other than in the ordinary course of the business of the financing entity, during the six months preceding the date of this Draft Red Herring Prospectus.

- For details of transactions between our Company and our Subsidiaries or Group Company during the last financial year, including the nature and cumulative value of the transactions, see "***Financial Statements***" on page 192.

- For information regarding the business or other interests of our Group Company in our Company, see "***Group Companies***", "***Related Party Transactions***" and "***Financial Statements***" on pages 186, 190, and 192 respectively.

- Investors may contact the BRLMs or the Registrar to the Offer, for any complaints pertaining to the Offer. For details of the BRLMs and the Registrar to the Offer, for details see "***General Information***" on page 67 of this Draft Red Herring Prospectus.

- There has been no change in the name of our Company during the last three years.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

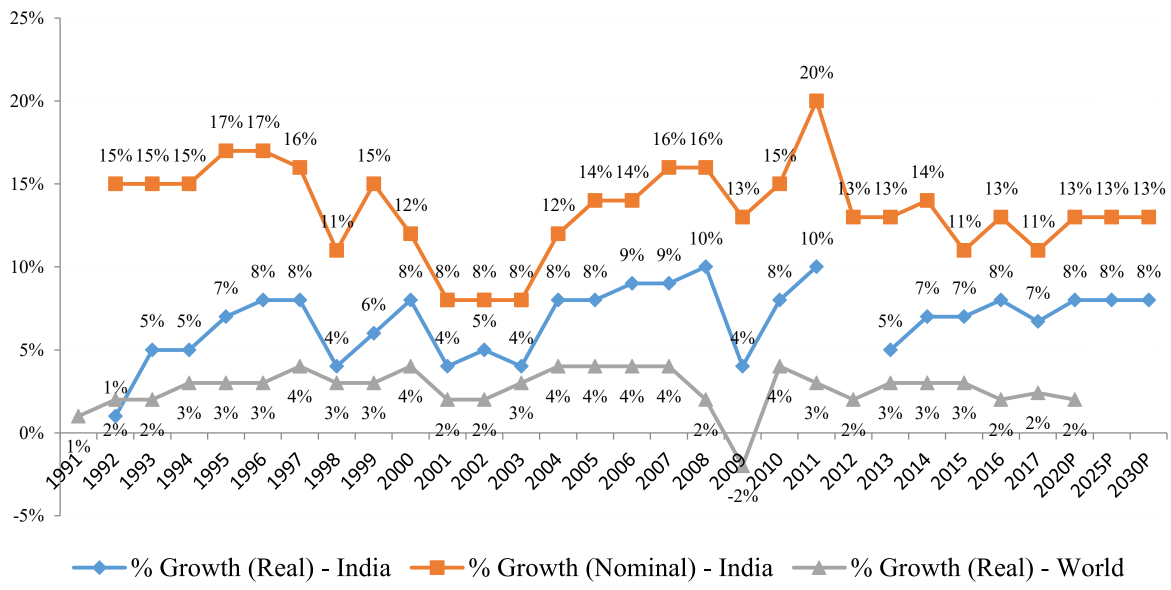
*The information contained in this section is taken from the Report on Indian Biscuit & Bread Industry dated July 28, 2018, prepared by Technopak (the "**Technopak Report**"). Neither we, nor any other person connected with the Offer has independently verified this information. Industry sources and the 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 3.26% and is the third largest economy in the world in PPP terms which is contributing 7.44% share towards the world GDP. India has sustained high real GDP growth of over 6.00% since Financial Year 1991 and has led to a fundamental transformation of the Indian economy. India has become the fastest-growing G20 economy since Financial Year 2015, with annual growth rate hovering around 7.50%. India's economy grew at 6.60% in Financial Year 2017 and is expected to grow at 6.70% in Financial Year 2018. India's nominal GDP is expected to reach US$ 3.50 trillion by Financial Year 2020 and to US$ 11 trillion by Financial Year 2030. It is also expected that this growth trajectory of Indian economy will enable India to be among the top three global economies by Financial Year 2050.

Exhibit 1: Historical GDP growth (%)



Source: RBI data, Economic Survey, World Bank, EIU, 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
^Real GDP growth projected by leading internal institutions:
EIU – 7.20% - 7.40% (Financial Year 2016-2020)
World Bank – 7.80%-7.90% (Financial Year 2016-2017)
IMF – 7.50% - 7.70% (FY 16-20)
Year indicates Financial Year

India has an advantage in that its estimated domestic consumption share (measured as PFCE) in its GDP was 59.40% in Financial Year 2016 and 59.50% in Financial Year 2017. As more people are expected to move beyond sustenance living with rising income levels enabled favourably by demographic advantages, India's household consumption expenditure will continue to get altered in favour of discretionary purchases. Therefore, categories like apparel and accessories, jewellery, processed foods and consumer electronics are poised to gain a share of this shift.

Domestic consumption share makes India uniquely positioned

India has an advantage in that its estimated domestic consumption share (measured as Private Final Consumption Expenditure – PFCE) in its GDP was 59.40% in Financial Year 2016 and 59.50% in Financial Year 2017, whereas China's domestic consumption share to its GDP was 38.00% in the same year. High share of private consumption in the GDP not only insulates India from the vagaries of global economy but it also implies that a sustainable high economic growth in India directly translates into a sustained consumer demand for merchandise and services.

Similarly, as more people are expected to move beyond sustenance living with rising income levels enabled favourably by demographic advantages, India's household consumption expenditure will continue to get altered in favour of discretionary purchases. Therefore, categories like apparel and accessories, jewellery, processed foods and consumer electronics are poised to gain a share of this shift.

Although, PFCE as percentage of GDP has slowly decreased since Fiscal 1991, but this gradual decline is not only an expected outcome of sustained economic growth for an emerging economy but it is also desirable to some extent. It is expected that India's PFCE share in GDP will be around 58.00% by Financial Year 2020. Moreover, in absolute terms India's PFCE has increased from US$ 61.00 billion in Financial Year 1991 to US$ 1,553.00 billion in Financial Year 2017 and it is expected to cross US$ 2.00 trillion by Financial Year 2020 at a CAGR of 12.00% (between Financial Year 2016 and Financial Year 2020). This will make India's PFCE to surpass the consumption expenditure of economies like Italy, France and the UK.

Retail Consumption across Key Categories

In Financial Year 2018, India's retail basket was 49% of its private consumption and it is expected to be 46.50% in Financial Year 2023. Food and Groceries ("**F&G**") segment forms the major share of India's merchandise retail expenditure which is 66.50%. High share of F&G is an expected outcome of the developing nature of the Indian Economy. When economies progress, the share of F&G in their retail consumption basket comes down and stabilizes at around 55.00% as is the case with economies like the UK. But such a decline is gradual and spans decades. In case of India, F&G's share in retail is expected to marginally decline to 65.40% in Financial Year 2023 from its share of 67.40% in Financial Year 2013.

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

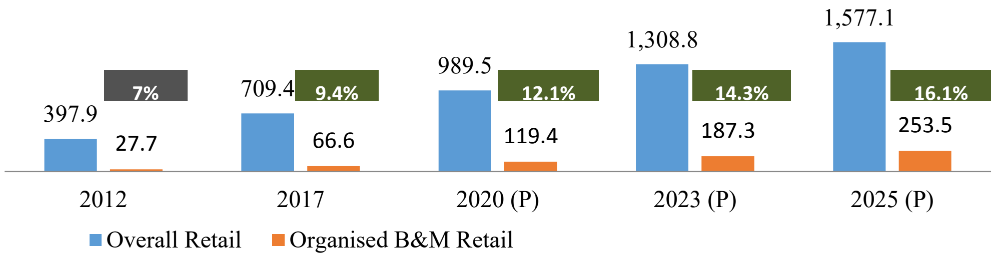
Type of Categories	Categories	2013	2018	2023
	Total Retail (US$ billion)	**446.6**	**792.5**	**1,308.8**
Need based	Food and Grocery	67.40%	66.50%	65.40%
Primary Discretionary	Apparel & Accessories*	8.20%	7.90%	7.70%
	Jewellery & Watches	7.40%	7.80%	8.30%
	Consumer Electronics	5.30%	6.10%	7.10%
Other Discretionary	Home & Living	4.20%	4.30%	4.40%
	Pharmacy & Wellness	2.80%	2.90%	3.00%
	Footwear	1.20%	1.20%	1.30%
	Others	3.60%	3.20%	2.90%
	Total	**100.00%**	**100.00%**	**100.00%**

**Accessories includes Bags, Belts, Wallets; Others include Books & Stationery, Toys, Eyewear, Sports Goods, Alcoholic Beverages & Tobacco etc.; Source: Technopak Report; 1 US$ = ₹ 65*

Organized retail and category consumption

Although organized retail has been in India for two decades now (primarily brick and mortar), its contribution to total retail is low at 9.00% (US$ 68 billion) in Financial Year 2017. The organized retail penetration was only 7.00% in Financial Year 2012.

Exhibit 3: Overall retail market (US$ billion)



Source: Technopak Report
1 US$ = ₹ 65

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 >15.00 million points of sale across urban and rural towns and villages with fragmented demand. One of the biggest player in FMCG, Hindustan Unilever Limited has reached mere 8.50 million touch points after 75 years of existence.

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 8.00%, whereas in India it is in the range of 10.00-15.00% that can go as high as 20.00%).

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 96.00% retailing share in Financial Year 2017.

Exhibit 4: Share of organized retail in various retail categories

Financial Year 2017	Share of retail	Retail size (US$ billion)	% of Organized retail	Organized market size (US$ billion)	Key retailers
Food and Grocery	66.70%	473.50	3.40%	16.10	Big Bazaar, DMart, Reliance Fresh, Spencer's
Apparel and Accessories	7.90%	56.30	24.30%	13.70	Central, Shoppers Stop, Lifestyle, Westside, FabIndia, Arvind, Raymond, TCNS, Pantaloons, Reliance Trends
Jewellery & Watches	7.70%	54.70	27.70%	15.20	Tanishq, Kalyan, Malabar
Footwear	1.20%	8.40	26.70%	2.20	Bata India, Metro Shoes, Khadims
Pharmacy & Wellness	2.90%	20.70	10.50%	2.20	Apollo, MedPlus
Consumer Electronics	5.90%	41.90	26.60%	11.20	Vijay Sales, Croma, Reliance Digital, eZone

Home & Living	4.30%	30.60	10.50%	3.20	Home Centre, Home Stop
Others	3.20%	23.00	12.50%	2.90	
Total	**100%**	**709.40**	**9.40%**	**66.60**	

Accessories include Bags, Belts, and Wallets;
Others include Books & Stationery, Toys, Eyewear, Sports Goods, Alcoholic Beverages & Tobacco etc.
1 US$ = ₹ 65
Source: Technopak Report

Exhibit 5: Size of Organized Retail across Categories

Categories	2013	2018	2023
Total Organized Retail (US$ billion)	**32.8**	**80.8**	**187.2**
Food and Grocery	5.3	20.3	56.5
Apparel & Accessories*	7.6	16.7	36.9
Footwear	1.3	2.6	5.1
Jewellery & Watches	8.7	18.1	38.7
Pharmacy & Wellness	1.1	2.5	5.4
Consumer Electronics	5.6	13.6	31.7
Home & Living	1.6	3.8	7.9
Others	1.7	3.2	5.1

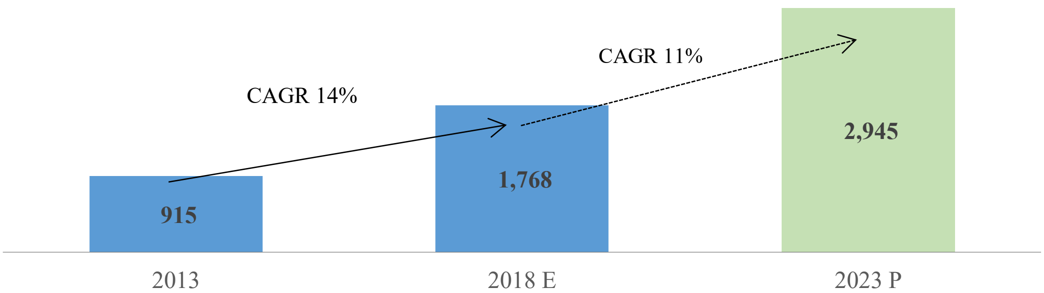
**Accessories include Bags, Belts, and Wallets*
Source: Secondary research, Industry reports, Technopak Analysis
1 US$=₹ 65

OVERVIEW OF INDIA PACKAGED FOOD MARKET

Package food market

India's packaged food business is currently valued at ₹ 1,768 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 ₹ 915 billion in Financial Year 2013, about half of its current size and has registered a growth of over 14.00% CAGR from Financial Year 2013 to Financial Year 2018. It is estimated to grow at CAGR of 11.00% in next five years to reach at ₹ 2,945 billion.

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



Source: Technopak Report
**Packaged Food market size is exclusive of staples, edible oil and dairy.*

The demand of packaged food for leading Indian brands has also witnessed growth from export market. Costs of processing and packaging food in India can be up to 40.00% which is lower than that of parts of Europe which, combined with India's resources of skilled labour, make it an attractive venue for investment. All of these elements together provide the environment needed for the packaged food industry to flourish, a growing momentum to food production and an ecosystem of supply chain and infrastructure. Leading Indian packaged food players for their capabilities are well suited to leverage this opportunity.

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

Category*	2013	CAGR (2013 – 2018)	2018	CAGR (2018 – 2023)	2023
Biscuits and Breads	230	10.79%	387	10.26%	631
Rice, Pasta and Noodles	190	15.50%	390	13.30%	728
Savoury Snacks	137	18.40%	318	12.40%	571
Confectionery	150	12.60%	271	8.00%	399
Sauces, Dressings & Condiments	81	14.30%	158	8.50%	237
Ice Cream & Frozen Desserts	64	15.00%	128	10.70%	212
Baby Food	28	10.40%	45	5.70%	60
Others	35	15.40%	71	8.70%	107
Total	**915**	**14.00%**	**1,768**	**11.00%**	**2,945**

Source: Secondary Research, Technopak Report

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

Key Emerging trends

- Consumers across the spectrum are moving towards premium products, an example that manifests this trend is the growth of non-glucose biscuit market growing at over 12.00% (that signifies value added premium products) has outpaced the growth of glucose biscuit market (that signifies mass positioning) and has grown at 7.00% in the last five years. The market for mid and premium biscuits is expected to grow to ₹ 469 billion by Financial Year 2023 at a CAGR of 12.10% over next five years;
- Regional brands gaining sales share and competing strongly with leading players, such as Balaji and Prataap etc. in snacks; Jivraj, Anokhi and Raja in tea; Mrs Bector and Anmol in biscuits; Bonn and English Oven in bread;
- Convenience and healthy eating trends continue to drive sales;
- Emergence of modern retail and online grocery delivery platforms, which is expected to grow at CAGR of 21.00% until 2021;
- Experimentation with new brands and taste.

Indian packaged food market prospects

Rural areas are set to become increasingly significant in driving growth in the Indian packaged food market over Financial Year 2018-2023. Efforts of brands to extend their distribution reach in rural markets will increase the product availability and drive growth. Also, as a part of rural market expansion strategy, introduction of smaller, lower priced SKUs in rural market across wide range of packaged food categories is highly likely. But its trade off will be on pricing and profitability. Rural markets are pertinent to unlock next phase of growth for brands.

The consumption of packaged food is much higher in the urban areas attracting lot more companies to launch new types of products and variants. Urban areas account for 80.00% of the demand for all packaged food. The main packaged food includes bakery, canned and frozen processed food, ready-to-eat meals, diet snacks, processed meat, health products and drinks. Meanwhile, urban markets are expected to see a continuing emphasis on health and wellness. Indeed, as consumer health-awareness becomes more sophisticated, especially amongst younger demographics, brands targeting of health issues is expected to become more refined, focusing on particular conditions and nutritional requirements.

Key government initiatives

Some of the major initiatives taken by the Government of India to improve the food processing sector in India are as follows:

- The Government of India aims to boost growth in the food processing sector by leveraging reforms such as allowing 100.00% FDI in marketing of food products and various incentives at central and state level along with a strong focus on supply chain infrastructure;
- The Government of India has relaxed FDI norms for the sector, allowing up to 100.00% FDI in food product through the automatic route;

- The FSSAI plans 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 laboratories across the country;
- ICFNR will adopt international best practices for research in fertilizer sector, which will enable farmers to get good quality fertilizers at affordable rates and thereby achieve food security for the common man;
- The Ministry of Food Processing Industries announced a scheme for HRD in the food processing sector. The HRD scheme is being implemented through state governments under the national mission on food processing.

Impact of GST on packaged food

GST was implemented in India to make India a unified common national market. Under GST, all packaged food products are now classified under four tax rates, a shift from the earlier scenario of numerous tax brackets under which products were classified. It eliminates the complex multi-layered indirect taxation system, making it possible for manufacturers to produce in one state and supply seamlessly across states without barriers.

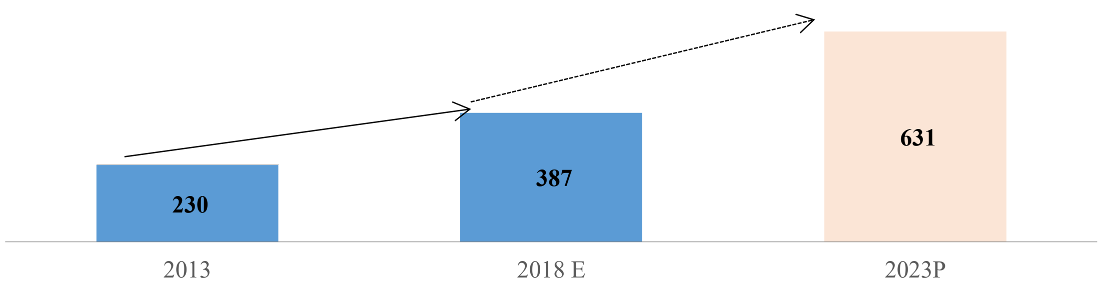
Under GST, all types of biscuit have been brought under a uniform GST at the rate of 18.00%. This is expected to drastically impact the consumption of plain biscuits which were previously taxed just at the rate of 8.00%. It also opens up new opportunities for cookies and premium biscuit players as consumer consumption patterns are expected to change with reducing price differentials between cookies and plain biscuits.

OVERVIEW OF BAKERY SEGMENT

Indian bakery segment

The Indian bakery market is valued at ₹ 387.00 billion and is expected to grow at a CAGR of 10.29% over next five years. The per capita consumption of bakery products in India is lower than the developed countries. There are around 2.00 million unorganized bakeries operational across the country, comprising small bakery units, cottage and household type manufacturing, characterized by low levels of packing and distribution mainly in neighbouring areas. The organized sector consists of large, medium and small-scale manufacturers producing bread, biscuits and other bakery products.

Exhibit 8: Indian bakery* market (₹ billion)



Source: Technopak Report.
**Includes breads and biscuits, excludes cakes and other products.*

***Biscuits**:* Biscuit industry is characterized by a 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. After the de-reserved of biscuit industry from small-scale industry in 1997-98, it is growing at a rate of over CAGR of 10.00%. Although, per capita annual consumption of biscuit in India is only 2.50 kg, compared to about 10.00 kg in the USA and Western European countries and 4.20 kg in South-East Asian countries.

Bread: In the unbranded sector, there are about 75,000 bread manufacturers spread all over including some of those operating even out of residential premises. Average per capita annual bread consumption is estimated to be at ₹ 1.80 kg per person in India.

Exhibit 9: Product offering of key bakery brands in India

Company	Biscuits	Breads	Buns	Cake	Other bakery items*
			National players		
Parle	Y				Y
Britannia	Y	Y	Y	Y	Y
ITC	Y	Y			Y
			Regional players		
Surya	Y			Y	
Anmol	Y			Y	
Cremica	Y	Y	Y	Y	Y
Bon	Y	Y			Y

Source: Technopak Report.
Other bakery item 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 life styles: 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*:** As compared to multi-portion cakes, single portion cakes are more affordable and enable consumers to eat the product in one go. Furthermore, single portion cakes are available in a wide variety of variants/flavours. Single portion cakes also benefit from a wider distribution reach, from rural retail outlets to urban supermarkets, whereas the distribution of multi-portion cakes remains largely restricted to urban areas, which is why consumers are upgrading from unpacked/artisanal cakes to packed industrial alternatives.

***Growth in organized retail*:** Increase of modern supermarket chains across India has greatly helped in leveraging innovation in the bakery products. However, independent bakeries, which produce fresh products, still remain the preferred choice for consumers of baked goods. Currently, very few private labels are available and account for less than 1.00% of value sale of bakery products. However private label share is expected to increase due to entry of international chains and overall growth in organized retail.

- ***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.

***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, these new age ingredients are helping in industry’s growth by providing better flavour profile to the consumers.

Key trends

- ***New products development and premiumisation*:** Companies in sector have successfully adopted the tool of new product development under which brands have launched new variants of existing products like whole-wheat bread, caramelised bread or new products/categories all together for instance cookies. This trend will continue to play out more prominently for market leaders of this sector. Britannia launched 'Pure Magic Deuce' a dark, crispy biscuit with a slab of chocolate on top and ITC launched NaatMaad Paal biscuits made with native cow milk in Financial Year 2017. Cremica launched Golden Bytes, a crunchy butter cookie in Financial Year 2017. Recently Cremica has introduced Indian masala flavoured cookies which includes spices like 'ajwain', 'kalaunji' and 'jeera' in the Indian market.

- ***Bakery cafes*:** Younger generation looks for eating out with friends and colleagues or socializing which has led to rise of newer cafe formats like bakery cafes, which reverse the concept of cafes by extending existing bakeries and chocolate retailers to offer complementary beverage items.

- ***Store in store cafes*:** Store in store concepts have enabled faster roll-out with much lesser investments in comparison to a standalone cafe. McCafé is a cafe within McDonald's restaurants where customers can purchase a variety of beverages such as premium coffees and specialty teas. The cafe format has brought incremental business to the overall McDonald's quick-service restaurant business while establishing McDonald's as a coffee destination as well.

- ***Experimentation with flavours*:** Experimentation has become a key driver in the bakery segment and a way to spark interest among younger consumers in particular. One way in which everyone's interest is quirked is by using unusual flavour combinations.

- ***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 biscuit market is valued at ₹ 6,129 billion that will grow at CAGR of 5.00% over next five years. It is driven by rising urbanisation, increasing disposable incomes and demand for convenience foods. Globally, they are consumed as snacks by multiple consumer groups based on their age, taste preference and health. Consumers prefer to consume biscuits generally with tea or coffee. Consumer preference is mostly impacted by new flavours, taste, shapes, health and packaging.

SUMMARY OF BUSINESS

*The following information should be read together with the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in "**Business**", "**Industry Overview**", "**Risk Factors**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Financial Statements**" on pages 136, 97,16, 366 and 192, respectively.*

Overview

We are one of the leading companies in the non-glucose biscuits and premium breads segment in North India, according to Technopak Report, with products sold under our well-recognized brands, '*Mrs. Bector's Cremica*' and '*English Oven*'. We manufacture and market a range of products such as biscuits, breads and buns, catering primarily to retail consumers in 11 states within India as well as to reputed institutional customers pan-India. We are also a leading exporter of biscuits from India, according to Technopak Report, and we exported biscuits under our brand as well as under third party private labels to 61 countries in Financial Year 2018. We market a wide variety of biscuits under our flagship brand '*Mrs. Bector's Cremica*', which is one of the leading non-glucose biscuit brands in North India, according to the Technopak Report. We manufacture and market breads under the '*English Oven'* brand, which currently caters to the premium bread segment in Delhi NCR and Maharashtra. According to the Technopak Report, '*English Oven*' is one of the largest players in the premium bread brand in Delhi NCR, supplying approximately 120,000 loaves per day as of May, 2018. According to the Technopak Report, we are the largest supplier of buns in India to reputed QSR chains such as Hardcastle Restaurants Private Limited and Burger King India Private Limited. Substantially all our products are manufactured in-house at our six strategically located manufacturing facilities, which enables us to have effective control over the manufacturing process and to ensure consistent quality of our products.

Our diversified product portfolio includes three main categories.

- *Biscuits.* We manufacture and sell biscuits, primarily in the non-glucose category including a wide variety of cookies, creams, crackers and digestives, which accounted for ₹ 3,851.58 million, or 84.97 % of our Biscuit Revenue from Direct Sales in Financial Year 2018. '*Mrs. Bector's Cremica*' is one of the leading biscuit brands in the non-glucose biscuit segment in Punjab, Himachal Pradesh, Jammu and Kashmir, Haryana and Rajasthan, according to the Technopak Report. Our key export markets are Africa and North America, where we export biscuits under the '*Mrs. Bector's Cremica*' brand and under private labels for international retail chains through reputed buying houses such as Monteagle International (UK) Limited. Additionally, we also undertake manufacturing of 'Oreo' and 'Bournvita' biscuits on contract basis for Mondelez India Foods Private Limited and another leading biscuit manufacturer in India. Our Biscuit Revenue from Direct Sales accounted for ₹ 4,533.04 million in Financial Year 2018 and has grown at a CAGR of 2.64 % during Financial Years 2014 to 2018. Revenue from the export of biscuits accounted for ₹ 2,063.41 million and in Financial Year 2018 has grown at a CAGR of 13.21% during Financial Years 2014 to 2018.

- *Breads.* We manufacture and sell various types of breads, including whole wheat, multigrain fruit and sandwich breads under the '*English Oven*' brand, which caters to the premium segment in Delhi NCR, Maharashtra and the Northern region of India. In our bread segment we also manufacture and supply ready-to-eat frozen products and other varieties of breads, such as garlic bread and other stuffed breads. Our revenue from the sale of breads accounted for ₹ 773.18 million or 11.14% of our consolidated revenue from operations in Financial Year 2018. Our revenue from the sales of breads has grown at a CAGR of 20.90 % during Financial Years 2014 to 2018. Our revenue from the sale of breads has grown faster than the growth of 14.00% per annum (*Source: Technopak Report)* of the premium bread industry in India from Financial Year 2013 till Financial Year 2018.

- *Buns.* We manufacture and supply buns in accordance with the specifications provided by our QSR customers. We have been the preferred supplier of buns to Hardcastle Restaurants Private Limited since the year 2007. According to the Technopak Report, we are the largest bun suppliers in India equipped with dedicated modern manufacturing facilities which enables us to undertake large orders while complying with the stringent quality standards required by reputed QSR chains. In Financial Year 2018, the revenue from sale of buns to our institutional customers accounted for ₹ 908.51 million or 13.09 % of our total revenue. Revenue from sale of buns to our institutional customers has grown at a CAGR of 17.22 % during Financial Years 2014 to 2018.

We believe that we are able to differentiate ourselves from our competitors by consistently refreshing our product portfolio and introducing new products, while maintaining consistent quality of our products. For instance, we have recently started manufacturing frozen products such as frozen pizzas, croissants and muffins to hotels, restaurants and cafés. As on June 30, 2018, our diversified product portfolio consists of 542 SKU's products across all our product segments. We have undertaken four new products launches in Financial Year 2018, which include 'Golden bytes', 'Kalonji Cracker', our range of digestive biscuits including 'oatmeal' and 'cornflakes', '100%' whole wheat bread and 'Bunfills'. We believe that our diversified product portfolio and focus towards introducing value-added bakery products helps us in addressing the changing consumer preferences and market trends in India.

Our product development is supported by our six manufacturing facilities in Phillaur and Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khapoli (Maharashtra) and Bengaluru (Karnataka) which are strategically located in proximity to our target markets, which minimises freight and logistics related time and expenses. We have received all the major quality certifications and accreditations, including certification from the Food Safety and Standards Authority of India (FSSAI) and the FSSC 22000. Our biscuit manufacturing facility situated in Phillaur (Punjab) has been awarded certification from U.S. Food and Drugs Administration. We have also received British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits and Halal certification for manufacturing biscuits.

We have a strong distribution network in India and globally in the general trade and the modern trade segment. As of June 30, 2018, we distributed our biscuits across 11 states in India, through our widespread network of 135 super-stockists and 570 distributors. 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. As of June 30, 2018, we had a network of 1,271 preferred outlets. Our distribution channels also include modern retailers, which we define as large supermarkets or modern retailer stores. We have distribution tie-ups with reputed retail chains in India. According to the Technopak Report, we are the largest suppliers of biscuits to Canteen Stores Department of Government of India ("**CSD**"). We also export our biscuits to 61 countries through our strong global distribution network and through our tie-ups with reputed buying houses such as Monteagle International (UK) Limited. As on June 30, 2018 our breads were sold through over 9,000 retail outlets situated in Delhi NCR region and Maharashtra (*Source: Technopak Report*) through modern trade and general trade channels, through direct sales to supermarkets, departmental stores or indirect sales through wholesalers and distributors.

Our Company was founded by Mrs. Rajni Bector and our recipes are inspired by the original recipes created by Mrs. Rajni Bector. Our Company is promoted by Mr. Anoop Bector who has over 23 years of industry experience. He is also the Managing Director of the 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 and is responsible for the overall supervision, development and expansion of our breads business. We believe that the experience of our senior management team has significantly contributed to our success and growth.

For the Financial Years 2018, 2017, 2016, 2015 and 2014 our consolidated revenue from operations was ₹ 6,939.65 million, ₹ 6,386.52 million, ₹ 5,987.81 million, ₹ 6,016.60 million and ₹ 5,600.09 million respectively. Our revenue from operations has grown at a CAGR of 5.51 % during Financial Years 2014 to 2018. In Financial Years 2018, 2017, 2016, 2015 and 2014, we recorded EBITDA of ₹ 845.07 million, ₹ 694.14 million, ₹ 750.90 million, ₹ 736.25 million and ₹ 612.35 million respectively. For Financial Years 2018, 2017, 2016, 2015 and 2014 our net profit was ₹ 360.18 million, ₹ 288.16 million, ₹ 408.47 million, ₹ 293.04 million and ₹ 254.98 million, respectively. Our net profit has grown at a CAGR of 9.02% during Financial Years 2014 to 2018. Our ROE for Financial Years 2018, 2017, 2016, 2015 and 2014 was 14.33%, 12.92%, 21.29%, 18.49% and 17.87%, respectively.

Our Strengths

We believe that we have the following competitive strengths.

Established brands with a diversified product portfolio of medium and premium products

We believe that a strong and recognizable brand is a key attribute in our industry, which increases customer confidence and influences a purchase decision. We sell our biscuits under our flagship brand '*Mrs. Bector's Cremica*' which is one of the leading non-glucose biscuit brand in North India, according to the Technopak Report.

We have developed our recipes and products based on our extensive understanding of our key markets for the biscuit 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. According to the Technopak Report, we are among the top two Indian biscuit manufacturers in the medium and premium biscuit segment in Punjab, Himachal Pradesh and Jammu and Kashmir and among one of the leading manufacturers in the non-glucose biscuit segment in Haryana and Rajasthan. In Financial Year 2018, we had a share of 4.1% of the non-glucose biscuit market in North India. We market breads under our brand '*English Oven'* which is the second largest selling premium bread brand in Delhi NCR.

We complement our understanding of the biscuit and bakery products market with our product development and innovation capabilities, which have enabled us to develop and launch a comprehensive portfolio of non-glucose biscuit and premium bakery products. As on June 30, 2018, our diversified product portfolio consists of 542 SKU's across all our product segments including varieties of biscuits across the cookies, creams, crackers and digestives categories and varieties of premium breads including, multigrain bread, fruit bread, sandwich bread, jumbo bread, garlic breads and stuffed breads.

Our focus on growing our premium biscuit segment is reflected in the growth of non-glucose category of biscuits, such as cookies, creams, crackers and digestives which has grown at a higher growth rate in the last five Financial Years, as compared with the growth in our glucose biscuit segment. Our revenue from sale of non-glucose biscuits increased by 5.21% from ₹ 3,143.14 million in Financial Year 2014 to ₹ 3,851.58 million in Financial Year 2018.

Through our diverse line up of biscuits, we aim to cater to a wide variety of different tastes and preferences. In addition, keeping in mind changing consumer preferences we have also introduced new products to appeal to health-conscious consumers who seek to avoid artificial flavours, synthetic colours, excessive calories from sugar and butter with our marie biscuits and digestive varieties of biscuits. We maintain an active product pipeline, and our relationships with our raw material suppliers and our manufacturing facilities enable us to efficiently introduce new products. For instance, in order to cater to the growing QSR business segment, we have recently introduced a range of frozen products such as frozen pizza, croissants and muffins. In order to cater to the premium bread market we have also launched 'Bunfills' in the Delhi NCR market, which is center filled bun with chocolate and custard. Similarly, even in the biscuit segment we continuously introduce new products which cater to the premium segment such as 'Golden Bytes'. We believe that our focus on developing premium biscuit and bakery products enables us to differentiate from our competitors, particularly in urban and semi-urban markets, as well as offering market relevant products to our institutional customers in the domestic and international markets.

A leading exporter of biscuits

According to the Technopak Report, we are the leading exporter of biscuits from India, with approximately 23% share of the Indian biscuit export market in Financial Year 2017. In Financial Year 2018, we exported biscuits to 61 countries across Africa, Middle East, North America, Central America, Asia, Europe and Australia. We export cookies, creams, crackers and glucose biscuits under our flagship brand '*Mrs. Bector's Cremica*' brand as well as under private labels for international retail chains. Revenue from the export of biscuits accounted for ₹ 2,063.41 million constituting 45.52% of our Biscuit Revenue from Direct Sales in Financial Year 2018, which has grown at a CAGR of 13.21% during Financial Years 2014 to 2018.

We have received major quality certifications from including certificate of registration from the U.S. Food and Drug Administration, the BRC food certification and Halal certification for manufacturing biscuits, which helps in the acceptability of our products in quality conscious export markets.

Our market share in the total biscuit exports from India to our key export markets in Financial Year 2017 in Europe was 41.40%, in North America was 12.14%, and in Africa was 11.35 %. Particularly in certain regions such as the Caribbean region and Oceania region, we have a 66.16% and 13.54% share of the total exports from India, respectively. Further, in certain countries such as Haiti and in Uganda we have a share comprising 75.50% and 48.84% of the total exports from India, respectively.

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 customized 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 packaging and variation in flavors, aligned with the consumer preferences and trend in our target export markets.

A leading supplier of buns to the fast growing QSR industry

We are the largest supplier of buns (*Source: Technopak Report*) to reputed QSR chains 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 certain of our customers expect of us.

We are the preferred supplier of buns to Hardcastle Restaurants Private Limited for approximately 11 years. We have also been the one of the main supplier of buns to Burger King India Private Limited since 2014. 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 facilities situated at Greater Noida (Uttar Pradesh), Khapoli (Maharashtra) and Bengaluru (Karnataka) 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 the stringent quality standards required by multinational QSR chains. We also undertake the delivery of our products from our manufacturing facilities to certain customers in order to ensure quality and mitigate the risk of damage of products during transportation.

Certain of our key QSR customers have 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 benefit by working closely with our QSR 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 end-product.

Our success in leveraging our relationships with our QSR customers is illustrated in the growth of our buns (institutional) segment over the years. Our revenues from the buns (institutional) segment have increased at a CAGR of 17.22% from ₹ 481.26 million in Financial Year 2014 to ₹ 908.51 million in Financial Year 2018. Our growth is supplemented by the growth of the QSR industry, which has grown at a CAGR of 19% from Financial Year 2013 to Financial Year 2017 and is expected to grow at a CAGR of 24% from Financial Year 2018 to 2023, as per the Technopak Report. We believe that we are well positioned to capitalise the growth opportunity in the QSR business segment by leveraging our dedicated bun manufacturing facilities and our long standing relationships with our key institutional customers by including newer categories of products like frozen dough.

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 semi urban and urban markets, where we expect growth to be more significant.

We distribute our biscuits across 11 states in India, through our widespread network super stockists and distributors. As of June 30, 2018, we have a distribution network comprising of 135 super stockists and 570 distributors. Our distribution network is managed by our in-house sales team of over 374 employees as on June 30, 2018, which works 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 technology 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. We believe that our extensive distribution network enables us to serve our customers and markets in an efficient and timely manner. Additionally, our products are sold through modern trade channels. We also directly supply biscuits to institutional clients like canteen store department and hospitals.

We sell our breads through modern trade and general trade channels. As on June 30, 2018 our breads were sold through over 9,000 retail outlets situated in Delhi NCR region and Maharashtra (*Source: Technopak Report*) through direct sales to supermarkets, departments stores or indirect sales through wholesalers and distributors.

Modern and automated production process with a focus on quality control

Our production facilities are strategically located in proximity of our target markets, which minimises freight and logistics related time and expenses. We manufacture biscuits in our manufacturing facilities located in Phillaur and Rajpura (Punjab) and Tahliwal (Himachal Pradesh). We manufacture buns and breads in our manufacturing facilities located in Greater Noida (Uttar Pradesh), Khapoli (Maharashtra) and Bengaluru (Karnataka). In order to ensure that our products meet the desirable quality standards, we undertake manufacture majority of our products at our own facilities. In Financial Year 2018, 97.37% of our overall biscuits sold were manufactured in-house at our manufacturing facilities, whereas only 2.63% of our biscuits were sourced from third party manufacturers. Further, all our breads and buns are manufactured in-house. Our manufacturing facilities are equipped with advanced equipment and modern technology. For example, for manufacturing buns and breads, we have imported semi-automated bun and bread lines, which reduce the need for human intervention and help in increasing productivity and improving cost efficiency. For the baking process, we have imported specialized 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 chain, from procurement of the raw material to dispatch of the finished product. 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 Hardcastle Restaurants Private Limited and Mondelez India Foods Private Limited. We have a 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 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 consistent quality of wheat during the manufacturing process.

We have received several quality certifications for our products and production facilities, including certification of registration from the U.S. Food and Drugs Administration, certification from Food Safety and Standards Authority of India (FSSAI) for bread and bun products and certification from the British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits. We have also received Halal certification for manufacturing biscuits.

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 23 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. As our Managing Director, Mr. Anoop Bector provides strategic guidance to our Company, while also being involved in our day to day functioning. Mr. Ishaan Bector, our whole time director, heads our breads and buns business and is responsible for its 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 19.16% in the last three Financial Years under the leadership of Mr. Ishaan Bector.

Our Board and senior management have a track record and an in-depth understanding of the retail business. Key members of our senior management team including Mr. Manoj Verma who is the national sales director (domestic sales) of our Company (who has over 24 years of experience in sales and marketing) and Mr. Vishal Malik who is the international sales director (export sales) of our Company (who has over 17 years of experience in sales) 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 “***Management***” on page 166.

Strong financial profile and established track record

We have an established track record of strong financial performance and delivering returns to shareholders.

Particulars	Financial Year 2018	Financial Year 2017	Financial Year 2016	Financial Year 2015	Financial Year 2014
Consolidated Revenues from Operations (₹ million)	6,939.65	6,386.52	5,987.81	6,016.60	5,600.09
Gross Margin (%)[1]	44.36%	41.21%	44.43%	43.26%	40.27%
EBITDA Margin (%)[2 & 3]	12.18%	10.87%	12.54%	12.24%	10.93%
ROE (%)[4]	14.33%	12.92%	21.29%	18.49%	17.87%
ROCE (%)[5]	19.88%	17.87%	26.73%	22.60%	*-
Cash Flow from Operating activities (₹ million)	463.52	546.80	506.93	537.22	480.22
EBITDA to operating cash flows (%)	182.32	126.95	148.13	137.05	127.52
Working Capital cycle (days)[6]	35	25	37	28	21

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 = Earning before interest, taxes, depreciation and amortization excluding other income*
3. *EBITDA% = EBITDA / Revenue from operations*
4. *ROE has been calculated based on PAT and average shareholders funds during the year*
5. *ROCE = Earnings before tax and interest / Average capital employed. Capital Employed = Shareholders funds + Term loans + loans from related parties + working capital loans + current maturities of long term loans - cash and cash equivalents - Non-Current Investments - Capital Work-in-progress.*
   ROCE for Financial Year 2014 has not been included because the closing capital employed for Financial Year 2013 is not available on a comparable basis.
6. *Working Capital Days = Trade receivables days + inventory days - Trade Payable days*

Our Strategies

Expand our product reach in India and globally and increase our manufacturing capacity

While historically we have had a strong presence in North India, we intend to leverage our brands and expand our presence in the southern and western regions of India. As a part of our expansion strategy, we are in the process of setting up a new manufacturing facility in Dhar (Madhya Pradesh), which will help us in serving markets outside North India, especially in our target markets of Maharashtra and West Bengal and also cater to our export markets. We also seek to increase the capacity utilization of the plant situated in Greater Noida (Uttar Pradesh) for manufacturing breads and buns and our newly commissioned plant at Rajpura Punjab for manufacturing biscuits, breads and buns. We also intend to expand our distribution network to deepen our penetration in existing markets and to expand our presence in under-penetrated markets. In order to increase our distribution network in semi urban and urban markets, we intend to increase the sale of products through modern retail trade channels including hypermarkets and supermarkets.

In addition to increasing our presence in our existing export markets, we seek to expand our geographical footprint in order to access a more diversified customer base across 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 new offices in Dubai and certain parts of Africa to strengthen our presence in these markets.

Expand our product portfolio

We will continue to expand our product portfolio within the existing product segments and distribution reach, focus on increasing sales 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 capitalize on emerging trends. According to the Technopak Report, the QSR is one of the fastest growing segments in the food industry in India and expected to grow at a CAGR of 24% from Financial Year 2018 to Financial Year 2023. In order to cater to the demand of the growing QSR business segment, we have introduced frozen products, such as frozen pizzas, croissants and muffins. We also plan to introduce new frozen dough products which we primarily aim to cater to hotels restaurants and café's . We also intend to increase our research and development efforts on improving taste, food quality and safety. This would allow us to better serve the increasing demand from consumers for healthier, tastier and premium quality food products.

Leverage relationship with institutional customers to further grow institutional business segment

We have established strong relationships with various large multinational and Indian corporates and other institutional customers for the supply of buns and biscuits. Our institutional customers include Hardcastle Restaurants Private Limited, Burger King India Private Limited and Mondelez India Foods Private Limited. We strengthened our institutional business in 2007 as the preferred supplier of buns to Hardcastle Restaurants Private Limited, in India. 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 volumes to these institutional customers and their affiliates in India and globally.

Further, we have also commissioned a sheeting line capable of producing potato puff patties, croissants, focaccia breads, Panini breads, ciabatta breads, pan-o-choc at out Greater Noida facility. We have also added large blast freezing, individual quick freezing and holding freezers at our Greater Noida Facility. We intend to install blast freezers and holding freezers in our Bengaluru and Khapoli Facilities. Through commissioning of new technology, we intend to create a seamless capability to manufacture frozen products at all our manufacturing facilities. We believe that the commissioning of such new technologies, will also provide us with the opportunity to capitalize growth opportunities beyond the QSR business segment and allow us to serve customers in the casual dining restaurant business segment and the hotel, restaurant and café business segment.

Increase margins by focusing on expanding our product portfolio

Our strategy is also to diversify into products with higher margins. Currently, we offer various non-glucose category of biscuits including cookies, creams, crackers and digestives. According to the Technopak Report, the non-glucose biscuits market is expected to grow to ₹ 469.00 billion by Financial Year 2023 growing at a CAGR of 12.10% from Financial Year 2018 to Financial Year 2023. We also offer premium category of breads, including whole wheat, multigrain and sandwich breads. According to the Technopak Report, the market for premium breads and bakery products is estimated to grow to ₹ 14.00 billion by Financial Year 2023 growing at a CAGR of 16.50% from Financial Year 2018 to Financial Year 2023. We intend to expand our product offerings to include niche biscuit and bakery products such as niche biscuit, cookies, crackers and bakery products such as health range of biscuits, premium rich cookies, premium flaky crackers, soda crackers, croissants and filled pastry, which will help us realize higher margins. We have recently installed dedicated lines at our Rajpura (Punjab) facility to cater to production of high margin premium products. We believe that our focus on high margin products will provide higher returns and help us in increasing our profitability.

Increase our brand awareness

We seek to continuously allocate significant resources to establish '*Mrs. Bector's Cremica*' and '*English Oven*' as one of India's leading biscuit and bakery brands, respectively. 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. Our marketing plan comprises advertising in print media, digital, television and outdoor promotional campaigns, 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 believe that the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from:

- The Restated Standalone Financial Information of our Company, as at and for the Financial Years ended March 31, 2018, 2017, 2016, 2015 and 2014; and

- The Restated Consolidated Financial Information of our Company as at as at and for the Financial Years ended March 31, 2018, 2017, 2016, 2015 and 2014.

The Restated Financial Informations referred to above are presented under "***Financial Statements***" on page 192. 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 192 and 366, respectively.

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Restated Standalone Statement of Assets and Liabilities
(All amounts are in Rupees millions, unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
ASSETS					
Non-current assets					
Property, plant and equipment	2,289.14	1,897.53	1,481.53	1,532.12	1,569.32
Capital work-in-progress	920.79	117.86	193.97	15.74	13.40
Intangible assets	17.81	17.13	18.94	-	-
Intangible assets under development	-	5.55	-	-	-
Investment in subsidiaries	182.00	182.00	182.00	182.00	182.00
Investments accounted for using the equity method	17.48	17.48	17.48	17.48	6.96
Financial assets					
(i) Investments	-	-	-	0.12	0.12
(ii) Loans	31.63	32.66	24.15	21.21	18.05
(iii) Other financial assets	9.68	0.21	3.22	7.16	21.55
Non-current tax assets (net)	27.03	26.99	17.18	18.09	3.18
Other non-current assets	66.15	108.22	86.97	48.90	26.56
Total non-current assets	**3,561.71**	**2,405.63**	**2,025.44**	**1,842.82**	**1,841.14**
Current assets					
Inventories	344.20	262.74	313.92	263.70	253.13
Financial assets					
(i) Investments	0.18	48.26	102.70	50.35	79.22
(ii) Trade receivables	672.42	564.48	444.31	431.26	317.74
(iii) Cash and cash equivalents	51.81	127.74	65.68	57.44	59.90
(iv) Bank balances other than (iii) above	48.06	58.91	44.56	35.99	-
(v) Loans	-	4.37	36.08	16.68	7.12
(vi) Other financial assets	97.34	100.41	68.99	30.65	66.08
Other current assets	148.32	62.68	66.27	33.40	33.34
Total current assets	**1,362.33**	**1,229.59**	**1,142.51**	919.47	816.53
Total assets	**4,924.04**	**3,635.22**	**3,167.95**	**2,762.29**	**2,657.67**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	572.68	286.34	286.34	286.34	73.46
Other equity	1,979.71	1,988.34	1,773.80	1,413.86	1,341.11
Total equity	**2,552.39**	**2,274.68**	**2,060.14**	**1,700.20**	**1,414.57**
LIABILITIES					
Non-current liabilities					
Financial liabilities					
(i) Borrowings	956.93	356.65	176.25	266.88	409.11
Provisions	30.79	30.63	20.28	18.97	13.98
Deferred tax liabilities (net)	58.66	53.95	55.31	66.44	53.58
Other non-current liabilities	137.98	34.13	35.04	33.68	37.00
Total non-current liabilities	**1,184.36**	**475.36**	**286.88**	**385.97**	**513.67**
Current liabilities					
Financial liabilities					
(i) Borrowings	262.73	165.59	191.83	90.81	157.44
(ii) Trade payables					
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	375.87	356.47	245.57	263.21	232.07
(iii) Other financial liabilities	295.65	118.68	132.38	112.77	162.53
Other current liabilities	100.17	118.84	128.55	125.37	112.95
Provisions	126.80	112.96	94.25	69.02	48.85
Current tax liabilities (net)	26.07	12.64	28.35	14.94	15.59
Total current liabilities	**1,187.29**	**885.18**	**820.93**	**676.12**	**729.43**
Total liabilities	**2,371.65**	**1,360.54**	**1,107.81**	**1,062.09**	**1,243.10**
Total equity and liabilities	**4,924.04**	**3,635.22**	**3,167.95**	**2,762.29**	**2,657.67**

Restated Standalone Statement of Profit and Loss
(All amounts are in Rupees millions, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
				Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
Income						
Revenue from operations		6,533.31	6,015.11	5,721.62	5,768.37	5,402.58
Other income		35.91	23.53	110.48	16.83	27.57
Total income		**6,569.22**	**6,038.64**	**5,832.10**	**5,785.20**	**5,430.15**
Expenses						
Cost of materials consumed		3,576.48	3,300.29	3,058.22	3,163.69	2,726.89
Purchase of stock-in-trade		126.39	105.72	4.22	32.67	499.86
Changes in inventories of finished goods, stock-in-trade and work-in-progress		(70.38)	23.07	1.12	3.25	(24.86)
Excise duty		33.30	139.68	139.58	92.72	34.57
Employee benefits expense		867.84	768.68	764.63	662.21	504.58
Finance costs		55.29	38.64	39.41	67.37	71.03
Depreciation and amortisation expense		244.11	220.41	197.75	191.47	178.94
Other expenses		1,261.98	1,077.43	1,064.81	1,134.76	1,074.12
Total expenses		**6,095.01**	**5,673.92**	**5,269.74**	**5,348.14**	**5,065.13**
Profit before tax		**474.21**	**364.72**	**562.36**	**437.06**	**365.02**
Tax expense						
Current tax		150.23	114.69	178.93	139.88	106.52
Deferred tax		3.80	(0.53)	(11.08)	12.40	(0.33)
		154.03	114.16	167.85	152.29	106.19
Profit after tax as restated (A)		**320.18**	**250.56**	**394.51**	**284.77**	**258.83**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit plans		2.61	(2.39)	(0.17)	1.32	1.49
Income tax relating to remeasurement of defined benefit plans		(0.90)	0.83	0.06	(0.46)	(0.52)
Total other comprehensive income/(loss) for the year, net of tax (B)		**1.71**	**(1.56)**	**(0.11)**	**0.86**	**0.97**
Total comprehensive income for the year as restated (A+B)		**321.89**	**249.00**	**394.40**	**285.63**	**259.80**
Earnings per equity share [nominal value of Rs. 10 (previous year Rs.10)]	40					
Basic		5.59	4.38	6.89	4.97	4.52
Diluted		5.58	4.38	6.89	4.97	4.52

Restated Standalone Statement of Cash Flows
(All amounts are in Rupees millions, unless otherwise stated)

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
A.	**Cash flows from operating activities**					
	Profit before income tax (as restated)	474.21	364.72	562.36	437.06	365.02
	Adjustments for:					
	Depreciation and amortisation expense	244.11	220.41	197.75	191.47	178.94
	Provision for doubtful debts and advances	4.64	7.56	0.52	(0.52)	7.53
	Net gain on sale of investments	(0.67)	(2.26)	(5.26)	(1.64)	(7.42)
	Changes in fair value of financial assets at fair value through profit or loss	0.06	(3.30)	(6.72)	0.03	(10.87)
	Bad debts written off	1.91	5.32	10.05	0.11	7.12
	Dividend income on investments	18.15	-	0.01	-	0.03
	Net (gain)/loss on disposal of property, plant and	2.44	1.70	(82.44)	(0.06)	5.73
	Employee share-based payment expense	3.99	-	-	-	-
	Finance costs	55.29	38.64	39.41	67.37	71.03
	Interest income	(5.94)	(8.41)	(6.99)	(7.18)	(3.87)
	Operating profit before working capital changes (as restated)	**798.19**	**624.38**	**708.70**	**686.64**	**613.25**
	Changes in operating assets and liabilities					
	(Increase)/Decrease in loans	5.40	23.20	(22.34)	(12.72)	0.17
	(Increase)/ Decrease in other financial assets	3.19	(29.60)	(38.41)	35.50	(150.78)
	(Increase)/ Decrease in other assets	(85.64)	3.59	(32.87)	0.27	52.11
	(Increase)/Decrease in inventories	(81.46)	51.18	(50.22)	(10.57)	(46.11)
	(Increase)/Decrease in trade receivables	(114.49)	(133.05)	(23.62)	(113.11)	34.41
	Increase/(Decrease) in provisions	16.61	26.67	26.37	26.48	20.39
	Increase / (Decrease) in other liabilities	(18.27)	(5.27)	(4.08)	11.86	62.63
	Increase/(Decrease) in trade payables	19.40	110.90	(17.64)	31.14	(23.57)
	Increase/ (Decrease) in other financial liabilities	12.35	(44.85)	43.59	(0.32)	0.78
	Cash generated from operations	**555.28**	**627.15**	**589.47**	**655.17**	**563.29**
	Direct taxes (paid)/ received (net of refunds)	(136.84)	(140.21)	(164.61)	(155.44)	(102.72)
	Net cash inflow from operating activities - Total (A)	**418.44**	**486.94**	**424.86**	**499.72**	**460.56**
B.	**Cash flows from investing activities**					
	Purchase of property, plant and equipment (including capital work in progress and capital advances)	(1,181.12)	(567.50)	(399.44)	(195.93)	(353.11)
	Purchase of intangible assets (including intangible asset under development)	(0.81)	(7.81)	(18.94)	-	-
	Proceeds from sale of property, plant and equipment and intangibles	3.62	8.00	134.21	0.59	69.24
	Net proceeds of investments	48.69	60.00	(40.25)	30.48	(53.85)
	Purchase of investment in associates and subsidiaries	-	-	-	(10.52)	(103.93)
	Net redemption/(investments) in bank deposits (having original maturity of more than three months)	1.38	(11.34)	(4.63)	(21.60)	35.87
	Dividends received from subsidiaries	(18.15)	-	(0.01)	-	(0.03)
	Interest received	5.82	6.59	7.06	7.11	3.87
	Net cash outflow from investing activities - Total (B)	**(1,140.57)**	**(512.06)**	**(322.00)**	**(189.87)**	**(401.94)**
C.	**Cash flows from financing activities**					
	Proceeds/(repayments) from/to non-current borrowings	642.55	205.49	(140.57)	(176.42)	36.75
	Proceeds/(repayments) from/to current borrowings	97.14	(26.24)	101.02	(66.63)	(95.15)
	Interest paid	(54.52)	(37.48)	(40.74)	(69.26)	(71.13)
	Dividend paid on equity shares (including dividend distribution tax)	(38.97)	(54.59)	(14.33)	-	-
	Net cash outflow from financing activities - Total (C)	**646.20**	**87.18**	**(94.62)**	**(312.31)**	**(129.54)**
D.	**Net increase/ (decrease) in cash and cash equivalents (A+B+C)**	**(75.93)**	**62.06**	**8.24**	**(2.46)**	**(70.91)**
E.	**Cash and cash equivalents at the beginning of the year**	**127.74**	**65.68**	**57.44**	**59.90**	**111.23**
	Add : Cash and cash equivalents acquired pursuant to Composite Scheme of Arrangement	**-**	**-**	**-**	**-**	**19.58**
F.	**Cash and cash equivalents at the end of the year (D)+(E)**	**51.81**	**127.74**	**65.68**	**57.44**	**59.90**
	Reconciliation of cash and cash equivalents as per the cash flow statement					
	Cash and cash equivalents as per above comprise of the following					
	Cash and cash equivalents	51.81	127.74	65.68	57.44	59.90
	Balances per statement of cash flows	**51.81**	**127.74**	**65.68**	**57.44**	**59.90**

Restated Consolidated Statement of Assets and Liabilities
(All amounts are in Rupees million, unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
			Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
ASSETS					
Non-current assets					
Property, plant and equipment	2,545.78	2,173.73	1,780.13	1,829.40	1,887.52
Capital work-in-progress	920.79	117.84	193.95	15.74	13.56
Goodwill	7.27	7.27	7.27	7.27	7.27
Other intangible assets	17.81	17.13	18.94	-	-
Intangible assets under development	-	5.55	-	-	-
Investments accounted for using the equity method	38.82	38.65	38.34	38.05	27.77
Financial assets					
(i) Investments	-	-	-	0.12	0.12
(ii) Loans	33.56	34.81	26.21	24.08	21.10
(iii) Other financial assets	9.68	0.21	3.22	7.16	21.55
Non-current tax assets (net)	29.33	26.99	17.18	18.09	3.18
Other non-current assets	66.22	110.02	87.92	52.56	30.15
Total non-current assets	**3,669.26**	**2,532.20**	**2,173.16**	**1,992.47**	**2,012.22**
Current assets					
Inventories	353.49	276.09	325.24	273.72	259.07
Financial assets					
(i) Investments	0.18	48.26	102.70	50.35	79.22
(ii) Trade receivables	693.83	584.58	466.14	450.32	337.34
(iii) Cash and cash equivalents	58.76	136.08	67.14	59.58	61.94
(iv) Bank balances other than (iii) above	48.51	59.32	45.06	36.46	4.37
(v) Loans	-	-	-	-	7.12
(vi) Other financial assets	97.34	100.41	69.00	30.65	66.08
Other current assets	148.87	63.40	66.65	33.89	33.85
Total current assets	**1,400.98**	**1,268.14**	**1,141.93**	**934.97**	**848.99**
Total assets	**5,070.24**	**3,800.34**	**3,315.09**	**2,927.44**	**2,861.21**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	572.68	286.34	286.34	286.34	73.46
Other equity	2,098.33	2,070.44	1,818.39	1,444.44	1,363.92
Total equity	**2,671.01**	**2,356.78**	**2,104.73**	**1,730.78**	**1,437.38**
LIABILITIES					
Non-current liabilities					
Financial liabilities					
(i) Borrowings	956.93	373.71	230.98	362.86	524.03
Provisions	32.54	31.87	20.91	19.46	13.98
Deferred tax liabilities (net)	65.57	58.33	52.61	61.04	52.17
Other non-current liabilities	137.48	34.38	35.04	33.68	37.00
Total non-current liabilities	**1,192.52**	**498.29**	**339.54**	**477.04**	**627.18**
Current liabilities					
Financial liabilities					
(i) Borrowings	262.73	165.59	191.83	90.81	157.44
(ii) Trade payables					
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	389.70	377.85	259.37	270.85	269.67
(iii) Other financial liabilities	297.63	154.44	165.56	137.47	186.39
Other current liabilities	103.79	121.47	131.26	129.94	118.60
Provisions	126.86	112.99	94.27	69.03	48.96
Current tax liabilities (net)	26.00	12.93	28.53	21.52	15.59
Total current liabilities	**1,206.71**	**945.27**	**870.82**	**719.62**	**796.65**
Total liabilities	**2,399.23**	**1,443.56**	**1,210.36**	**1,196.66**	**1,423.83**
Total equity and liabilities	**5,070.24**	**3,800.34**	**3,315.09**	**2,927.44**	**2,861.21**

Restated Consolidated Statement of Profit and Loss
(All amounts are in Rupees million, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Income					
Revenue from operations	6,939.65	6,386.52	5,987.81	6,016.60	5,600.09
Other income	17.90	21.54	108.58	13.59	25.20
Total income	**6,957.55**	**6,408.06**	**6,096.39**	**6,030.19**	**5,625.29**
Expenses					
Cost of materials consumed	3,778.86	3,486.48	3,182.31	3,284.98	2,835.86
Purchase of stock-in-trade	119.68	105.72	4.22	32.67	499.86
Changes in inventories of finished goods, stock-in- trade and work-in-progress	(70.65)	22.64	1.05	3.62	(25.23)
Excise duty	33.30	139.68	139.58	92.72	34.57
Employee benefit expenses	913.07	809.43	794.61	687.06	527.61
Finance costs	57.78	45.02	50.41	83.18	86.37
Depreciation and amortisation expense	272.93	249.67	225.09	218.66	191.43
Other expenses	1,320.49	1,128.74	1,115.43	1,179.55	1,116.50
Total expenses	**6,425.46**	**5,987.38**	**5,512.70**	**5,582.44**	**5,266.97**
Profit before share of equity accounted investees and tax					
Share of net profit of associates accounted for using the equity method	0.17	0.31	0.29	0.25	1.43
Profit before tax	**532.26**	**420.99**	**583.98**	**448.00**	**359.75**
Tax expense					
Current tax	165.77	126.23	183.91	146.54	106.52
Deferred tax	6.31	6.60	(8.40)	8.42	(1.75)
	172.08	132.83	175.51	154.96	104.77
Profit after tax as restated (A)	**360.18**	**288.16**	**408.47**	**293.04**	**254.98**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit liability / (asset)	2.67	(2.52)	(0.09)	1.32	1.49
Income tax relating to abopve mentioned item	(0.92)	0.87	0.03	(0.46)	(0.52)
Total other comprehensive income / (loss) for the year (B)	**1.75**	**(1.65)**	**(0.06)**	**0.86**	**0.97**
Total comprehensive income for the year as restated (A+B)	**361.93**	**286.51**	**408.41**	**293.90**	**255.95**
Earnings per equity share [nominal value of Rs. 10 (previous year Rs.10)]					
Basic	6.29	5.03	7.13	5.12	4.45
Diluted	6.28	5.03	7.13	5.12	4.45

Restated Consolidated Statement of Cash Flows
(All amounts are in Rupees million, unless otherwise stated)

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
				Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
A.	**Cash flows from operating activities**					
	Profit before income tax (as restated)	532.26	420.99	583.98	448.00	379.11
	Adjustments for:					
	Depreciation and amortisation expense	272.93	249.67	225.09	218.66	191.43
	Provision for doubtful debts	4.64	7.56	0.52	(0.52)	7.53
	Net (gain)/loss on disposal of property, plant and equipment and intangible assets	2.44	1.79	(82.44)	(0.06)	6.02
	Loans written off (refer note 45)	-	-	-	7.12	-
	Net gain on sale of investments	(0.67)	(2.26)	(5.26)	(1.64)	(7.42)
	Bad debts written off	1.91	5.32	10.05	0.11	0.10
	Dividend income on investments	-	-	0.01	-	0.03
	Share of profit of associates	(0.17)	(0.31)	(0.29)	(0.25)	(1.43)
	Interest income	(6.08)	(6.42)	(4.87)	(6.07)	(4.14)
	Changes in fair value of financial assets at fair value through profit or loss	0.06	-	-	0.03	-
	Finance costs	57.78	45.02	50.41	83.18	86.37
	Employee share based payements	3.99	-	-	-	-
	Operating profit before working capital changes (as restated)	**869.09**	**721.36**	**777.20**	**748.56**	**657.59**
	Changes in operating assets and liabilities					
	(Increase)/Decrease in loans	1.25	(8.60)	(2.13)	(2.98)	(2.88)
	(Increase)/ Decrease in other financial assets	3.12	(31.21)	(34.49)	35.43	(150.78)
	(Increase)/ Decrease in other assets	(85.47)	3.25	(32.76)	0.29	51.38
	(Increase)/Decrease in inventories	(77.40)	49.15	(51.52)	(14.65)	(52.06)
	(Increase)/Decrease in trade receivables	(115.80)	(131.32)	(26.39)	(112.57)	21.84
	Increase/(Decrease) in provisions	17.21	27.16	26.60	26.87	20.50
	Increase / (Decrease) in other liabilities	(18.04)	(5.09)	(5.94)	10.78	65.15
	Increase/(Decrease) in trade payables	11.85	118.48	(11.48)	1.18	13.14
	Increase/ (Decrease) in other financial liabilities	12.75	(44.74)	43.82	(0.17)	(43.95)
	Cash generated from operations	**618.56**	**698.44**	**682.91**	**692.74**	**579.94**
	Direct taxes (paid)/ received (net of refunds)	(155.04)	(151.64)	(175.99)	(155.52)	(99.72)
	Net cash inflow from operating activities - Total (A)	**463.52**	**546.80**	**506.92**	**537.22**	**480.21**
B.	**Cash flows from investing activities**					
	Purchase of fixed assets (including capital work in progress and capital advances)	(1,189.19)	(575.82)	(424.91)	(200.43)	(447.88)
	Purchase of intangible assets (including intangible assets under development)	(0.81)	(7.81)	(18.94)	-	(0.29)
	Proceeds from sale of property, plant and equipment and intangibles	3.62	8.00	134.21	0.59	69.24
	Net proceeds of investments	48.69	56.70	(46.97)	30.48	(65.09)
	Purchase of investment in associates	0.00	0.00	0.00	(10.53)	(29.93)
	Net redemption/(investments) in bank deposits (having original maturity of more than three months)	1.34	(11.25)	(4.66)	(17.70)	34.31
	Dividends received from subsidiaries	-	-	(0.01)	-	(0.03)
	Interest received	6.03	6.22	1.01	6.07	4.14
	Net cash outflow from investing activities - Total (B)	**(1,130.32)**	**(523.96)**	**(360.27)**	**(191.52)**	**(435.52)**
C.	**Cash flows from financing activities ***					
	Proceeds/(repayments) from/to non-current borrowings	592.15	171.01	(174.58)	(196.36)	67.74
	Proceeds/(repayments) from/to current borrowings	97.14	(26.24)	101.02	(66.63)	(95.15)
	Interest paid	(57.32)	(44.08)	(51.21)	(85.07)	(86.47)
	Dividend paid on equity shares (including dividend distribution tax)	(42.49)	(54.59)	(14.33)	-	-
	Net cash outflow from financing activities - Total (C)	**589.48**	**46.10**	**(139.10)**	**(348.06)**	**(113.88)**
D.	**Net increase/ (decrease) in cash and cash equivalents (A)+(B)+('C)**	**(77.32)**	**68.94**	**7.56**	**(2.36)**	**(69.19)**
E.	**Cash and cash equivalents at the beginning of the year**	**136.08**	**67.14**	**59.58**	**61.94**	**111.55**
	Add : Cash and cash equivalents acquired pursuant to Composite Scheme of Arrangement					**19.58**
F.	**Cash and cash equivalents at the end of the year (D)+(E)**	**58.76**	**136.08**	**67.14**	**59.58**	**61.94**
	Reconciliation of cash and cash equivalents as per the cash flow statement					
	Cash and cash equivalents as per above comprise of the following					
	Cash and cash equivalents	58.76	136.08	67.14	59.58	61.94
	Balances per statement of cash flows	**58.76**	**136.08**	**67.14**	**59.58**	**61.94**

THE OFFER

The following table summarizes details of the Offer:

Offer(1)	Up to [●] Equity Shares aggregating up to ₹ 8,000.00 million
Of which:	
A. QIB Category(2) (3)	Not more than [●] Equity Shares
Of which:	
Anchor Investor Portion	Up to [●] Equity Shares
Balance available for allocation to QIBs other than Anchor Investor (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
Of which:	
Available for allocation to mutual funds only (5.00% of the QIB Category (excluding Anchor Investor Portion))	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Category(2)	Not less than [●] Equity Shares
C. Retail Category(2)	Not less than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	57,267,622
Equity Shares outstanding after the Offer	57,267,622
Use of proceeds of the Offer	Our Company will not receive any proceeds from the Offer for Sale. For details, see "***Objects of the Offer***" on page 89.

(1) *The Offer has been authorised by a resolution by our Board of Directors dated July 10, 2018 and a resolution of our Shareholders dated August 1, 2018. For details on authorisations of the Selling Shareholders with respect to their participation in the Offer in relation to their Offered Shares, see "**Other Regulatory and Statutory Disclosures**" on page 406.*

(2) *Subject to valid Bids being 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.*

(3) *Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors, which price shall be determined by the 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 shall be added back to the QIB Category. 5.00% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being 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 430.*

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***" beginning on page 430.

- For details, including grounds for rejection of Bids, refer to "***Offer Structure***" and "***Offer Procedure***" on page 421 and 430, respectively. For details of the terms of the Offer, see "***Terms of the Offer***" on page 425.

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 159.

Registration Number: 033417

Corporate Identity Number: U74899PB1995PLC033417

Registered Office

Mrs. Bectors Food Specialities Limited
Theing Road
Phillaur, Jalandhar 144 410
Punjab, India
Tel: (+91 1826) 225 418
Fax: (+91 1826) 222 915
Website: www.cremica.in

Corporate Office

Mrs. Bectors Food Specialities Limited
8th Floor, Block - B
Vatika Tower, Sector 54
Golf Course Road
Gurugram 122 002
Haryana, India
Tel: (+91 124) 4096 300

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
Tel: (+91 172) 263 9415/2639416

Board of Directors

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

Name and Designation	Age (in years)	DIN	Address
Mr. Subhash Agarwal *Designation*: Chairman and Independent Director	81	02782473	House No. 400/1, Rani Jhansi Road, Civil Lines, Ludhiana 141 001, Punjab, India
Mr. Anoop Bector *Designation:* Managing Director	55	00108589	House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India

Name and Designation	Age (in years)	DIN	Address
Mr. Ishaan Bector *Designation:* Whole Time Director	29	02906180	House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India
Mr. Parveen Kumar Goel *Designation:* Whole Time Director	54	00007297	House No. 230-A, Near Kali Mata Mandir, Rishi Balmiki Nagar, Ludhiana 141 001, Punjab, India
Ms. Rajni Bector *Designation*: Non-executive Director	78	00108730	House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India
Mr. Rahul Goswamy *Designation:* Non-Executive Nominee Director*	54	07357011	House 15, Bukit Tunggal Road, Singapore 309 699
Mr. Nem Chand Jain *Designation*: Independent Director	68	02894923	House No. B-19/1135, Rajpura Road, Behind Marino Ice Cream, Tagore Nagar, Ludhiana 141 001, Punjab, India
Mr. Rajiv Dewan *Designation:* Independent Director	56	00007988	96-F, Rishi Nagar, Ludhiana 141 001, Punjab

* *Nominee of Gateway Partners*

For brief profiles and further details in respect of our Directors, see "***Management***" on page 166.

Chief Financial Officer

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

Theing Road, Phillaur
Jalandhar 144 410
Punjab, India
Tel: (+91 1826) 225 418
Fax: (+91 1826) 222 915
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:

Theing Road, Phillaur
Jalandhar 144 410
Punjab, India
Tel: (+91 1826) 225 418
Fax: (+91 1826) 222 915
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, 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 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 Bid cum 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

IDFC Bank Limited
Naman Chambers
C-32, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: (+ 91 22) 7132 5500
Fax: (+91 22) 4222 2088
E-mail: mbfsl.ipo@idfcbank.com
Website: www.idfcbank.com
Investor Grievance E-mail: mb.ig@idfcbank.com
Contact Person: Gaurav Mittal/ Harsh Thakkar
SEBI Registration No.: MB/INM000012250

Edelweiss Financial Services Limited
14th Floor, Edelweiss House,
Off. CST Road, Kalina
Mumbai 400 098
Maharashtra, India
Tel: (+91 22) 4009 4400
Fax: (+91 22) 4086 3610
E-mail: cremica.ipo@edelweissfin.com
Website: www.edelweissfin.com
Investor Grievance E-mail:
customerservice.mb@edelweissfin.com
Contact Person: Disha Doshi/Jay Mehta
SEBI Registration No.: INM0000010650

IIFL Holdings Limited
10th Floor, IIFL Center, Kamala City
Senapati Bapat Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: (+91 22) 4646 4600
Fax: (+91 22) 2493 1073
E-mail: cremica.ipo@iiflcap.com
Website: www.iiflcap.com
Investor Grievance E-mail: ig.ib@iiflcap.com
Contact Person: Pinkesh Soni/Anant Gupta
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	IDFC, IIFL, Edelweiss	IDFC
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 Exchange, SEBI and RoC including finalisation of RHP, Prospectus and RoC filing	IDFC, IIFL, Edelweiss	IDFC
3.	Drafting and approval of all statutory advertisements	IDFC, IIFL, Edelweiss	Edelweiss
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	IDFC, IIFL, Edelweiss	Edelweiss

Sr. No.	Activity	Responsibility	Co-ordination
5.	Appointment of Registrar to the Offer, printers, Anchor escrow banks, Share escrow agent, advertising agency (including coordinating all agreements to be entered with such parties)	IDFC, IIFL, Edelweiss	IIFL
6.	Preparation of road show presentation and FAQs for the road show team	IDFC, IIFL, Edelweiss	IDFC
7.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy • Finalising the list and division of international investors for one-to-one meetings • Finalising international road show and investor meeting schedules	IDFC, IIFL, Edelweiss	IDFC
8.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Finalising the list and division of domestic investors for one-to-one meetings • Finalising domestic road show and investor meeting schedules	IDFC, IIFL, Edelweiss	IIFL
9.	Non-institutional marketing of the Issue which will cover, inter alia, formulating marketing strategies for non-institutional Investors	IDFC, IIFL, Edelweiss	Edelweiss
10.	Conduct retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget • Finalising collection centres • Finalising centres for holding conferences for press and brokers etc • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material	IDFC, IIFL, Edelweiss	Edelweiss
11.	Coordination with Stock Exchange for book building software, bidding terminals, mock trading, intimation to stock exchange for anchor portion and deposit of 1% security deposit	IDFC, IIFL, Edelweiss	Edelweiss
12.	Managing the book and finalization of pricing in consultation with our Company and the Selling Shareholders	IDFC, IIFL, Edelweiss	IDFC
13.	Post-Bidding activities – management of escrow accounts, coordinating underwriting, coordination of non-institutional allocation, finalization of the basis of allotment based on technical rejections, listing of instruments, demat credit and refunds/ unblocking of funds announcement of allocation and dispatch of refunds to Bidders, etc, payment of the applicable STT, coordination with SEBI and Stock Exchange for refund of 1% security deposit	IDFC, IIFL, Edelweiss	IIFL

Syndicate Members

[●]

Legal Counsel to the Company and Promoter Selling Shareholder as to Indian Law

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase - III
New Delhi 110 020
India
Tel: (+91 11) 4159 0700
Fax: (+91 11) 2692 4900

Legal Counsel to the BRLMs as to Indian Law

Cyril Amarchand Mangaldas
4th Floor, Prius Platinum
D-3, District Centre, Saket
New Delhi 110 017
India
Tel: (+91 11) 6622 9000
Fax: (+91 11) 6622 9009

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

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: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Bankers to the Offer

[●]

Statutory Auditors of our Company

BSR & Co. LLP, Chartered Accountants
Building No. 10, 8th Floor, Tower B
DLF Cyber City, Phase-II, Gurugram
Haryana 122 002
India
Tel: (+91 124) 719 1000
Fax: (+91 124) 235 8613
E-mail: rajivgoyal@bsraffiliates.com
Firm Registration Number: 101248W/W-100022
Peer Review Number: 009060

BSR & Co. LLP, Chartered Accountants by way of the certificate dated August 9, 2018, have confirmed that they hold a valid peer review certificate dated June 30, 2016 issued by the Peer Review Board of ICAI, New Delhi.

Bankers to our Company

HDFC Bank Limited	ICICI Bank Limited	State Bank of India
Plot # B/XIX/65/SE, The Mall Lower Ground Floor 1, 1st Mall Ludhiana 141 001 **E-mail:** sulabhj.jain@hdfcbank.com; pulkit.mehrotra@hdfcbank.com **Website:** www.hdfcbank.com **Contact Person:** Pulkit Mehrotra/Sulabh Jain **Tel:** +91 9478083351, +91 9356055157	Nehru Sidhant Kendra Trust Building Feroze Gandhi Market Ludhiana **E-mail:** manil.dhanda@icicibank.com **Website:** www.icicibank.com **Contact Person:** Manil Dhanda **Tel:** (+91 161) 520 3545	Industrial Finance Branch Golden Tower, Dholewal Chowk, Ludhiana Punjab 141 003 **E-mail:** sbi.04046@sbi.co.in **Website:** www.sbi.co.in **Contact Person:** Vineet Kaura **Tel:** +91 98153 58784 **Fax:** (+91 161) 253 9011

Self Certified Syndicate Banks

The list of SCSBs is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 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 www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

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.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the BSE at www.bseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the CRTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=7, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6, as updated from time to time.

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 Charted Accountants, holding a valid peer review certificate from ICAI, to include their name in this Draft Red Herring 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 Standalone Financial Information and Restated Consolidated Financial Information, each dated August 1 , 2018; and (ii) statement of tax benefits dated August 9 , 2018 and such consent has not been withdrawn as of the date of this Draft Red Herring 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 Soni Associates, chartered engineers, to include their name in the Draft Red Herring Prospectus as an "expert" as required under the Section 2(38) of the Companies Act, 2013. In connection with their certificate dated August 8, 2018 issued in relation to the installed and utilised capacities of our manufacturing facilities, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Monitoring Agency

The Offer being an Offer for Sale, our Company will not receive any proceeds from the Offer and accordingly our Company is not required to appoint a monitoring agency.

Grading of the Offer

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

Appraising Entity

The Offer being an Offer for Sale, the objects of the Offer have not been appraised.

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.

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 will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs and advertised in **[●]** editions of [●] (a widely circulated English national daily newspaper), **[●]** editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●], a Punjabi newspaper (Punjabi being the regional language of Punjab where our Registered Office is located), at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purposes of uploading on their respective website. The Offer Price shall be determined by our Company and Selling Shareholders, in consultation with the BRLMs after the Bid/ Offer Closing Date.

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

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors 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. Retail Individual Investors can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are 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 Proceedure**"* "***Offer Structure***" on page 430 and 421 respectively.

The Book Building Process is subject to change. Bidders are 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 (i) final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after the Prospectus is filed with the RoC.

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 can 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	50.00%
1,500	22.00	3,000	100.00%
2,000	21.00	5,000	166.67%
2,500	20.00	7,500	250.00%

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

After the determination of the Offer Price but prior to the filing of the Prospectus with the RoC, our Company and Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC

(in ₹ million)

Name, address, telephone, fax and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalized after the pricing and actual allocation and subject to the provisions of Regulation 13(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.

CAPITAL STRUCTURE

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

	Particulars	Aggregate nominal value (in ₹)	Aggregate value at Offer Price (in ₹)
A)	**AUTHORISED SHARE CAPITAL***		
	57,850,000 Equity Shares	578,500,000.00	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	57,267,622 Equity Shares	572,676,220.00	-
C)	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer for Sale of up to [●] Equity Shares**	[●]	up to 8,000,000,000
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	57,267,622 Equity Shares	572,676,220.00	-
E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		243,833,973.00
	After the Offer		243,833,973.00

For details in relation to the changes in the authorised share capital see "History and Certain Corporate Matters – Amendments to our Memorandum of Association**" on page 159.*

***The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on July 10, 2018 and authorised by the our Shareholders pursuant to their resolution dated August 1, 2018. For details on authorisation of the Selling Shareholders in relation to their respective portion of their Offered Shares, see "**Other Regulatory and Statutory Disclosures**"on page 406.*

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)	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/ Nature of allotment	Number of Equity Shares	Nominal paid-up Equity Share capital (₹)
September 15, 1995	20	10	10	Cash	Subscription to the MOA(1)	20	200
May 11, 2001	704,000	10	10	Cash	Preferential Allotment(2)	704,020	7,040,200
January 12, 2007	66,805	10	2,637	Cash	Preferential Allotment(3)	770,825	7,708,250
September 30, 2010	223,018	10	10	Cash	Conversion of Series A Preference shares and Series B Preference Shares into Equity Shares(4)	993,843	9,938,430
March 30, 2011	28,821,447	10	NA	NA	Bonus issue of Equity Shares in the ratio of 29:1 (5)	29,815,290	298,152,900
April 1, 2013	(22,469,418)	*Pursuant to the Scheme of Amalgamation and Arrangement, the paid-up share capital of the Company was cancelled and*				7,345,872	73,458,720

					*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 – Scheme of Amalgamation and Arrangement**" on page 162*		
September 10, 2014	21,287,939	10	NA	Other than Cash	Pursuant to the Scheme of Amalgamation and Arrangement(6)	28,633,811	286,338,110
July 14, 2017	28,633,811	10	NA	NA	Bonus issue of Equity Shares in the ratio of 1:1(7)	57,267,622	572,676,220
TOTAL						57,267,622	572,676,220

(1) 10 Equity Shares were allotted to Mr. Chitranjan Dua and 10 Equity Shares were allotted to Mr. Deepak Adlakha pursuant to subscription to the MOA.
(2) 2,500 Equity Shares were allotted to Mr. Dharamvir Bector, 2,500 Equity Shares were allotted to Mr. Ajay Bector, 2,500 Equity Shares were allotted to Mr. Anoop Bector, 2,500 Equity Shares were allotted to 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 were allotted to Cremica Foods Limited and 100,000 Equity Shares were allotted to Cremica Agro Foods Limited.
(3) 66,805 Equity Shares were allotted to Cremica Agro Foods Limited.
(4) 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.
(5) 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.
*(6) 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 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 – Scheme of Amalgamation and Arrangement**" on page 162.*
(7) 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 Private Limited, 690,075 Equity Shares were allotted to Mabel Private Limited, 5,585,248 Equity Shares were allotted to GW Crown Pte. Ltd., 549,770 Equity shares were allotted to GW Confectionary Pte. Ltd.

(b) History of preference share capital of our Company

Date of allotment/	Number of Preference shares#	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for/ Nature of allotment	Cumulative number of Preference Shares	Cumulative nominal paid-up Preference Share capital (₹)
Series A Preference Shares							
August 21, 2006	100,000	50	2,000	Cash	Allotment(1)	100,000	5,000,000
Series B Preference Shares							
January 12, 2007	260,000	50	2,000	Cash	Allotment(2)	260,000	13,000,000
Total						**NIL**	**NIL**

(1) 100,000 optionally convertible redeemable preference shares were allotted to Jade Dragon (Mauritius) Limited.
(2) 260,000 compulsorily convertible preference shares were allotted to Jade Dragon (Mauritius) Limited.
*# 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 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 76.*

(c) **Issue of Equity Shares in the last one year below the Offer Price**

Our Company has not issued any Equity Shares in the last one year.

(d) **Equity Shares issued for consideration other than cash or bonus or out of revaluation reserves**

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. Further, none of the issuance of bonus shares are out of revaluation reserves.

Date of allotment	Number of Equity Shares	Face Value (₹)	Nature of consideration	Reason of nature of allotment
March 31, 2011	28,821,447	10	Bonus	Bonus issue of Equity Shares in the ratio of 29:1
September 10, 2014	21,287,939	10	Other than cash	Pursuant to the Scheme of Amalgamation and Arrangement
July 14, 2017	28,633,811	10	Bonus	Bonus issue of Equity Shares in the ratio of 1:1

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

As on the date of this Draft Red Herring Prospectus, our Promoter Mr. Anoop Bector holds 22,848,674 Equity Shares constituting 39.90% 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	Number of Equity Shares	Nature of Transaction	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
May 11, 2001	2,500	Allotment	10	10	0.00*	[●]
March 31, 2011	72,500	Bonus issue of Equity Shares in the ratio of 29:1	10	N.A.	0.13	[●]
September 10, 2014	1,881,440	Allotment pursuant to the Scheme of Amalgamation and Arrangement	10	NA	3.29	[●]
December 26, 2014	2,709,784	Transfer(1)	10	Gift	4.73	[●]
June 10, 2015	2,489,710	Transfer(2)	10	Gift	4.35	[●]
August 24, 2015	2,221,486	Transfer(3)	10	Gift	3.88	[●]
September 2, 2015	2,489,709	Transfer(4)	10	Gift	4.35	[●]
September 17, 2015	(2,221,486)	Transfer(5)	10	Gift	(3.88)	[●]
October 21, 2015	(25,000)	Transfer(6)	10	349.24	(0.04)	[●]
October 30, 2015	264,477	Transfer(7)	10	72	0.46	[●]
November 3, 2015	491,171	Transfer(8)	10	72	0.86	[●]
December 11, 2015	366,814	Transfer(9)	10	72	0.64	[●]
April 4, 2016	681,232	Transfer (10)	10	72	1.19	[●]
July 14, 2017	11,424,337	Bonus Issue	10	Nil	19.95	[●]
Total	**22,848,674**				**39.90**	[●]

**Negligible*

(1) Transfer of 216,226 Equity Shares by Ms. Rajni Bector, 501,325 Equity Shares by Mr. Dharamvir Bector, 1,992,233 Equity

Shares by Mr. Akshay Bector.

(2) *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.*

(3) *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.*

(4) *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.*

(5) *Transfer of 2,221,486 Equity Shares from Mr. Anoop Bector to Mr. Ajay Bector.*

(6) *Transfer of 25,000 Equity Shares to Linus Private Limited.*

(7) *Transfer of 264,477 Equity Shares by Motilal Oswal Securities Limited on behalf of IL&FS Trust Company Limited.*

(8) *Transfer of 491,171 Equity Shares by India Business Excellence Fund-I.*

(9) *Transfer of 366,814 Equity Shares by Motilal Oswal Securities Limited.*

(10) *Transfer of 681,232 Equity Shares by India Business Excellence Fund-I.*

I. *Shareholding of the Promoter and the Promoter Group*

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

S. No.	Name of the shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	Percentage of issued Equity Share capital (%)	Number of Equity Shares	Percentage of issued Equity Share capital (%)
Promoter					
1.	Mr. Anoop Bector	22,848,674	39.90	[●]	[●]
Total (A)		**22,848,674**	**39.90**	**[●]**	**[●]**
	Members of the Promoter Group				
2.	Ms. Rashmi Bector	1,212,596	2.12	[●]	[●]
3.	Mr. Ishaan Bector	2,386,358	4.16	[●]	[●]
4.	Mr. Suvir Bector	1,585,156	2.77	[●]	[●]
5.	Anoop Bector HUF	2,005,970	3.50	[●]	[●]
Total (B)		**7,190,080**	**12.55**	**[●]**	**[●]**
Total (A+B)		**30,038,754**	**52.45**	**[●]**	**[●]**

II. Details of lock -in

(a) *Details of Promoter's contribution and lock-in*

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, at least an aggregate of 20.00% of the fully diluted post-Offer equity share capital of our Company held by our Promoter shall be locked-in for a period of three years from the date of Allotment and our Promoter shareholding in excess of 20.00% shall be locked in for a period of one year from date of Allotment.

The Equity Shares that are being locked-in are not and will not be ineligible for computation of minimum Promoter's contribution under Regulation 33 of the SEBI ICDR Regulations. In this regard, our Company confirms that the Equity Shares being locked-in do not consist of:

(i) Equity Shares acquired during the preceding three years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets; or (b) result from a bonus issue by utilization of revaluation reserves or unrealized profits of our Company or from a bonus issue against Equity Shares which are ineligible for computation of minimum Promoter's contribution;

(ii) Equity Shares acquired by our Promoter during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the Offer price; and

(iii) Our Company has not been formed by conversion of one or more partnership firms, and hence no Equity Shares have been allotted to our Promoter in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm.

Further, our Promoter specifically confirms that the Equity Shares held by our Promoter that are offered as part of the minimum Promoter's contribution are not subject to any pledge or any other encumbrance.

All shares held by our Promoter are in dematerialized form as on the date of this Draft Red Herring Prospectus.

The details of the Equity Shares held by our Promoter and locked-in as minimum Promoter's contribution are given below:

Name of the Promoter	No. of Equity Shares locked in	Date of allotment/ transfer of Equity Shares	Nature of transaction	Face value per Equity Share (₹)	Issue/ acquisition price per Equity Share (₹)	Percentage (%) to pre-offer paid-up capital	Percentage (%) to post-offer paid-up capital
Mr. Anoop Bector	[●]	[●]	[●]	[●]	[●]	[●]	[●]
TOTAL	[●]	[●]	[●]	[●]	[●]	[●]	[●]

All the Equity Shares held by our Promoter were fully paid-up on the respective dates of acquisition of such Equity Shares.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and has been contributed by the person defined as a promoter under the SEBI ICDR Regulations.

(b) *Details of share capital locked in for a year*

Except the Equity Shares subscribed to and Allotted pursuant to the Offer for Sale, the entire pre-Offer equity share capital of our Company will be locked-in for a period of one year from the date of Allotment. However this provision of lock-in is not applicable to: (i) Equity Shares allotted to certain employees of our Company pursuant to the ESOP Plan 2017 (ii) Equity Shares which would be successfully transferred in the Offer for Sale by the Selling Shareholders and (iii) Equity Shares held by Shareholders who are registered as VCFs, category I AIFs, category II AIFs or FVCI as per the provisions of Regulation 37(b) of the SEBI ICDR Regulations. Any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations

(c) *Lock-in of Equity Shares to be Allotted, if any, to Anchor Investors*

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

(d) *Other Requirements in respect of lock-in*

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoter can be pledged with any scheduled commercial bank or public financial institution as collateral security for loans granted by such scheduled commercial bank or public financial institution, provided that (i) if the Equity Shares are locked-in as minimum Promoter's contribution for three years under Regulation 36(a) of the SEBI ICDR Regulations, then such shares may be pledged only if the loan has been granted by the scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Offer; and (ii) if the Equity Shares not forming part of minimum Promoter's contribution are locked-in under Regulation 36(b) of the SEBI ICDR Regulations for one year, the pledge of such Equity Shares is one of the terms of the sanction of the loan.

Pursuant to Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by our Promoter, which are locked-in in accordance with Regulation 36 of the SEBI ICDR Regulations, may be transferred to any Promoter, any member of the Promoter Group, or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Regulations, as applicable, and such transferee shall not be eligible to transfer them until the lock-in period stipulated in SEBI ICDR Regulations has expired.

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by Shareholders other than our Promoter which are locked-in in accordance with Regulation 37 of the SEBI ICDR Regulations, may be transferred to any other person holding shares which are locked-in, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Regulations, as applicable, and such transferee shall not be eligible to transfer them until the lock-in period stipulated in SEBI ICDR Regulations has expired.

3. Our shareholding pattern

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring 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 dematerialized from (XIV)
								No. of Voting Rights			Total as a % of total voting rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Equity shares	Class eg: Y	Total								
(A)	Promoter & Promoter Group	5	30,038,754	-		30038754	52.45	.		.	.	-	52.45	-	-.	-.	-	52.45
(B)	Public	5	27,228,868	-		27,228,868	47.55					-	47.55	-	-	-	-	47.55
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(1)	Shares underlying Custodian/Depository Receipts	-	-	-		-	-					-	-	-	-	-	-	-
(2)	Shares held by Employee Trusts	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**10**	**57,267,622**	**0**	**0**	**57,267,622**	**100**	**-**	**-**	**-**	**-**	-	**100**	**-**	**-**	**-**	**-**	**100**

4. Except as stated in "***Management - Shareholding of our Directors***" and "***Management - Shareholding of Key Management Personnel***" on page 171, none of our Directors or Key Management Personnel hold any Equity Shares in our Company.

5. As on the date of this Draft Red Herring Prospectus, our Company has 10 Shareholders.

6. **10 largest shareholders of our Company**

(a) The 10 largest Shareholders as on the date of this Draft Red Herring Prospectus and the number of Equity Shares held by them are as set forth below.

S. No.	Name of Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Mr. Anoop Bector	22,848,674	39.90
2.	Linus Private Limited	13,120,790	22.91
3.	GW Crown Pte. Ltd.	11,170,496	19.51
4.	Mr. Ishaan Bector	2,386,358	4.16
5.	Anoop Bector HUF	2,005,970	3.50
6.	Mr. Suvir Bector	1,585,156	2.77
7.	Mabel Private Limited	1,380,150	2.41
8.	Ms. Rashmi Bector	1,212,596	2.12
9.	GW Confectionary Pte. Ltd.	1,099,540	1.92
10.	Mr. Ajay Bector	457,892	0.80
	Total	**57,267,622**	**100.00**

(b) The 10 largest Shareholders as on ten days prior to the date of this Draft Red Herring Prospectus and the number of Equity Shares held by them are as set forth below.

S. No.	Name of Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Mr. Anoop Bector	22,848,674	39.90
2.	Linus Private Limited	13,120,790	22.91
3.	GW Crown Pte. Ltd.	11,170,496	19.51
4.	Mr. Ishaan Bector	2,386,358	4.16
5.	Anoop Bector HUF	2,005,970	3.50
6.	Mr. Suvir Bector	1,585,156	2.77
7.	Mabel Private Limited	1,380,150	2.41
8.	Ms. Rashmi Bector	1,212,596	2.12
9.	GW Confectionary Pte. Ltd.	1,099,540	1.92
10.	Mr. Ajay Bector	457,892	0.80
	Total	**57,267,622**	**100.00**

(c) Our 10 largest Shareholders as of two years prior to the date of this Draft Red Herring Prospectus, are set forth below.

S. No.	Name of Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Mr. Anoop Bector	11,424,337	39.90
2.	Linus Private Limited	6,560,935	22.91
3.	GW Crown Pte. Ltd.	5,585,248	19.51
4.	Mr. Ishaan Bector	1,193,179	4.17
5.	Anoop Bector HUF	1,002,985	3.50
6.	Mr. Suvir Bector	792,578	2.77
7.	Mabel Private Limited	690,075	2.41
8.	Ms. Rashmi Bector	606,298	2.12
9.	GW Confectionary Pte. Ltd.	549,770	1.92
10.	Mr. Ajay Bector	228,946	0.80
	Total	**28,633,811**	**100.00**

7. **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 Employee Stock Option Plan 2017 ("**ESOP Plan 2017**") which became effective from June 30, 2017 and continues to be in force as on the date of this Draft Red Herring 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:

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>141,742 as on July 31, 2018
<table>
<tr><th>Date</th><th>Number of grants</th></tr>
<tr><td>June 30, 2017</td><td>70,871</td></tr>
<tr><td>July 14, 2017 (increased due to bonus issue in the ratio of 1:1)</td><td>70,871</td></tr>
<tr><td>Total</td><td>141,742</td></tr>
</table></td></tr>
<tr><td>The pricing formula</td><td>As per Black Scholes Method</td></tr>
<tr><td>Exercise price of options (as of the date of grant of options)</td><td>₹ 174.62</td></tr>
<tr><td>Vesting Period</td><td>Employees Stock Option Plan - 2017 (Grant 1):
2 years and 9 months service from grant date
<table>
<tr><th>Vesting Date</th><th>No. of shares</th></tr>
<tr><td>July 1, 2018</td><td>42,952</td></tr>
<tr><td>April 1, 2019</td><td>21,472</td></tr>
<tr><td>April 1, 2020</td><td>21,478</td></tr>
<tr><td>Total</td><td>85,902</td></tr>
</table>
Employees Stock Option Plan - 2017 (Grant 2)
3 years and 9 months service from grant date
<table>
<tr><th>Vesting Date</th><th>No. of shares</th></tr>
<tr><td>April 1, 2019</td><td>18,606</td></tr>
<tr><td>April 1, 2020</td><td>18,628</td></tr>
<tr><td>April 1, 2021</td><td>18,606</td></tr>
<tr><td>Total</td><td>55,840</td></tr>
</table></td></tr>
<tr><td>Total options vested (excluding forfeited/lapsed/ cancelled/ and including exercised options) till July 31,</td><td>42,951</td></tr>
<tr><td>Options forfeited/lapsed/cancelled as on July 31, 2018</td><td>Nil</td></tr>
<tr><td>Options exercised till July 31, 2018</td><td>Nil</td></tr>
<tr><td>Total number of Equity Shares arising as a result of exercise of granted options (including exercised options) as on July 31, 2018</td><td>Existing Equity Shares: 57,267,622
Add: Options granted: 141,742
Total No. of shares 57,409,364</td></tr>
<tr><td>Variation in terms of options</td><td>No variations till date</td></tr>
<tr><td>Money realised by exercise of options as on July 31, 2018</td><td>Nil</td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Total number of options in force (including vested options, excluding exercised options) as on July 31, 2018</td><td>141,742</td></tr>
<tr><td>Employee wise details of options granted to</td><td></td></tr>
<tr><td>(i) Senior managerial personnel i.e. Directors and key management personnel</td><td>
<table>
<tr><th>Name of employee</th><th>Granted</th><th>Options Exercised</th><th>Outstanding</th></tr>
<tr><td>Mr. Parveen Kumar Goel</td><td>17,180</td><td>-</td><td>17,180</td></tr>
</table>
</td></tr>
<tr><td>(ii) Any other employee who received a grant in any one year of options amounting to 5.00% or more of the options granted during that year</td><td>
<table>
<tr><th>Name of employee</th><th>Granted</th><th>Options Exercised</th><th>Outstanding</th></tr>
<tr><td>Mr. Manoj Verma</td><td>28,634</td><td>-</td><td>28,634</td></tr>
<tr><td>Mr. Vishal Malik</td><td>22,908</td><td>-</td><td>22,908</td></tr>
<tr><td>Mr. Parveen Kumar Goel</td><td>17,180</td><td>-</td><td>17,180</td></tr>
<tr><td>Mr. Neeraj Agarwal</td><td>17,180</td><td>-</td><td>17,180</td></tr>
</table>
</td></tr>
<tr><td>(iii) Identified employees who are granted options, during any one year equal to exceeding 1.00% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant</td><td>Nil</td></tr>
<tr><td>Fully diluted EPS pursuant to issue of Equity Shares on exercise of options calculated in accordance with Ind Accounting Standard (Ind AS) 33 ‘Earning Per Share’</td><td>
<table>
<tr><th>F.Y.</th><th>Diluted EPS (₹)</th></tr>
<tr><td>2017-18</td><td>6.28</td></tr>
</table>
</td></tr>
<tr><td>Difference, if any, between employee compensation cost using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if the Company has used fair value of options and impact of this difference on profits and EPS of the Company</td><td>Nil

(The employee compensation cost has been calculated on the basis of fair value of stock options)</td></tr>
<tr><td>Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years</td><td>
<table>
<tr><th>F.Y.</th><th>Impact on Profits {Increase/(decrease)} (Amount in ₹ million)</th><th>Impact on EPS {Increase/(decrease)} (Amount in ₹)</th></tr>
<tr><td>2017-18</td><td>(3.99)</td><td>(0.07)</td></tr>
</table>
</td></tr>
<tr><td>Weighted-average exercise prices and weighted-average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td>
<table>
<tr><th>Grant</th><th>Weighted average exercise price</th><th>Weighted average Fair value of options</th></tr>
<tr><td>Grant 1</td><td>174.62</td><td>124.01</td></tr>
<tr><td>Grant 2</td><td>174.62</td><td>143.94</td></tr>
</table>
</td></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, 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 the option.</td><td>
<table>
<tr><th>Particulars</th><th>Vest 1</th><th>Vest 2</th><th>Vest 3</th><th>Vest 4</th></tr>
<tr><td>Expected Time to Expiration (years)</td><td>3.00</td><td>3.75</td><td>4.75</td><td>5.75</td></tr>
<tr><td>Volatility</td><td>34.90%</td><td>34.62%</td><td>37.25%</td><td>36.65%</td></tr>
<tr><td>Continuous Risk-free Interest Rate</td><td>6.22%</td><td>6.33%</td><td>6.42%</td><td>6.50%</td></tr>
<tr><td>Expected Dividend (%)</td><td>0.27%</td><td>0.27%</td><td>0.27%</td><td>0.27%</td></tr>
</table>
</td></tr>
<tr><td>Vesting conditions</td><td>Employees Stock Option Plan - 2017 (Grant 1):
2 years and 9 months service from grant date
<table>
<tr><th>Vesting Date</th><th>No. of shares</th></tr>
<tr><td>July 1, 2018</td><td>42,952</td></tr>
<tr><td>April 1, 2019</td><td>21,472</td></tr>
<tr><td>April 1,2020</td><td>21,478</td></tr>
<tr><td>Total</td><td>85,902</td></tr>
</table>
Employees Stock Option Plan - 2017 (Grant 2)
3 years and 9 months service from grant date
<table>
<tr><th>Vesting Date</th><th>No. of shares</th></tr>
<tr><td>April 1, 2019</td><td>18,606</td></tr>
</table>
</td></tr>
</table>

Particulars	Details
	April 1, 2020 — 18,628 April 1, 2021 — 18,606 **Total** — **55,840**
Lock-in	No lock in period
Aggregate number of Equity Shares intended to be sold by the holders of Equity Shares allotted on exercise of options granted under the Employees Stock Option Plan - 2017 within three months after the listing of Equity Shares pursuant to the Offer	No employee has communicated his/her intention to sell shares within three months after the listing of Equity Shares pursuant to the offer
Quantum of Equity Shares arising out of or allotted under the Employees Stock Option Plan - 2017 intended to be sold within three months after the date of listing, by Directors, senior managerial personnel and employees having Equity Shares issued under the Employees Stock Option Plan - 2017 amounting to more than 1.00% of the issued capital of the Company (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 1.00% of the issued capital

8. Except as disclosed in this Draft Red Herring Prospectus, none of our Directors and their immediate relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the SEBI. Except as disclosed in this Draft Red Herring Prospectus, none of the members of our Promoter Group have purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the SEBI.

9. Our Company, Directors and the BRLMs have not entered into any buy back and/or standby arrangements or any safety net arrangements for the purchase of Equity Shares being offered through this Offer from any person.

10. No person connected with the Offer, including, but not limited to, our Company, the members of the Syndicate, our Directors, our Promoter, members of our Promoter Group and Group Company shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid except for fees or commission for services rendered in relation to the Offer.

11. No payment, direct or indirect benefit in the nature of discount, commission and allowance or otherwise shall be offered or paid by our Company to any person in connection with making an application for or receiving any Equity Shares pursuant to this Offer.

12. The Offer is being made in terms of Rule 19(2)(b)(ii) of the Securities Contracts (Regulation) Rules, 1957, as amended, the Offer is being made through the Book Building Process, in compliance with Regulation 26(1) of the SEBI ICDR Regulations, wherein 50.00% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Category to Anchor Investors on a discretionary basis, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors. Further, 5.00% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Offer shall be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being

received at or above the Offer Price. All Investors (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount process, and shall provide details of their respective bank account in which the Bid Amount will be blocked by the Self Certified Syndicate Banks. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "***Offer Procedure***" on page 430.

13. None of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered.

14. An oversubscription to the extent of 10.00% of the Offer can be retained for the purpose of rounding-off to the nearest multiple of minimum Allotment lot while finalizing the Basis of Allotment.

15. Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange.

16. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

17. Other than the options granted pursuant to ESOP Plan 2017, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

18. 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.

19. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

20. Except for any Equity Shares to be issued pursuant to any exercise of options granted pursuant to ESOP Plan 2017 post filing of the Draft Red Herring Prospectus and prior to the filing of the Red Herring Prospectus, 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 Exchange or all application monies have been refunded, as the case may be.

21. Except for any Equity Shares to be issued on any exercise of options granted pursuant to ESOP Plan, 2017 post filing of the Draft Red Herring Prospectus and prior to the filing of the Red Herring Prospectus, our Company presently does not intend or propose to alter its capital structure for six months from the Bid/Offer Opening Date, including by way of a split or consolidation of the denomination of the Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise.

22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

23. Except for Mutual Funds sponsored by entities related to the BRLMs, Syndicate members and any persons related to the BRLMs or Syndicate members cannot apply in the Offer under the Anchor Investor Portion.

24. A Bidder cannot make a Bid exceeding the number of Equity Shares offered through this Offer and is subject to the investment limits or maximum number of Equity Shares that can be held by them under applicable law. For further details, see "***Offer Procedure***" on page 430.

25. Our members of Promoter Group and except for the sale of the Offered Shares in the Offer for Sale, our Promoter will not submit bids or participate in the Offer

26. Our Company shall ensure that any transaction in the Equity Shares by our Promoter or members of Promoter Group during the period between the date of registering the Red Herring Prospectus filed in

relation to this Offer with the ROC and the date of closure of the Offer shall be reported to Stock Exchange within 24 hours of the transaction.

27. The BRLMs and their respective associates do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

28. 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 during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchange and for the sale of up to [●] Equity Shares by the Selling Shareholders aggregating up to ₹ 8,000.00 million. For further details, see *"**The Offer**"* on page 66.

Our Company expects that listing of the Equity Shares will enhance our visibility and brand and provide liquidity to its existing Shareholders. Listing will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer. All proceeds from the Offer will go to the Selling Shareholders, in proportion to the Equity Shares offered by them in the Offer for Sale.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, fees payable to BRLMs, underwriting and lead management fees, selling commissions and brokerage, Bankers to the Offer, SCSBs' commissions/ fees, printing, stationery expenses, distribution expenses, legal fees, Offer related advertisements and publicity, registrar and depository fees and listing fees.

Other than listing fees, which will be solely paid by the Company and fees for counsel to the Selling Shareholders, which shall be borne by the respective Selling Shareholders, all costs, fees and expenses with respect to the Offer will be shared between the Selling Shareholders, in proportion to their respective portion of the Offered Shares, upon successful completion of the Offer.

The estimated Offer expenses are as under:

(in ₹ million)

Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees payable to the BRLMs (including underwriting fees and selling commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar	[●]	[●]	[●]
Fees payable to the Bankers to the Offer, brokerage and selling commission payable to Registered Brokers, CRTAs and CDPs as applicable**	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs or procured by Registered Brokers, CRTAs or CDPs and submitted with the SCSBs**	[●]	[●]	[●]
Listing fees and other regulatory expenses	[●]	[●]	[●]
Other expenses (legal fees, printing and stationery expenses, etc.)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

**Will be incorporated at the time of filing of the Prospectus.*

*** Disclosure of commission and processing fees will be incorporated at the time of filing the Red Herring Prospectus.*

Monitoring of Utilisation of funds

As the Offer is an offer for sale, our Company will not receive any proceeds from the offer. Accordingly, our Company is not required to appoint a monitoring agency for the Offer.

BASIS FOR OFFER PRICE

The Offer Price will be 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 [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Bidders should also refer to the sections titled "***Risk Factors***", "***Business***" and "***Financial Statements***" on pages 16, 135 and 192, 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:

- Established brands with a diversified product portfolio of mid and premium products
- A leading exporter of biscuits
- A leading supplier of buns to the fast growing QSR industry
- Wide spread and established sales and distribution network
- Modern and automated production process with a focus on quality control
- Experienced promoter and management team

For further details, see "***Business – Our Strengths***" on page 137.

Quantitative Factors

Information presented in this section is derived from the Restated Financial Information.

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

1. **Basic and Diluted Earnings/Loss per Share ("EPS")**

As per our Restated Standalone Financial Information:

Year/Period ended	Basic EPS (₹)	Weight
March 31, 2018	5.59	3
March 31, 2017	4.38	2
March 31, 2016	6.89	1
Weighted Average	5.40	

Year/Period ended	Diluted EPS (₹)	Weight
March 31, 2018	5.58	3
March 31, 2017	4.38	2
March 31, 2016	6.89	1
Weighted Average	5.40	

As per our Restated Consolidated Financial Information:

Year/Period ended	Basic EPS (₹)	Weight
March 31, 2018	6.29	3
March 31, 2017	5.03	2
March 31, 2016	7.13	1
Weighted Average	6.01	

Year/Period ended	Diluted EPS (₹)	Weight
March 31, 2018	6.28	3
March 31, 2017	5.03	2
March 31, 2016	7.13	1
Weighted Average	6.01	

Notes:

(1) *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total 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) = Net Profit/(loss) after tax, as restated, attributable to equity shareholders / Weighted average number of equity shares

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

(4) *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 Earnings Ratio (P/E) in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of the face value of ₹ 10 each

Particulars	P/E at the lower end of the Price Band (number of shares)	P/E at the higher end of the Price Band (number of times)
Based on Basic EPS as per Restated Consolidated Financial Information for the financial year ended March 31, 2018:	[●]	[●]
Based on Diluted EPS as per Restated Consolidated Financial Information for the financial year ended March 31, 2018:	[●]	[●]
Based on Basic EPS as per Restated Consolidated Financial Information for the financial year ended March 31, 2018 at the Cap Price:	[●]	[●]
Based on Diluted EPS as per Restated Consolidated Financial Information for the financial year ended March 31, 2018 at the Cap Price:	[●]	[●]

3. Industry P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 81.16, the lowest P/E ratio is 53.43, the average P/E ratio is 66.29.

*Note: 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 "**Basis for Offer Price- Comparison with listed industry peers**" on page 93 hereunder.*

4. Return on Net Worth (RoNW)

Return on net worth as per Restated Standalone Financial Information:

Period/Year ended	RoNW (%)	Weight
March 31, 2018	12.54	3
March 31, 2017	11.02	2
March 31, 2016	19.15	1
Weighted Average	13.14	

Return on net worth as per Restated Consolidated Financial Information :

Period/Year ended	RoNW (%)	Weight
March 31, 2018	13.48	3
March 31, 2017	12.23	2
March 31, 2016	19.41	1
Weighted Average	14.05	

Notes:

1. *Return on Net Worth (RoNW) (%) =* $\dfrac{\textit{Net Profit/ Loss after tax (as restated)}}{\textit{Net worth at the end of the year}}$
2. *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. {(Return on Net Worth x Weight) for each year} / {Total of weights}

5. **Minimum Return on Total Net Worth after the Offer needed to maintain Pre-Offer EPS for the financial year ended March 31, 2018**

a) **For Basic EPS**

Particulars	Floor Price (%)	Cap Price (%)
As per Restated Standalone Financial Information	[●]	[●]
As per Restated Consolidated Financial Information	[●]	[●]

b) **For Diluted EPS**

Particulars	Floor Price (%)	Cap Price (%)
As per Restated Standalone Financial Information	[●]	[●]
As per Restated Consolidated Financial Information	[●]	[●]

6. **Net Asset Value (NAV) per Equity Share**

NAV	NAV (Consolidated)	NAV (Standalone)
As on March 31, 2018	46.64	44.57
After the Offer		
- At the Floor Price	[●]	[●]
- At the Cap Price	[●]	[●]
Offer Price		[●]

Notes:
Net Asset Value per Equity Share represents net worth, as restated, divided by the number of Equity Shares outstanding at the end of the period.
Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

7. **Comparison with listed industry peers**

Following is the comparison with our peer group companies listed in India:

Name of the company	Total Revenue (₹ in million) (1)	Face Value per Equity Share (₹) (2)	P/E (3)	EPS (Basic) (₹) (4)	Return on Net Worth (%)(5)	Net Asset Value/ Share (₹)(6)
Company*	6,957.55	10	[●]	6.29	13.48	46.64
Peer Group						
Nestle **	103,691.00	10	81.16	127.07	35.82	354.76
Britannia ^	101,564.70	2	76.45	83.65	29.47	283.85
Pratap Snacks ^^	10,457.77	5	54.10	20.70	8.50	221.49
DFM Foods ^^^	4,296.50	10	53.43	23.29	22.76	102.40

** Based on Consolidated Restated Financial Information as on and for the period ended March 31, 2018*
*** Source: Audited IND (AS) financials submitted to stock exchanges for the Financial Year ended December 31, 2017*
^ Source: Audited Consolidated IND (AS) financials submitted to stock exchanges for the Financial Year ended March 31, 2018
^^ Source: Audited Consolidated IND (AS) financials submitted to stock exchanges for the Financial Year ended March 31, 2018
^^^ Source: Audited IND (AS) financials submitted to stock exchanges for the Financial Year ended March 31, 2018

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 August 3rd, 2018, of relevant peer companies as available at BSE, (available at www.bseindia.com) divided by Basic EPS for FY 18 (CY 17 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 as restated / Net worth at the end of the year*
(6) *Net Asset Value per Equity Share represents = Net worth as restated 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))*
(8) *The industry composite has been calculated as the arithmetic average of the industry peer set disclosed above*

The Offer Price of ₹ [●] 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 ₹ [●] is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with "***Risk Factors***", "***Business***", "***Financial Statements***" and "***Management's Discussion and Analysis Financial Conditions and Results of Operations***" on pages 16, 135, 192 and 366 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***" and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

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

Date: 9 August 2018

Dear Sirs,

Subject: Statement of possible special tax benefits ("the Statement") available to Mrs. Bectors Food Specialities Limited ("the Company") and its Shareholders prepared in accordance with the requirement in Schedule VIII – Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("the Regulations")

This report is issued in accordance with the Engagement Letter dated 25 June 2018.

We hereby report that the enclosed Annexure 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 the Income-tax Act, 1961 ("the Act") and Income tax Rules, 1962 including amendments made by Finance Act, 2018 (together "the Tax Laws"), presently in force in India as on the signing date. These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or 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 or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover the possible special tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure 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 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 the 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 Charted 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 or 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 this Statement 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 any other person in respect of this Statement.

We hereby give consent to include this Statement in the draft red herring prospectus, 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

Sd.
Rajiv Goyal
Partner
Membership No.: 094549

Place: Gurugram, Haryana
Date: 9 August 2018

ANNEXURE

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders under the direct tax laws in force in India (*i.e.* applicable for the Financial Year 2018-19 relevant to the assessment year 2019-20). These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant 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 INCOME TAX ACT, 1961 ("THE ACT")

A. Special tax benefits available to the Company

There are no special tax benefits available to the Company under the Act.

B. Special tax benefits available to Shareholders

There are no special tax benefits available to the Shareholders under the Act.

NOTES:

1. The above is as per the current tax law as amended by the Finance Act, 2018.

2. This Statement does not discuss any tax consequences in any country outside India of an investment in the shares. 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.

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

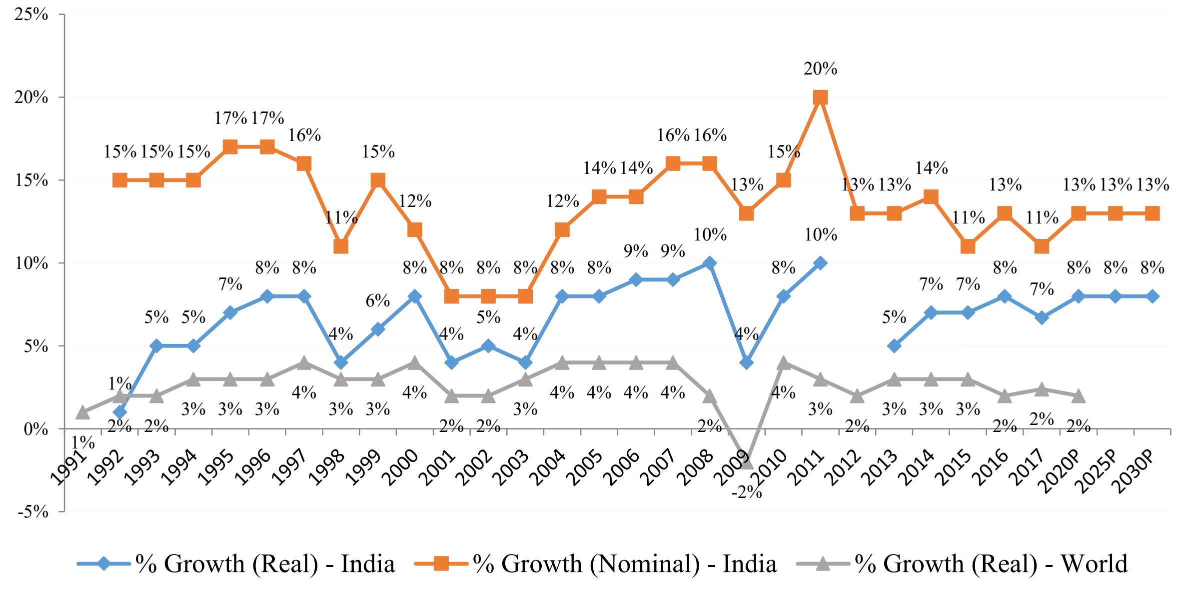
*The information contained in this section is taken from the Report on Indian Biscuit & Bread Industry dated July 28, 2018, prepared by Technopak (the "**Technopak Report**"). Neither we, nor any other person connected with the Offer has independently verified this information. Industry sources and the 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 3.26% and is the third largest economy in the world in PPP terms which is contributing 7.44% share towards the world GDP. India has sustained high real GDP growth of over 6.00% since Financial Year 1991 and has led to a fundamental transformation of the Indian economy. India has become the fastest-growing G20 economy since Financial Year 2015, with annual growth rate hovering around 7.50%. India's economy grew at 6.60% in Financial Year 2017 and is expected to grow at 6.70% in Financial Year 2018. India's nominal GDP is expected to reach US$ 3.50 trillion by Financial Year 2020 and to US$ 11 trillion by Financial Year 2030. It is also expected that this growth trajectory of Indian economy will enable India to be among the top three global economies by Financial Year 2050.

Exhibit 1: Historical GDP growth (%)



Source: RBI data, Economic Survey, World Bank, EIU, 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
^Real GDP growth projected by leading internal institutions:
EIU – 7.20% - 7.40% (Financial Year 2016-2020)
World Bank – 7.80%-7.90% (Financial Year 2016-2017)
IMF – 7.50% - 7.70% (FY 16-20)
Year indicates Financial Year

India has an advantage in that its estimated domestic consumption share (measured as PFCE) in its GDP was 59.40% in Financial Year 2016 and 59.50% in Financial Year 2017. As more people are expected to move beyond sustenance living with rising income levels enabled favourably by demographic advantages, India's household consumption expenditure will continue to get altered in favour of discretionary purchases. Therefore, categories like apparel and accessories, jewellery, processed foods and consumer electronics are poised to gain a share of this shift.

Domestic consumption share makes India uniquely positioned

India has an advantage in that its estimated domestic consumption share (measured as Private Final Consumption Expenditure – PFCE) in its GDP was 59.40% in Financial Year 2016 and 59.50% in Financial Year 2017, whereas China's domestic consumption share to its GDP was 38.00% in the same year. High share of private consumption in the GDP not only insulates India from the vagaries of global economy but it also implies that a sustainable high economic growth in India directly translates into a sustained consumer demand for merchandise and services.

Similarly, as more people are expected to move beyond sustenance living with rising income levels enabled favorably by demographic advantages, India's household consumption expenditure will continue to get altered in favor of discretionary purchases. Therefore, categories like apparel and accessories, jewellery, processed foods and consumer electronics are poised to gain a share of this shift.

Although, PFCE as percentage of GDP has slowly decreased since Financial Year 1991, but this gradual decline is not only an expected outcome of sustained economic growth for an emerging economy but it is also desirable to some extent. It is expected that India's PFCE share in GDP will be around 58.00% by Financial Year 2020. Moreover, in absolute terms India's PFCE has increased from US$ 61.00 billion in Financial Year 1991 to US$ 1,553.00 billion in Financial Year 2017 and it is expected to cross US$ 2.00 trillion by Financial Year 2020 at a CAGR of 12.00% (between Financial Year 2016 and Financial Year 2020). This will make India's PFCE to surpass the consumption expenditure of economies like Italy, France and the UK.

Retail Consumption across Key Categories

In Financial Year 2018, India's retail basket was 49% of its private consumption and it is expected to be 46.50% in Financial Year 2023. Food and Groceries ("**F&G**") segment forms the major share of India's merchandise retail expenditure which is 66.50%. High share of F&G is an expected outcome of the developing nature of the Indian Economy. When economies progress, the share of F&G in their retail consumption basket comes down and stabilizes at around 55.00% as is the case with economies like the UK. But such a decline is gradual and spans decades. In case of India, F&G's share in retail is expected to marginally decline to 65.40% in Financial Year 2023 from its share of 67.40% in Financial Year 2013.

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

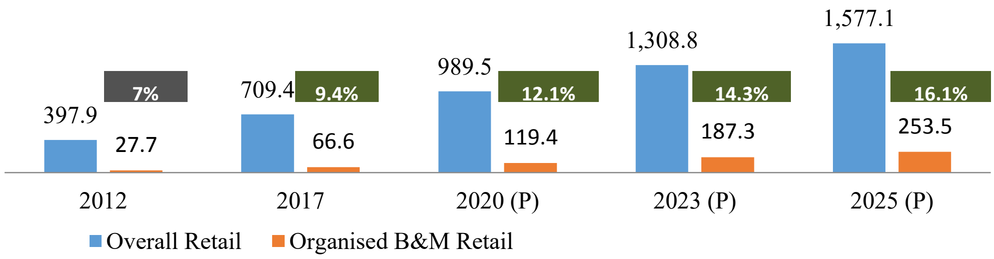
Type of Categories	Categories	2013	2018	2023
	Total Retail (US$ billion)	**446.6**	**792.5**	**1,308.8**
Need based	Food and Grocery	67.40%	66.50%	65.40%
Primary Discretionary	Apparel & Accessories*	8.20%	7.90%	7.70%
	Jewellery & Watches	7.40%	7.80%	8.30%
	Consumer Electronics	5.30%	6.10%	7.10%
Other Discretionary	Home & Living	4.20%	4.30%	4.40%
	Pharmacy & Wellness	2.80%	2.90%	3.00%
	Footwear	1.20%	1.20%	1.30%
	Others	3.60%	3.20%	2.90%
	Total	**100.00%**	**100.00%**	**100.00%**

**Accessories includes Bags, Belts, Wallets; Others include Books & Stationery, Toys, Eyewear, Sports Goods, Alcoholic Beverages & Tobacco etc.; Source: Technopak Report; 1 US$ = ₹ 65*

Organized retail and category consumption

Although organized retail has been in India for two decades now (primarily brick and mortar), its contribution to total retail is low at 9.00% (US$ 68 billion) in Financial Year 2017. The organized retail penetration was only 7.00% in Financial Year 2012.

Exhibit 3: Overall retail market (US$ billion)



Source: Technopak Report
1 US$ = ₹ 65

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:

5. ***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 >15.00 million points of sale across urban and rural towns and villages with fragmented demand. One of the biggest player in FMCG, Hindustan Unilever Limited has reached mere 8.50 million touch points after 75 years of existence.

6. ***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 8.00%, whereas in India it is in the range of 10.00-15.00% that can go as high as 20.00%).

7. ***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.

8. ***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 96.00% retailing share in Financial Year 2017.

Exhibit 4: Share of organized retail in various retail categories

Financial Year 2017	Share of retail	Retail size (US$ billion)	% of Organized retail	Organized market size (US$ billion)	Key retailers
Food and Grocery	66.70%	473.50	3.40%	16.10	Big Bazaar, DMart, Reliance Fresh, Spencer's
Apparel and Accessories	7.90%	56.30	24.30%	13.70	Central, Shoppers Stop, Lifestyle, Westside, FabIndia, Arvind, Raymond, TCNS, Pantaloons, Reliance Trends
Jewellery & Watches	7.70%	54.70	27.70%	15.20	Tanishq, Kalyan, Malabar
Footwear	1.20%	8.40	26.70%	2.20	Bata India, Metro Shoes, Khadims
Pharmacy & Wellness	2.90%	20.70	10.50%	2.20	Apollo, MedPlus
Consumer Electronics	5.90%	41.90	26.60%	11.20	Vijay Sales, Croma, Reliance Digital, eZone
Home & Living	4.30%	30.60	10.50%	3.20	Home Centre, Home Stop

Others	3.20%	23.00	12.50%	2.90
Total	**100%**	**709.40**	**9.40%**	**66.60**

Accessories include Bags, Belts, and Wallets;
Others include Books & Stationery, Toys, Eyewear, Sports Goods, Alcoholic Beverages & Tobacco etc.
1 US$ = ₹ 65
Source: Technopak Report

Exhibit 5: Size of Organized Retail across Categories

Categories	2013	2018	2023
Total Organized Retail (US$ billion)	**32.8**	**80.8**	**187.2**
Food and Grocery	5.3	20.3	56.5
Apparel & Accessories*	7.6	16.7	36.9
Footwear	1.3	2.6	5.1
Jewellery & Watches	8.7	18.1	38.7
Pharmacy & Wellness	1.1	2.5	5.4
Consumer Electronics	5.6	13.6	31.7
Home & Living	1.6	3.8	7.9
Others	1.7	3.2	5.1

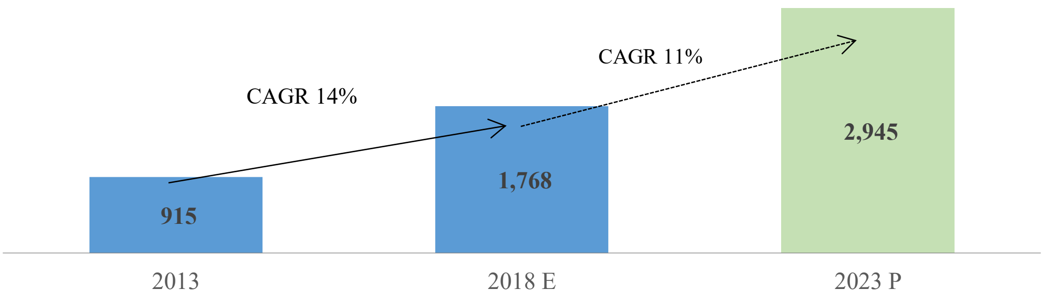
**Accessories include Bags, Belts, and Wallets*
Source: Secondary research, Industry reports, Technopak Analysis
1 US$=₹ 65

OVERVIEW OF INDIA PACKAGED FOOD MARKET

Package food market

India's packaged food business is currently valued at ₹ 1,768 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 ₹ 915 billion in Financial Year 2013, about half of its current size and has registered a growth of over 14.00% CAGR from Financial Year 2013 to Financial Year 2018. It is estimated to grow at CAGR of 11.00% in next five years to reach at ₹ 2,945 billion.

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



Source: Technopak Report
**Packaged Food market size is exclusive of staples, edible oil and dairy.*

The demand of packaged food for leading Indian brands has also witnessed growth from export market. Costs of processing and packaging food in India can be up to 40.00% which is lower than that of parts of Europe which, combined with India's resources of skilled labour, make it an attractive venue for investment. All of these elements together provide the environment needed for the packaged food industry to flourish, a growing momentum to food production and an ecosystem of supply chain and infrastructure. Leading Indian packaged food players for their capabilities are well suited to leverage this opportunity.

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

Category*	2013	CAGR (2013 – 2018)	2018	CAGR (2018 – 2023)	2023
Biscuits and Breads	230	10.79%	387	10.26%	631
Rice, Pasta and Noodles	190	15.50%	390	13.30%	728
Savoury Snacks	137	18.40%	318	12.40%	571
Confectionery	150	12.60%	271	8.00%	399
Sauces, Dressings & Condiments	81	14.30%	158	8.50%	237
Ice Cream & Frozen Desserts	64	15.00%	128	10.70%	212
Baby Food	28	10.40%	45	5.70%	60
Others	35	15.40%	71	8.70%	107
Total	**915**	**14.00%**	**1,768**	**11.00%**	**2,945**

Source: Secondary Research, Technopak Report

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

Key Emerging trends

- Consumers across the spectrum are moving towards premium products, an example that manifests this trend is the growth of non-glucose biscuit market growing at over 12.00% (that signifies value added premium products) has outpaced the growth of glucose biscuit market (that signifies mass positioning) and has grown at 7.00% in the last five years. The market for mid and premium biscuits is expected to grow to ₹ 469 billion by Financial Year 2023 at a CAGR of 12.10% over next five years;
- Regional brands gaining sales share and competing strongly with leading players, such as Balaji and Prataap etc. in snacks; Jivraj, Anokhi and Raja in tea; Mrs Bector and Anmol in biscuits; Bonn and English Oven in bread;
- Convenience and healthy eating trends continue to drive sales;
- Emergence of modern retail and online grocery delivery platforms, which is expected to grow at CAGR of 21.00% until 2021;
- Experimentation with new brands and taste.

Indian packaged food market prospects

Rural areas are set to become increasingly significant in driving growth in the Indian packaged food market over Financial Year 2018-2023. Efforts of brands to extend their distribution reach in rural markets will increase the product availability and drive growth. Also, as a part of rural market expansion strategy, introduction of smaller, lower priced SKUs in rural market across wide range of packaged food categories is highly likely. But its trade off will be on pricing and profitability. Rural markets are pertinent to unlock next phase of growth for brands.

The consumption of packaged food is much higher in the urban areas attracting lot more companies to launch new types of products and variants. Urban areas account for 80.00% of the demand for all packaged food. The main packaged food includes bakery, canned and frozen processed food, ready-to-eat meals, diet snacks, processed meat, health products and drinks. Meanwhile, urban markets are expected to see a continuing emphasis on health and wellness. Indeed, as consumer health-awareness becomes more sophisticated, especially amongst younger demographics, brands targeting of health issues is expected to become more refined, focusing on particular conditions and nutritional requirements.

Key government initiatives

Some of the major initiatives taken by the Government of India to improve the food processing sector in India are as follows:

- The Government of India aims to boost growth in the food processing sector by leveraging reforms such as allowing 100.00% FDI in marketing of food products and various incentives at central and state level along with a strong focus on supply chain infrastructure;
- The Government of India has relaxed FDI norms for the sector, allowing up to 100.00% FDI in food product through the automatic route;

- The FSSAI plans 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 laboratories across the country;
- ICFNR will adopt international best practices for research in fertilizer sector, which will enable farmers to get good quality fertilizers at affordable rates and thereby achieve food security for the common man;
- The Ministry of Food Processing Industries announced a scheme for HRD in the food processing sector. The HRD scheme is being implemented through state governments under the national mission on food processing.

Impact of GST on packaged food

GST was implemented in India to make India a unified common national market. Under GST, all packaged food products are now classified under four tax rates, a shift from the earlier scenario of numerous tax brackets under which products were classified. It eliminates the complex multi-layered indirect taxation system, making it possible for manufacturers to produce in one state and supply seamlessly across states without barriers.

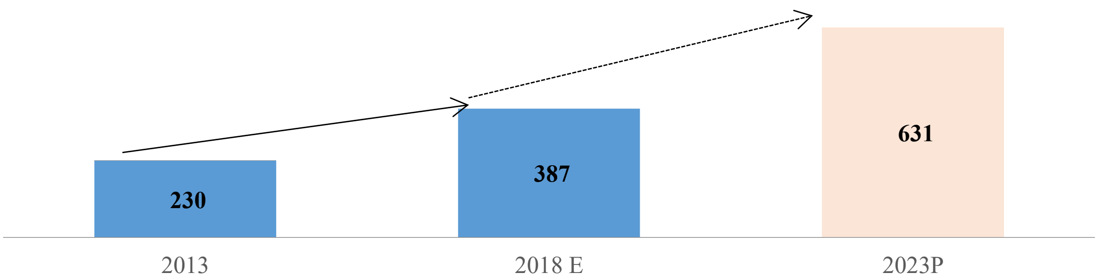
Under GST, all types of biscuit have been brought under a uniform GST at the rate of 18.00%. This is expected to drastically impact the consumption of plain biscuits which were previously taxed just at the rate of 8.00%. It also opens up new opportunities for cookies and premium biscuit players as consumer consumption patterns are expected to change with reducing price differentials between cookies and plain biscuits.

OVERVIEW OF BAKERY SEGMENT

Indian bakery segment

The Indian bakery market is valued at ₹ 387.00 billion and is expected to grow at a CAGR of 10.29% over next five years. The per capita consumption of bakery products in India is lower than the developed countries. There are around 2.00 million unorganized bakeries operational across the country, comprising small bakery units, cottage and household type manufacturing, characterized by low levels of packing and distribution mainly in neighbouring areas. The organized sector consists of large, medium and small-scale manufacturers producing bread, biscuits and other bakery products.

Exhibit 8: Indian bakery* market (₹ billion)



Source: Technopak Report.
**Includes breads and biscuits, excludes cakes and other products.*

***Biscuits**:* Biscuit industry is characterized by a 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. After the de-reserved of biscuit industry from small-scale industry in 1997-98, it is growing at a rate of over CAGR of 10.00%. Although, per capita annual consumption of biscuit in India is only 2.50 kg, compared to about 10.00 kg in the USA and Western European countries and 4.20 kg in South-East Asian countries.

Bread: In the unbranded sector, there are about 75,000 bread manufacturers spread all over including some of those operating even out of residential premises. Average per capita annual bread consumption is estimated to be at ₹ 1.80 kg per person in India.

Exhibit 9: Product offering of key bakery brands in India

Company	Biscuits	Breads	Buns	Cake	Other bakery items*
			National players		
Parle	Y				Y
Britannia	Y	Y	Y	Y	Y
ITC	Y	Y			Y
			Regional players		
Surya	Y			Y	
Anmol	Y			Y	
Cremica	Y	Y	Y	Y	Y
Bon	Y	Y			Y

Source: Technopak Report.
Other bakery item 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 life styles: 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*****:** As compared to multi-portion cakes, single portion cakes are more affordable and enable consumers to eat the product in one go. Furthermore, single portion cakes are available in a wide variety of variants/flavours. Single portion cakes also benefit from a wider distribution reach, from rural retail outlets to urban supermarkets, whereas the distribution of multi-portion cakes remains largely restricted to urban areas, which is why consumers are upgrading from unpacked/artisanal cakes to packed industrial alternatives.

Growth in organized retail**:** Increase of modern supermarket chains across India has greatly helped in leveraging innovation in the bakery products. However, independent bakeries, which produce fresh products, still remain the preferred choice for consumers of baked goods. Currently, very few private labels are available and account for less than 1.00% of value sale of bakery products. However private label share is expected to increase due to entry of international chains and overall growth in organized retail.

- ***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.

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, these new age ingredients are helping in industry's growth by providing better flavour profile to the consumers.

Key trends

- ***New products development and premiumisation*****:** Companies in sector have successfully adopted the tool of new product development under which brands have launched new variants of existing products like whole-wheat bread, caramelised bread or new products/categories all together for instance cookies. This trend will continue to play out more prominently for market leaders of this sector. Britannia launched 'Pure Magic Deuce' a dark, crispy biscuit with a slab of chocolate on top and ITC launched NaatMaad Paal biscuits made with native cow milk in Financial Year 2017. Cremica launched Golden Bytes, a crunchy butter cookie in Financial Year 2017. Recently Cremica has introduced Indian masala flavoured cookies which includes spices like 'ajwain', 'kalaunji' and 'jeera' in the Indian market.

- ***Bakery cafes*****:** Younger generation looks for eating out with friends and colleagues or socializing which has led to rise of newer cafe formats like bakery cafes, which reverse the concept of cafes by extending existing bakeries and chocolate retailers to offer complementary beverage items.

- ***Store in store cafes*****:** Store in store concepts have enabled faster roll-out with much lesser investments in comparison to a standalone cafe. McCafé is a cafe within McDonald's restaurants where customers can purchase a variety of beverages such as premium coffees and specialty teas. The cafe format has brought incremental business to the overall McDonald's quick-service restaurant business while establishing McDonald's as a coffee destination as well.

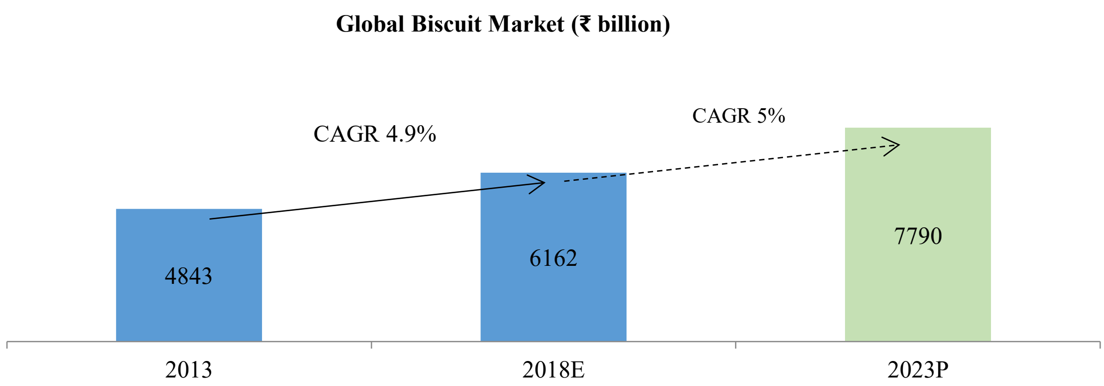
- ***Experimentation with flavours*****:** Experimentation has become a key driver in the bakery segment and a way to spark interest among younger consumers in particular. One way in which everyone's interest is quirked is by using unusual flavour combinations.

- ***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 biscuit market is valued at ₹ 6,129 billion that will grow at CAGR of 5.00% over next five years. It is driven by rising urbanisation, increasing disposable incomes and demand for convenience foods. Globally, they are consumed as snacks by multiple consumer groups based on their age, taste preference and health. Consumers prefer to consume biscuits generally with tea or coffee. Consumer preference is mostly impacted by new flavours, taste, shapes, health and packaging.

Exhibit 10: Global biscuit market size

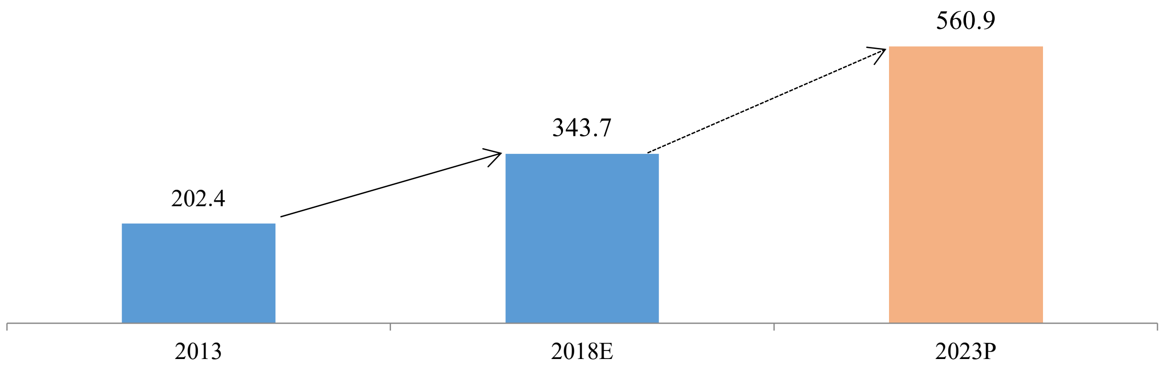


Source: Technopak Report, Primary research, secondary research

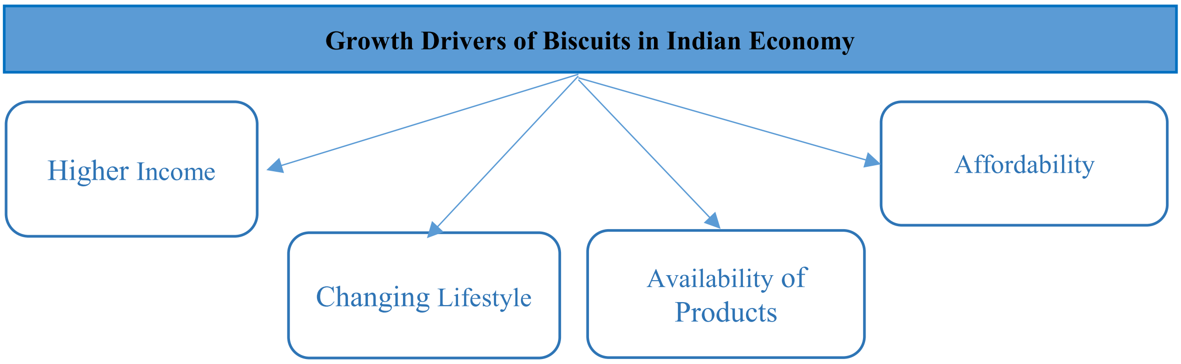
Indian Biscuit Market

The Indian biscuit market size is ₹ 343.70 billion in 2018 representing little over 5.00% of the total world market. Indian market is expected to grow at a CAGR of 10.90% until 2023 and reach ₹ 560.90 billion. This growth will increase India's share in the world market to over 7.00% by 2023.

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



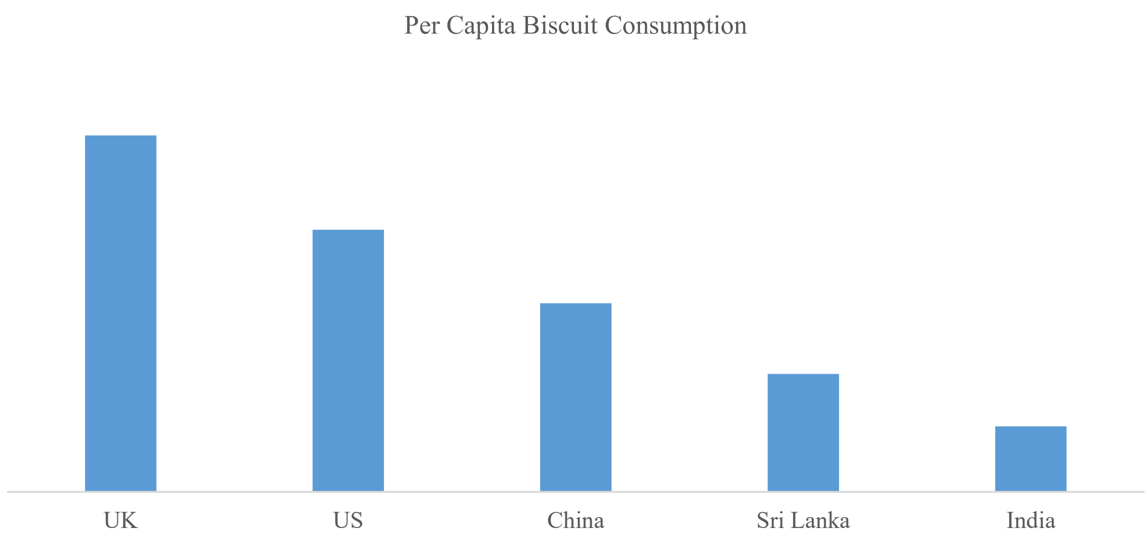
Source: Technopak Report, Primary research, secondary research



Per capita biscuit consumption

Per capita consumption of biscuits in India has increased by 20.00% over the last five years. However, it is far behind developed economies like the US, the UK and other developing Asian economies like China and Sri Lanka. Though there is huge headroom for growth in Indian biscuit market which is a complex market that requires regional customisation.

Exhibit 12: Per capita consumption (Kg/Year)

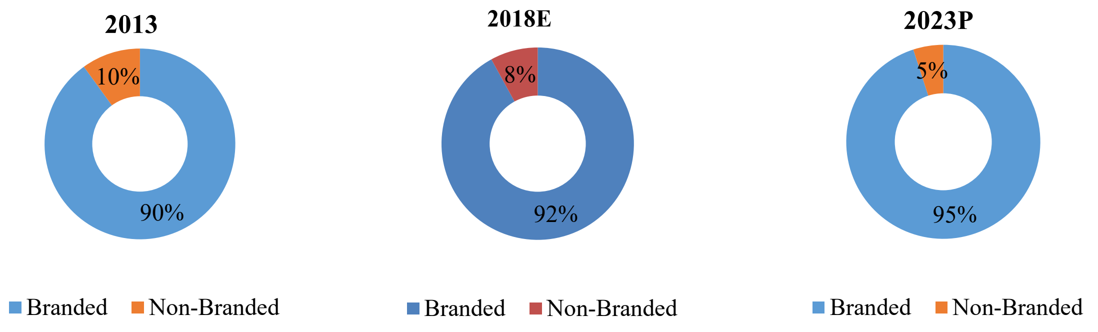


Source: Technopak Report, Primary research, secondary research

Branded and Non-Branded biscuits

Indian biscuit market is dominated by branded biscuit categories. The market for the branded biscuits is growing as the consumer preference and purchasing power are increasing. 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.

Exhibit 13: Share of branded and non-branded biscuits

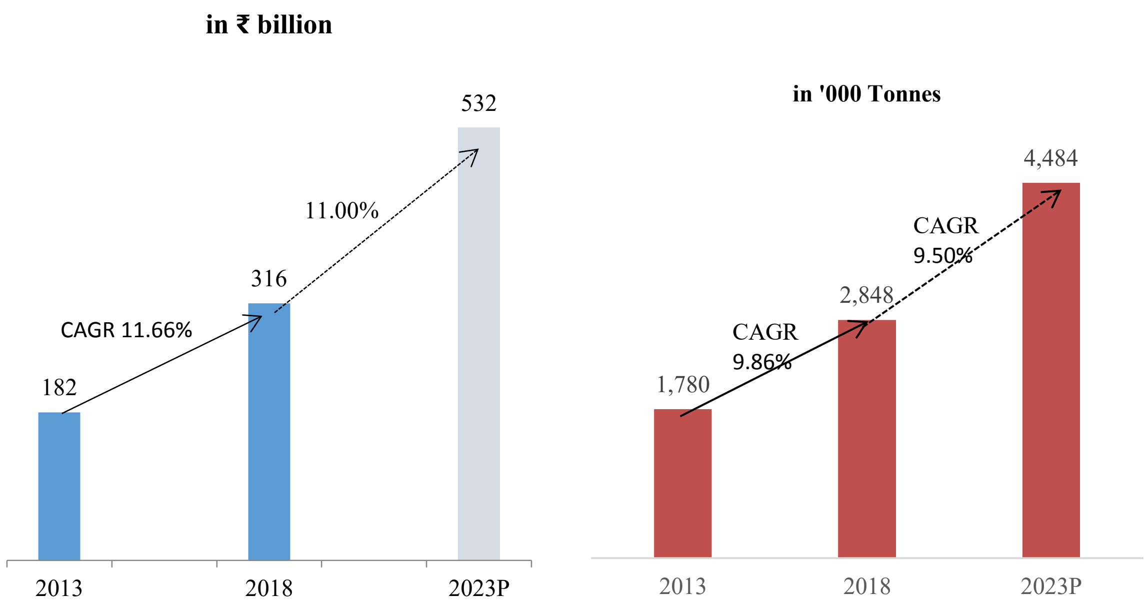


Source: Technopak Report, Primary research, secondary research

Branded biscuit market

Growth rate for branded biscuits in terms of value is greater than the volume over the period of Financial Year 2013 to Financial Year 2018. 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 11.00% and 9.50% in terms of value and volume for next five years.

Exhibit 14: Market size of branded biscuit market Financial Year 2013, Financial Year 2018 and Financial Year 2023 (By value and volume)



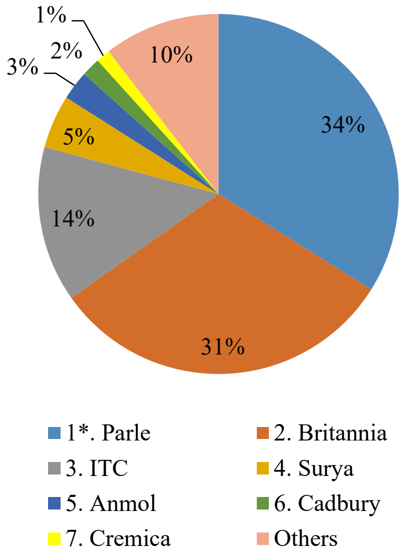
Source: Technopak report, primary research, secondary research

Indian biscuit market is dominated by lead brands like Britannia, Parle and ITC which has 70.00% of market share. This is followed by regional brands like Surya and Cremica in North and Anmol and SAJ in East India.

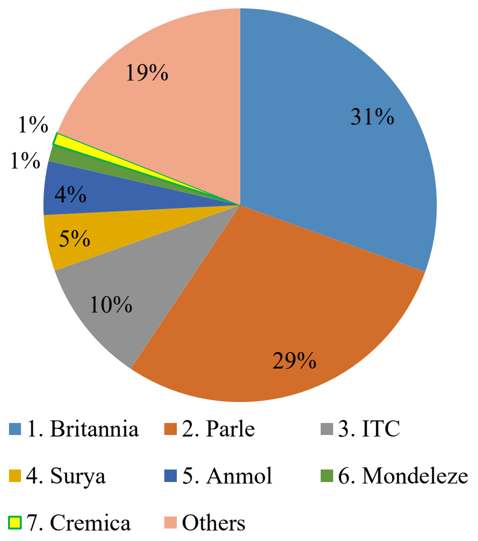
Britannia is the market leader with 30.00% market share in terms of value. However, Parle is a market leader with 34.00% market share in terms of volume.

Exhibit 15: Market share of brands in branded biscuit market Financial Year 2013 vs Financial Year 2018

FY2013 (₹ 182 billion)



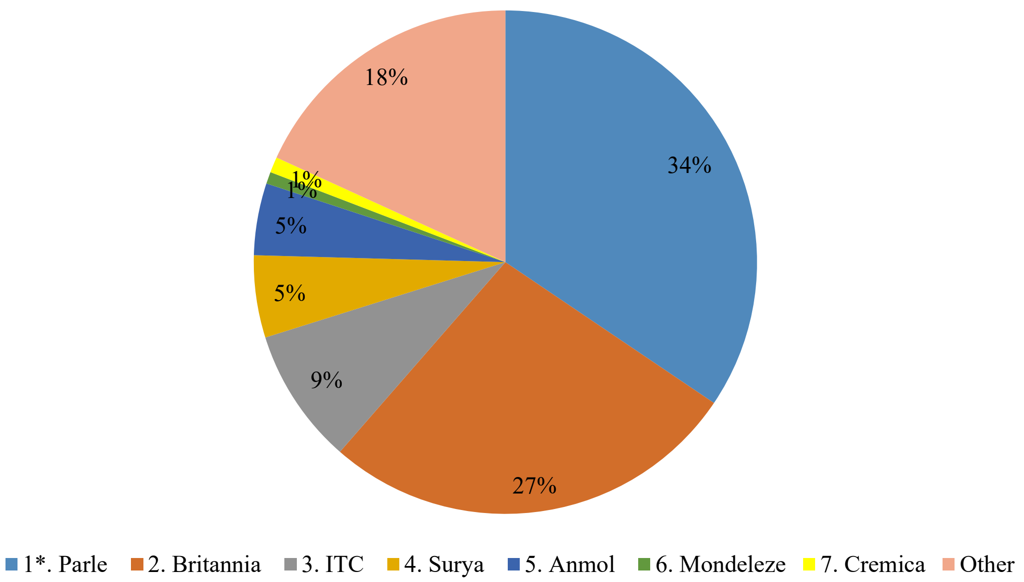
FY2018 (₹ 316 billion)



Source: Primary research, Secondary research, Cadbury was acquired by Mondeleze.
**Numbers signify ranking as per market share.*

Exhibit 16: Market share of brands in branded biscuit market Financial Year 2018 (by volume)

Fiscal 2018 (2848k Tonnes)

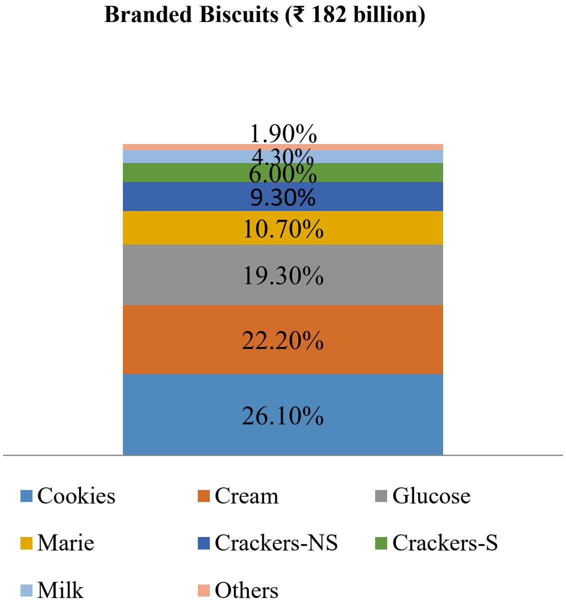


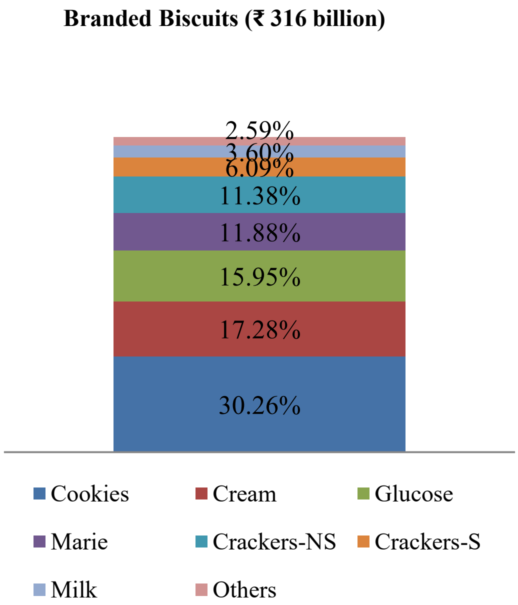
Source: Technopak report, Primary research, Secondary research, Cadbury was acquired by Mondelez
**Numbers signify ranking as per market share*

Classification of Biscuits

The biscuit market in India is largely classified on the basis of two factors. On the basis of product type, the market is classified into glucose and non-glucose segments. On the basis of price, it is classified into mass, mid and premium segments. In the last five years, the non-glucose market growth has overtaken the glucose market's growth. Mass segment biscuit would mean those which are priced a below ₹ 100 such as glucose biscuit, Mid segment biscuits would mean those which are priced between ₹ 100 to ₹ 200, such as milk, marie and cracker and premium segment would include those biscuits which are priced above ₹ 200 such as cookies and cream.

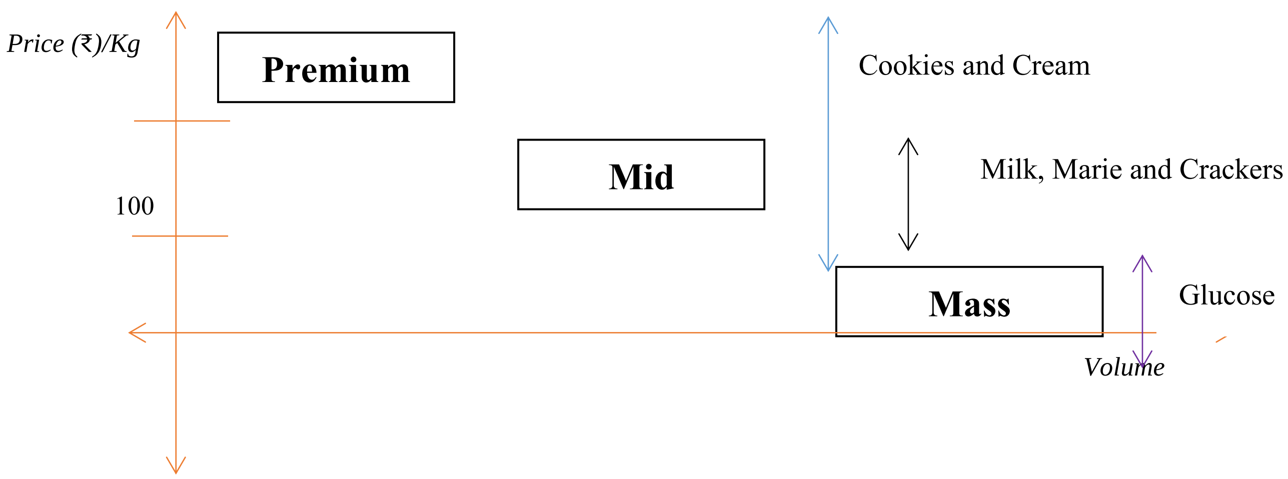
Exhibit 17: Market Share of Biscuit categories Financial Year2013 vs Financial Year2018





Source: Technopak Report, Primary research, Secondary research

Exhibit 18: Representation of price and volume

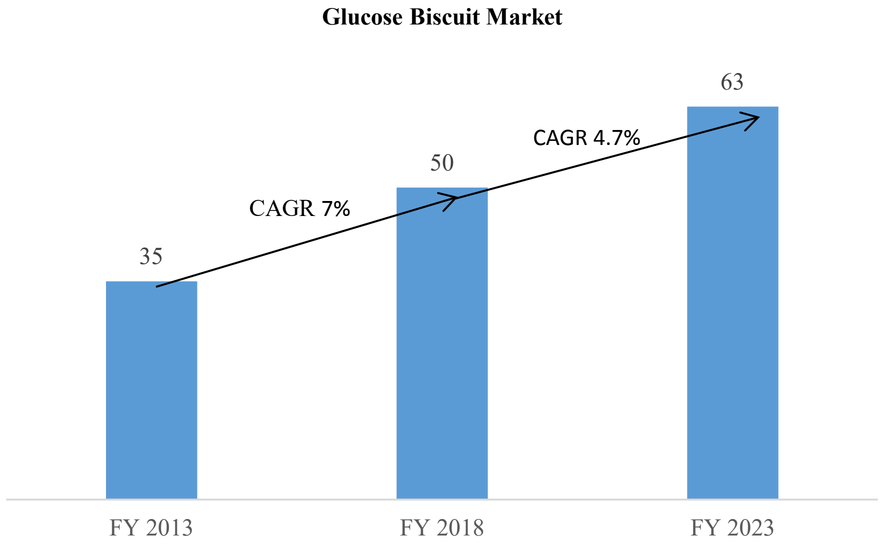


Biscuits representing mass segment are those which are priced below ₹ 100 per kg, such as glucose. Mid segment biscuits are those which are priced ₹ 100 per kg, such as, milk, marie and crackers. Premium segment biscuits are priced above ₹ 100 per kg, such as cookies and cream.

Mass (Glucose) market

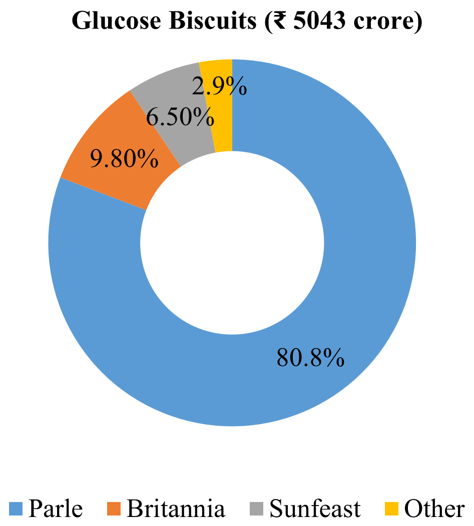
Glucose biscuit has grown at CAGR of 7.00% for the last five years. The category represents mass segment occupying market share of 15.95% and 24.00% in value and volume terms respectively. Its share of market has decline from nearly 20.00% in Financial Year 2013 to less than 16.00% in Financial Year 2018. Parle-G dominates the glucose category with 80.00% market share across India.

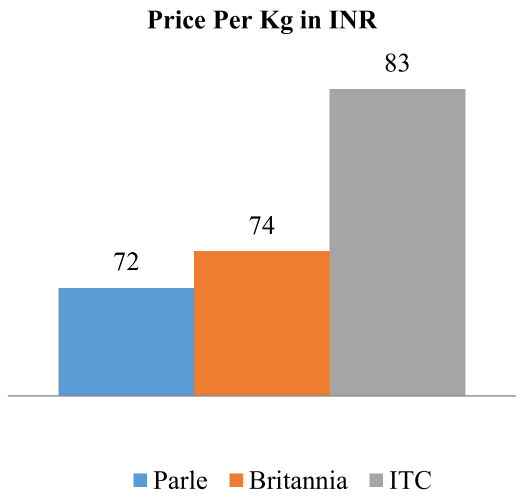
Exhibit 19: Market size of branded glucose biscuit market (in ₹ billion)



Source: Technopak report, Primary research, Secondary research

Exhibit 20: Market share of biscuit brands in glucose category and price per Kg (Financial Year 2018)



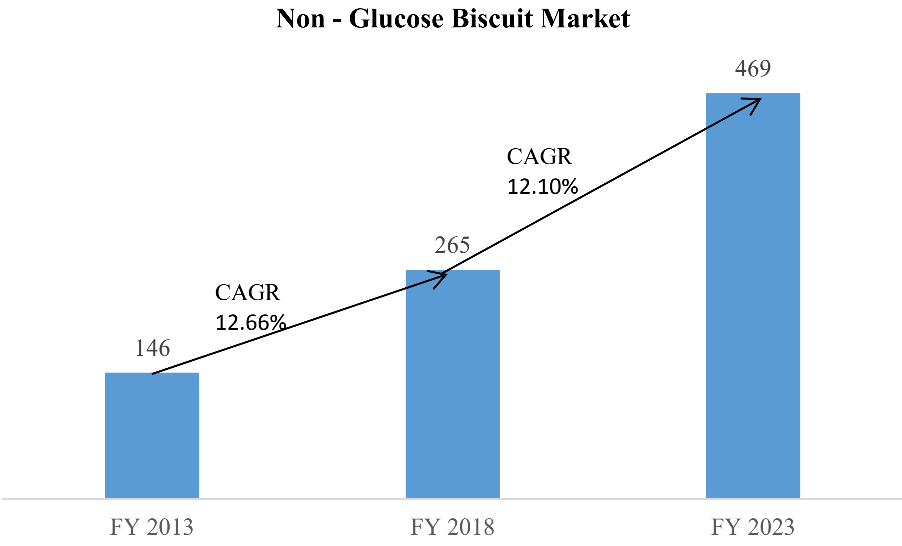


Source: Technopak Report, Primary research, Secondary research

Mid and Premium (Non-Glucose) market

Total market size of non-glucose branded biscuits is ₹ 265 billion that has grown at CAGR of 12.66% over last five years. The category has shown growth rate is double of that of the glucose category. The market for mid and premium category biscuits is expected to grow to ₹ 469 billion by 2023 at a CAGR of 12.10% in next five years which is faster than the overall biscuit market growing at 10.90%.

Exhibit 21: Market size of non-glucose branded biscuit market (in billion)

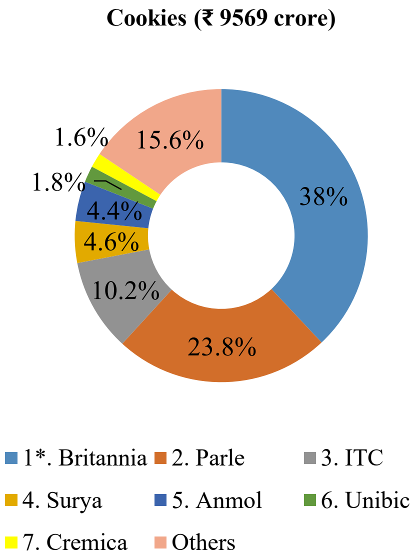


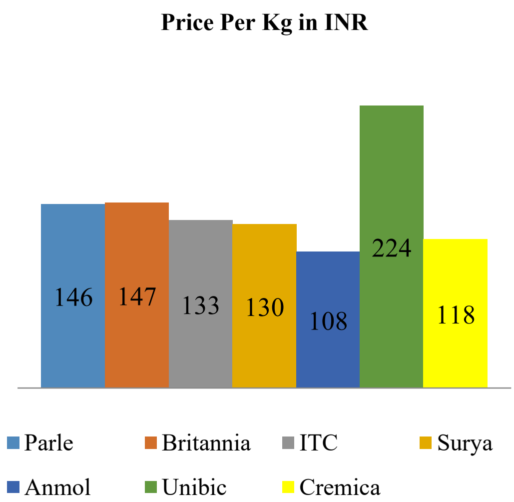
Source: Primary research, Secondary research

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) Milk.

Cookies: Cookies are the largest category of biscuits in terms of value occupying 30.00% of market share. This category has grown at a CAGR of 17.00% during Financial Year 2013 to Financial Year 2018 and it estimated to be ₹ 95,690.00 million in Financial Year 2018. It is led by national players such as Britannia (38.00%), Parle (23.80%) and ITC (10.20%). The segment offers high contribution margin of upwards of 10% to brands. Good-day (Britannia) brand is the market leader with 31.30% market share. Regional brands like Surya, Anmol, and Cremica have combined market share of 10.60%.

Exhibit 22: Market share of biscuit brands in cookies category and price per kg (Financial Year 2018)

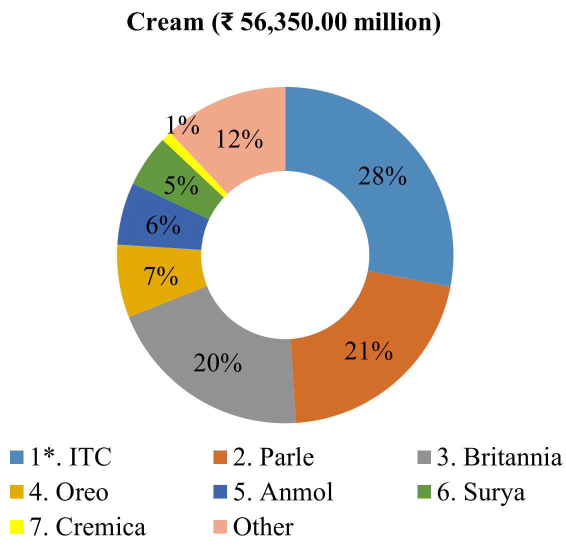


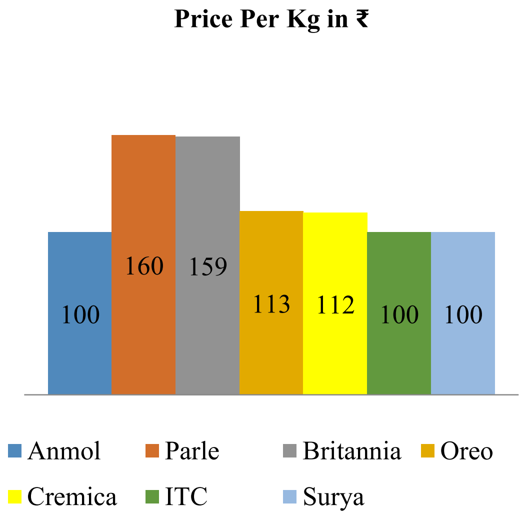


Source: Technopak Report, primary research, secondary research
**Numbers signify ranking as per market share.*

Cream: Cream is ₹ 56,350.00 million category and has a slower growth rate at CAGR of 7.00% over last five years. National brands ITC (28.00%), Parle (21.00%) and Britannia (20.00%) dominate the market. Regional players like Surya, Anmol and Cremica have combined market share of 12.00%.

Exhibit 23: Market share of biscuit brands in marie category and price per kg (Financial Year2018)

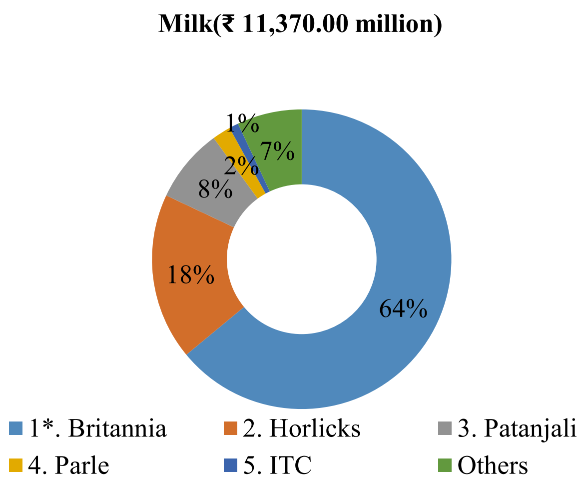


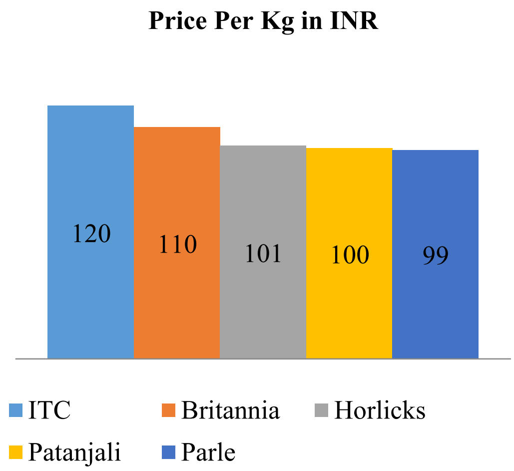


Source: Technopak Report, Primary research, Secondary research
**Numbers signify ranking as per market share*

Milk: Milk category was ₹ 11,370.00 million in Financial Year 2018 that has grown at a CAGR of 7.00% in the last five years. Its growth rate is the slowest in non-glucose biscuit segment. National player Britannia leads the market by 64.00%. Britannia's Milk Bikis is the leading sub-brand of the category. Other leading player is Horlicks (GSKC) with 18.00% share of the market.

Exhibit 24: Market Share of Biscuit brands in Milk category and price per Kg (Financial Year2018)

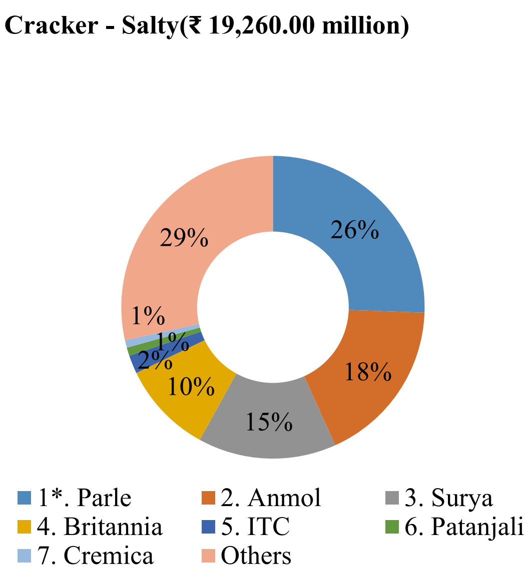


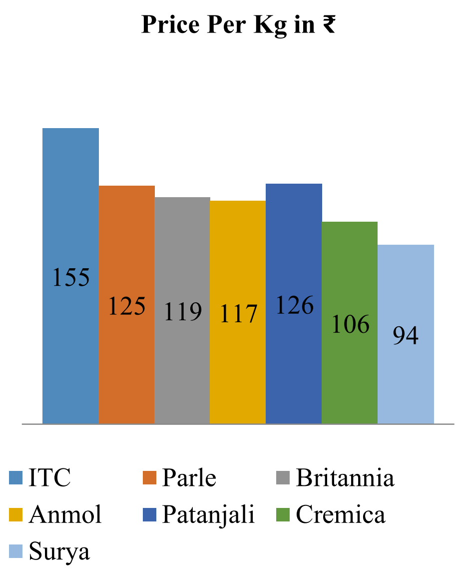


Source: Technopak Report, Primary research, Secondary research
**Numbers signify ranking as per market share*

Cracker (Salty): The category size is ₹ 19,260.00 million and has grown at a CAGR of 12.00% in the last five years. Parle leads the market with 26.00% market share. ITC offers the costliest crackers (salty) priced ₹ 155 per Kg in the category while Surya offers the cheapest alternative at ₹ 95 per kg.

Exhibit 25: Market share of biscuit brands in Cracker- Salty category Financial Year2018

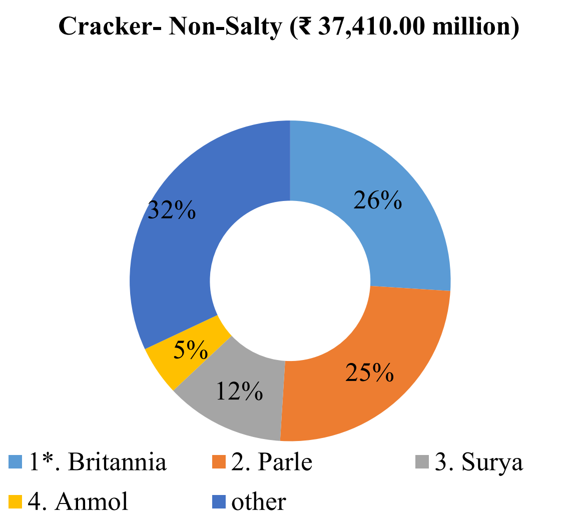


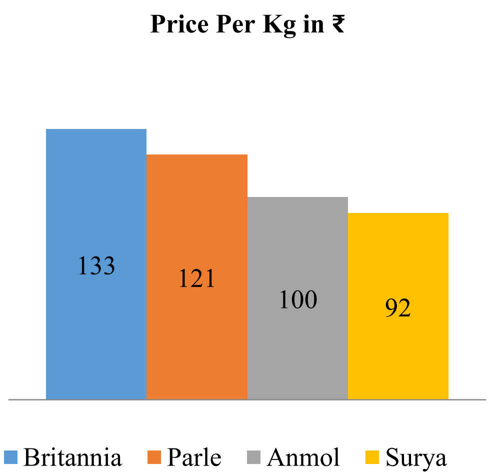


Source: Technopak Report, Primary research, Secondary research
**Numbers signify ranking as per market share*

Cracker (Non-Salty): The category size is ₹ 37,410.00 million and has grown at a CAGR of 17.00% in the last five years. National players lead the market. Parle leads the market with 32.00% market share and it is closely followed by Britannia with 25.00% share. Britannia offers the most expensive biscuits priced ₹ 133 per Kg in the category while Surya offers the least expensive alternative at ₹ 92 per kg.

Exhibit 26: Market share of biscuit brands in Cracker (Non-Salty) category and price per kg (Financial Year 2018)





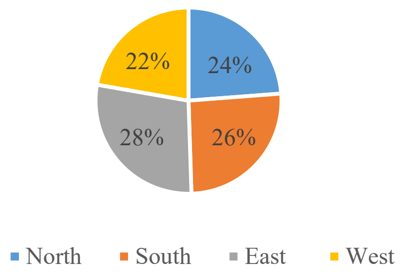
Source: Technopak Report, Primary research, Secondary research
**Numbers signify ranking as per market share*

Regional non-glucose biscuit market

East India (28.00%) is the biggest market for non-glucose category biscuits in India followed by Southern (26.00%) and Northern (24.00%) region.

Exhibit 27: Major non-glucose biscuit brands region-wise split (Financial Year 2018)

Market Share - ₹ 265,000.00 million



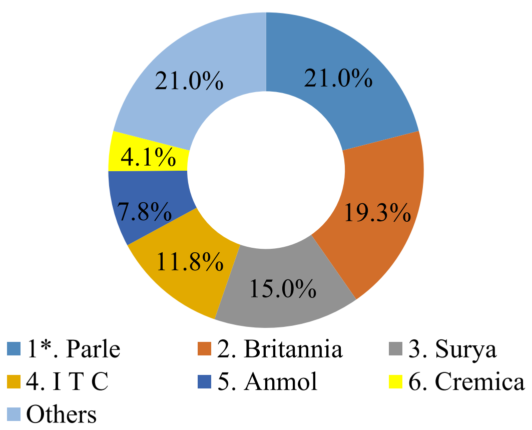
North: North India constitutes 24.00% of Indian non-glucose biscuit market. It dominated by national players like Parle (21.00%), Britannia (19.30%), Surya (15.00%) and ITC (11.80%). Other regional players are Anmol, Surya and Cremica account for 26.80% of non-glucose biscuit market. Our Company is one of the leading player in non-glucose biscuit segment in north India offering premium products.

East: It constitutes 28.00% of Indian non-glucose biscuit market. National players like Britannia (30.00%), Parle (7.90%) and ITC (11.90%) are major players. Regional player Bisk Farm (owned by SAJ Food Products) and Anmol have 11.90% and 10.60% market share respectively.

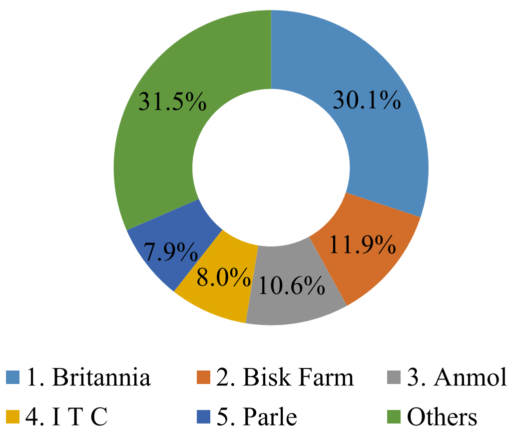
West: The west market constitutes 22.00% of the non-glucose Indian biscuit market. National players Parle and Britannia have combined share of 70.00% of market. Local players have 13.70% of market.

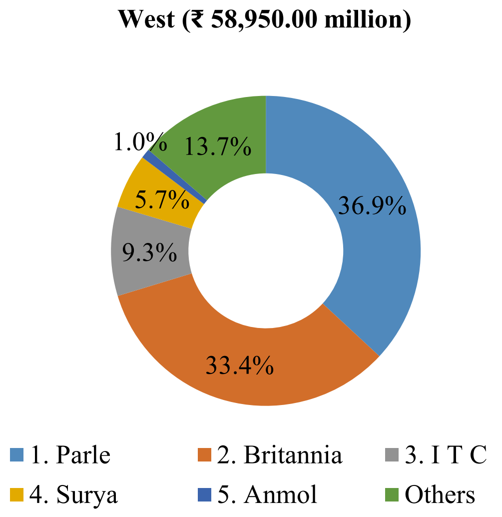
Exhibit 28: Major Non-Glucose biscuit brands North, East, West and South region Financial Year 2018

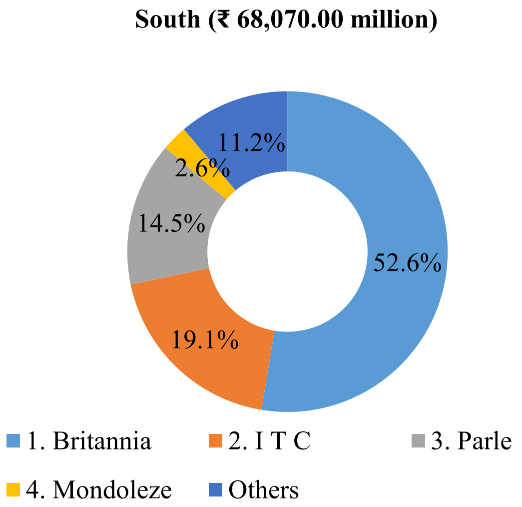
North (₹ 63,020 million)



East (₹ 74,830 million)





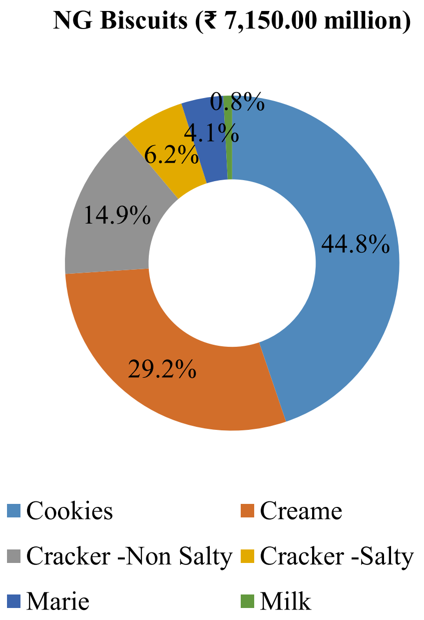


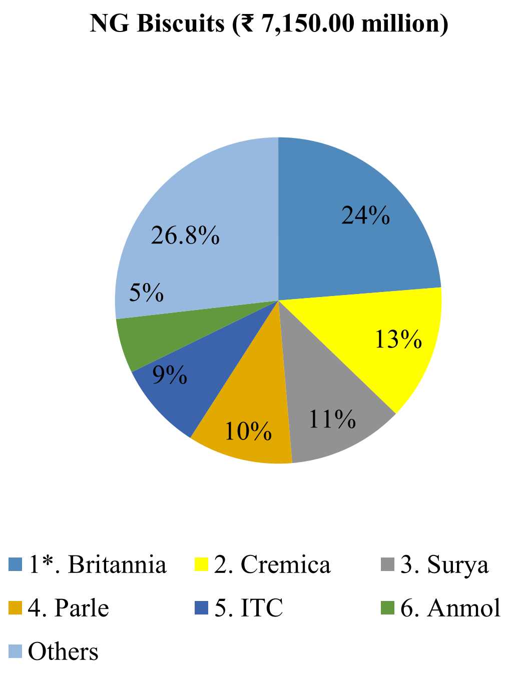
Source: Technopak Report, Primary research, Secondary research; North India: J&K and HP, Punjab, Haryana, Rajasthan, Uttrakhand, UP, Delhi; East India: Bihar, West Bengal, Orissa, North-Eastern States; West India: Maharashtra, Gujrat, MP, Chhattisgarh; South India: Karnataka, Goa, Tamilnadu, Kerela, AP, Telangana
**Numbers signify ranking as per market share*

North Indian Non-Glucose Biscuits Market

Punjab: National player Britannia is the largest market players with 24.00% market share. Our Company is the second largest player in non-glucose biscuit category with 13.00% market share. Cookies and Cream category occupy 74.00% of non-glucose biscuit market sales.

Exhibit 29: Market share of non-glucose biscuit categories and biscuit brands' market share (Financial Year2018)

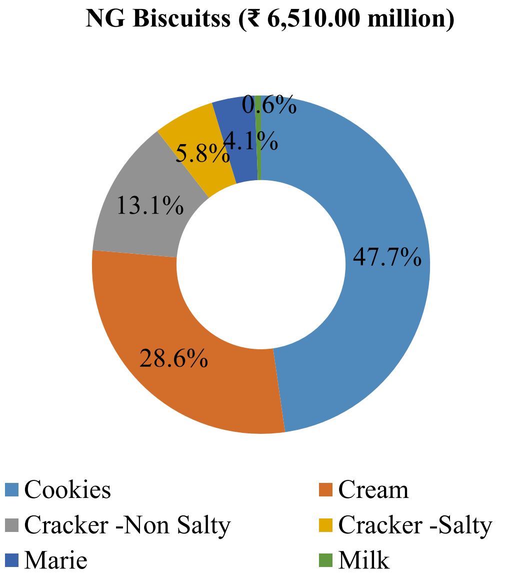


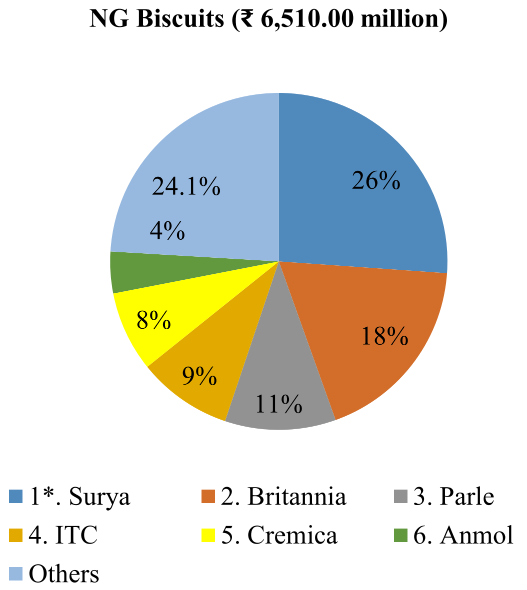


Source: Technopak Report, Primary research, Secondary research
**Numbers signify ranking as per market share*

Haryana: Regional brand Surya is the largest player with 26.00% market share while National player Britannia is the second largest with an 18.00% market share. Cookies and Cream occupy 76.30% of non-glucose biscuit market sales.

Exhibit 30: Market share of non-glucose biscuit categories and biscuit brands' market share

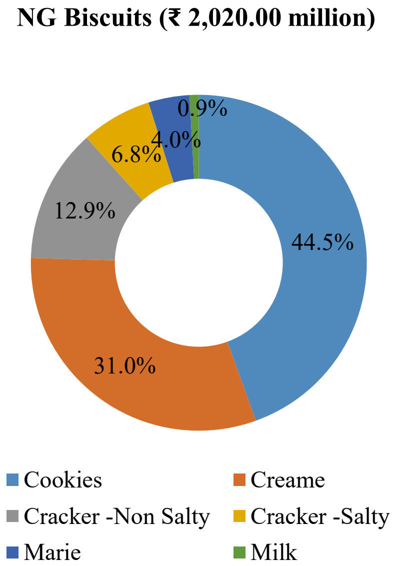


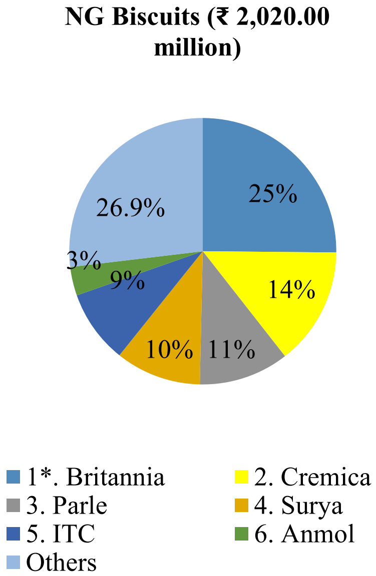


Source: Technopak Report, Primary research, Secondary research
**Numbers signify ranking as per market share*

J&K and Himachal: National player Britannia is the market leader with 25.00% market share in non-glucose biscuit market. Our Company is the second largest non-glucose biscuit player.

Exhibit 31: Market share of non-glucose biscuit categories and biscuit brands' market share (Financial Year 2018)



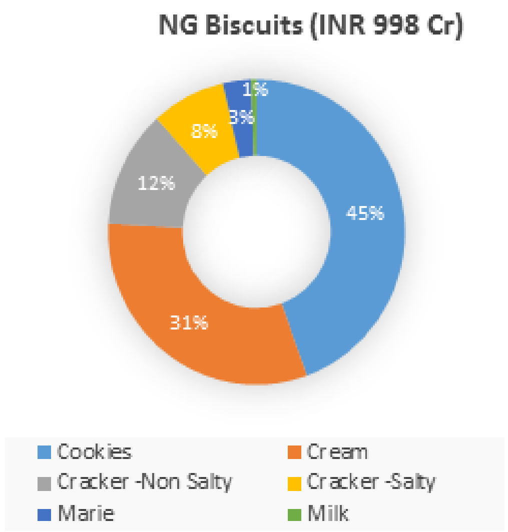


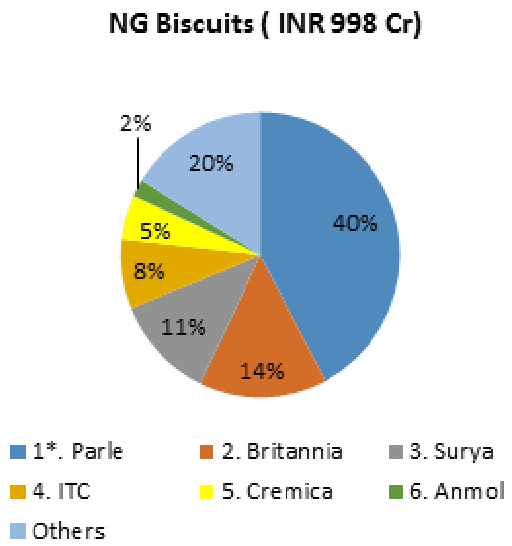
Source: Technopak Report, Primary research, Secondary research

**Numbers signify ranking as per market share*

Rajasthan: National brands Parle and Britannia are the market leaders in non-glucose biscuit categories with 40.00% and 14.00% market share respectively. Approximately 50.00% share of non-glucose biscuit sales consists of Cookies and Cream category.

Exhibit 32: Market share of non-glucose biscuit categories and biscuit brands' market share (Financial Year 2018)

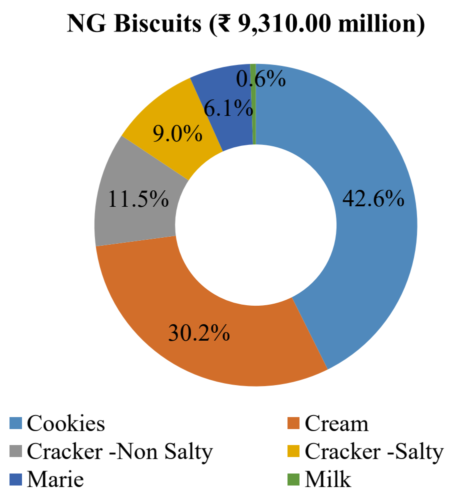


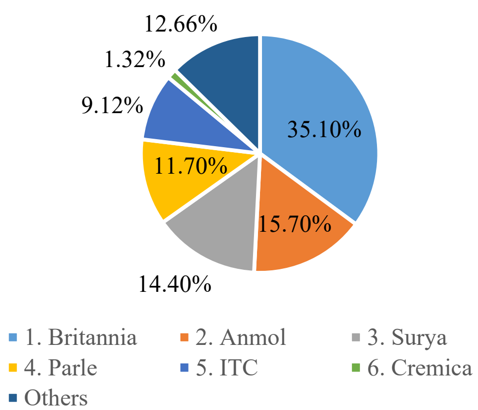


Source: Technopak Report, Primary research, Secondary research
**Numbers signify ranking as per market share*

Delhi: National brand Britannia and Regional brand Anmol are the market leaders with 35.00% and 15.70% non-glucose biscuits market share respectively. Cookies and Cream occupy 72.80% of non-glucose biscuit market sales.

Exhibit 33: Market share of non-glucose biscuit categories and biscuit brands' market share (Financial Year 2018)

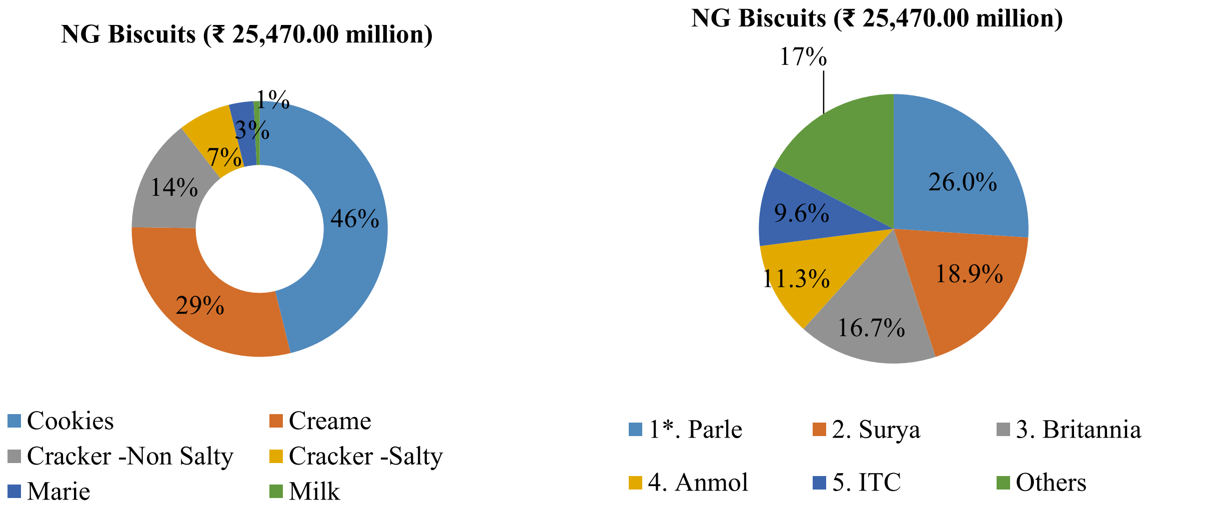




Source: Technopak Report, Primary research, Secondary research
**Numbers signify ranking as per market share*

Uttar Pradesh: It is the largest biscuit market in the north India. Cookies and Cream categories occupy more than 75.00% share of non-glucose biscuit sales. Parle and Surya are the market leaders in non-glucose biscuit categories with 26.00% and 18.00% market share respectively.

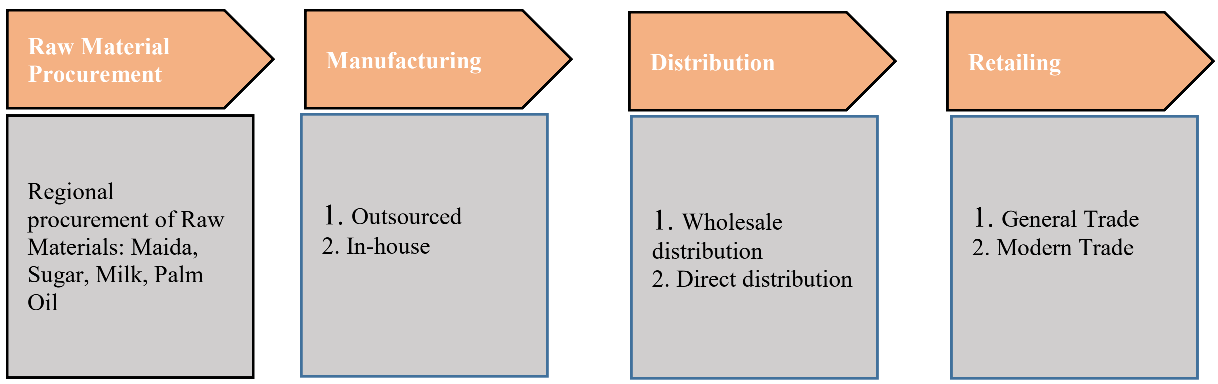
Exhibit 34: Market share of non-glucose biscuit categories and biscuit brands' market share (Financial Year 2018)



Source: Technopak Report, Primary research, Secondary research
**Numbers signify ranking as per market share*

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 Cremica primarily manufacture in-house with some outsourcing. 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 INR Cr)			3 Year Average (FY15-17)				
National Players	**Financial Year 2013**	**Financial Year 2017**	**CAGR (Financial Year 13-17)**	**Gross Margins (%)**	**EBITDA Margins (%)**	**ROE (%)**	**ROCE (%)**	**In-house Manufacturing**
Britannia	5,615	8,414	11.00%	40.00%	14.00%	46.00%	69.00%	55.00%
Parle*	5,596	6,867	7.00%	34.00%	8.00%	16.00%	23.00%	NA
Regional Players								
Anmol**	-	1,240	2.00%	33.00%	13.00%	33.00%	35.00%	97.00%
Cremica	445	6,20	9.00%	42.00%	13.00%	17.00%	22.00%	98.00%

Sources: Primary and Secondary Sources
**For Parle, revenue is provided for FY16 since FY17 financials are not available; Revenue CAGR is from FY13 to FY16 ; Gross, EBITDA margins, ROE & ROCE is for 3 yr period from FY14-16*
***Anmol industries limited has undergone merger with few other entities & hence comparable post merger numbers are only available from FY15 onwards; Revenue CAGR, ROE & ROCE is available only for FY17*

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 3.00% and 8.00% depending on brand, category and their location.

Exhibit 38: Estimated retail reach of biscuit brand in north India (as on May 2018)

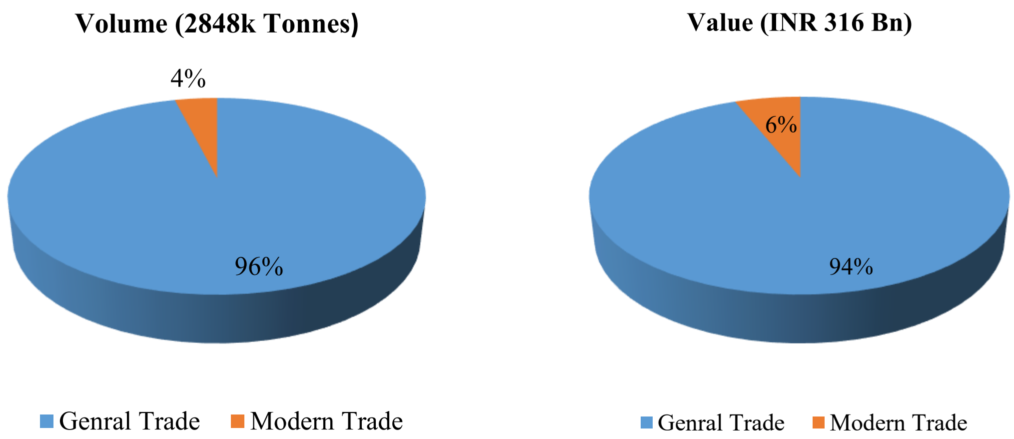
National Brands	Retail Points in North India
Parle	23,00,000
Britannia	12,60,000
ITC	10,40,000
Regional Brands	Retail Points in North India
Surya	14,50,000
Anmol	8,36,000
Cremica	4,50,000
Bisk Farm	25,000

Source: Primary research, Secondary research, Biscuit category is sold at 7.70 million outlets in India.

***Direct Reach*:** Brands are trying to reduce the time between distribution centre and retail outlet. They increasingly 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 applications. 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. They are viable for urban regions, which are accessible and their demand volume is higher.

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

Exhibit 39: Share of MT for branded biscuit sales in India (Financial Year2018)



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 ful-filled 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 is higher in modern trade due to discounts and visibility. Brands aggressively pursue higher SoR (Share of consumer requirement) by offering bulk discounts through Modern trade outlets to increase brand loyalty.

- 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. Mrs Bector is one of the largest suppliers of biscuits to the Canteen Stores Department

- Brands offer trade discounts between 20-30% to reduce trade returns and consequently, reverse logistics and wastage cost.

Trends

1. ***Premiumization:*** Consumers prefer mid and premium biscuits with rising income and accessibility to such products. Biscuits brands encashing the trend by introducing more premium ranges. Parle has launched premium product division called Platina comprising of ‘Hide & Seek’, ‘Black Bourbon’, ‘Milano and Choco Rolls Cookie’. It has allocated 50.00% of its marketing spend on Platina division and plans to increase its contribution to total revenue from 15.00% to 25.00%. It has allocated 10.00% of marketing spend on digital marketing to target online customers. ITC and Britannia are already having dominant market share in the premium category.

2. ***Healthy Biscuits:*** Heathy snacking is a niche category that has grown at a rapid rate. ITC offers Farmlite digestive biscuits and Britannia introduced Nutri Choice. These brands offers biscuits made of oats, wheat etc.

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.

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 is 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 3.90% by value in the period 2015-17, it has grown by volume at a CAGR of 11.60% during the same period. The faster growth in volume has been due increase in consumption in developing markets like Africa, Asia etc.

World Exports		2015	2016	2017	CAGR
Value	(in million USD)	7,208	7,503	7,782	3.90%
Volume	(in 000' Ton)	2,682	2,852	3,342	11.60%

Exhibit 40A: Global biscuits export market (USD million)

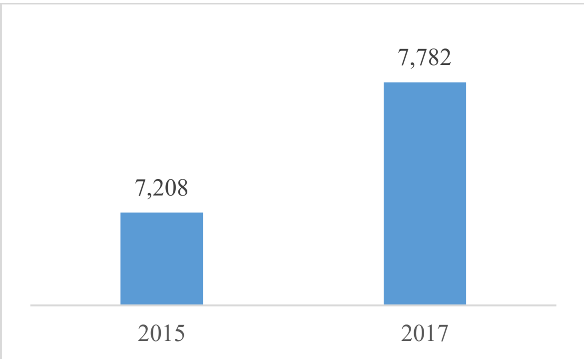
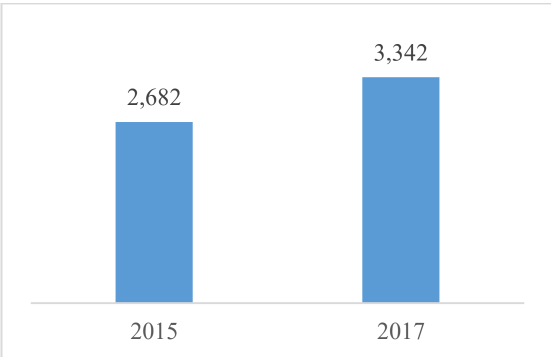


Exhibit 40B: Global Biscuits Export Market (000' Tonnes)



Source: Technopak Report, Secondary research
HS Code: 190531

India's biscuit export market

Indian biscuit exports has maintained a share of 2.00% of total world exports by value since 2014-15 and 4.00-5.00% by volume. India has exported USD 165.00-170.00 million worth of biscuits per annum in Financial Year 2014-17.

Exhibit 41: India's biscuits export market

India's Share of world exports (by value) USD million	2014-15	2015-16	2016-17
Total exports (world)	7,208.00	7,503.00	7,782.00
India's exports	165.00	171.00	167.00
India's share	2.00%	2.00%	2.00%

India's share of world exports (by volume) '000 tonnes	2014-15	2015-16	2016-17
Total exports (World)	2,682.00	2,852.00	3,342.00
India's exports	140.00	150.00	144.00
India's share	5.20%	5.20%	4.30%

The key markets for Indian Exports has been the US, Africa countries, the Caribbeans Islands and the UAE. India's export market has grown at a CAGR of 2.00% by Volume and 2.00% by value in Financial Year 2015-18.

The biscuit export market has seen consolidation in the last few years due to exit of exporters who are small in size and at the lower end of the market and increase in focus on international business by large players like Britannia, Parle, Cremica etc. Markets around the world over are becoming brand conscious and appreciating branded products. Therefore, organised players with product differentiation stand to gain due to the changing trend. The value of exports growing marginally in the last three years in India has been at the cost of low end and comparatively small players. The branded players in India have consolidated their position and they will stand to gain in the current scenario. This is as an outcome of the world trend where regions world over are moving toward branded play and differentiated products. Large players like Britannia and Cremica are servicing markets across the globe including large markets with higher requirements in terms of products and volumes like North America and Africa.

Exhibit 42: Countries to which India exports biscuits (Financial Year 2016-17)

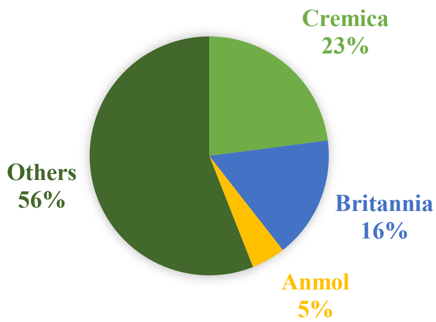
SL No.	Country	Region	Values in ₹ Cr.	Quantity in tonnes
1	U S A	North America	127.82	10,982.31
2	HAITI	Caribbean	70.15	9,371.74
3	TANZANIA REP	Africa	66.41	12,317.88
4	ANGOLA	Africa	51.94	8,346.00
5	CONGO P REP	Africa	42.82	8,008.65
6	NEPAL	Asia	40.34	4,362.26
7	U ARAB EMTS	MENA	39.56	2,914.99
8	UGANDA	Africa	34.45	6,537.29
9	GUINEA	Africa	34.41	5,825.56
10	GHANA	Africa	32.81	5,246.22
11	CANADA	North America	29.67	2,669.29
12	YEMEN REPUBLC	MENA	28.76	2,683.14
13	COTE D' IVOIRE	Africa	25.25	3,927.13
14	NAMIBIA	Africa	22.17	4,835.23
15	TOGO	Africa	21.76	3,439.95
16	BENIN	Africa	20.69	3,317.34
17	SOUTH AFRICA	Africa	19.95	2,562.85
18	DOMINIC REP	Caribbean	19.24	2,775.09
19	SOMALIA	MENA	19.20	2,928.05
20	SENEGAL	Africa	17.98	2,062.00
21	KENYA	Africa	15.29	2,420.26
22	SAUDI ARAB	MENA	15.15	912.13
23	IRAN	MENA	14.14	2,526.53

24	ISRAEL	MENA	13.66	1,161.04
25	AUSTRALIA	Oceania	13.17	1,042.20
	OTHERS		250.21	30,625.87
	TOTAL		**1,087**	**1,43,801**

Source: India Data Source: DGCIS Annual Export

Region	Export from India (Financial Year 2016-17)	
	Values in ₹ Cr.	**Quantity in Tonnes**
Africa	512.25	84,312.55
Asia	77.14	7,732.10
Caribbean Islands	103.27	13,731.75
Central America	6.51	710.92
Europe	7.45	660.87
MENA	189.11	19,618.05
North America	159.02	13,853.93
Oceania	24.79	2,355.43
South America	7.60	825.40
Total	**1,087**	**1,43,801**

Exhibit 43: Market share of large players exporting from India (Financial Year 2016-17)



Both large and small players are currently serving the exports market for biscuits. Top 3 players account for nearly 45.00% of the export market with Cremica capturing leading market share of 23.00% share. Players like Cremica, Britannia, Parle have large plans for exports for the next five years.

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 Africa as it is still a developing nation 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.

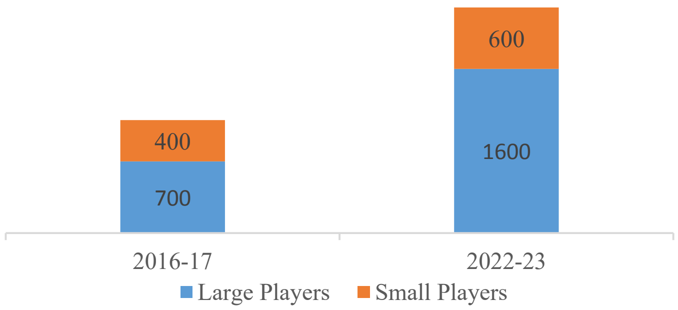
2. ***Players are looking at local manufacturing to customise products, lower costs and also gain entry in markets with high trade barriers***. Players like Britannia are setting up plants in SEZs in India and Nepal to manufacture exclusively for exports. The company has lined up two greenfield projects, one at the Mundra SEZ and another local manufacturing unit in Nepal, to cater to its export requirements. Britannia plans to exports 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 two manufacturing units set up in Africa at Cameroon and Nigeria and is already working at a new unit in Mexico.

3. ***Players like Britannia, Parle, Cremica 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. Going forward, Parle is looking at having customised products for international

markets which would result in more local authentic flavours and combinations to attract local buyers. Cremica is coming up with the Cracker range exclusively for the Chinese market. While Cremica retails its own brands in the international market it also caters to requirements of retailers for their brands and private labels through international chains such as Shoprite, Transnational Foods (US based food vendor company known for offering leading supermarkets, wholesalers, convenience stores, distributors a wide range of products) etc.

Britannia	North America, the UK, Africa, Singapore, Australia, New Zealand and Malaysia
Parle	Africa, Gulf countries
Cremica	Africa, North America, Caribbean Islands, MENA region
Anmol	Asia, Africa, Middle East, Europe and Caribbean Islands

Exhibit 44: Plan of large players for international business* of large players (₹ crore)

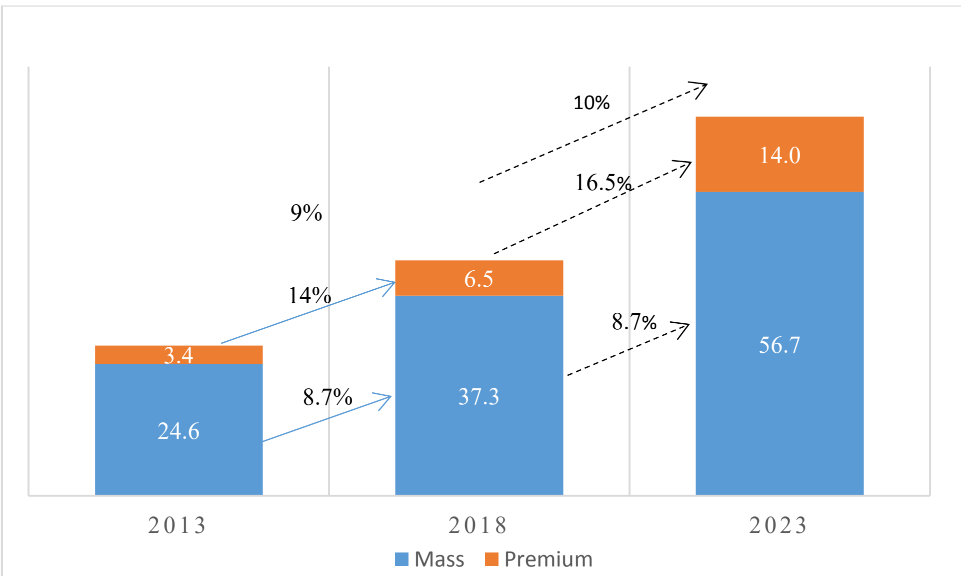


Source: Secondary Research, Technopak Report
**Includes Overseas production for 2022-23*

INDIAN BREADS AND BUNS INDUSTRY

The bread industry in India is valued at ₹ 27.96 billion in Financial Year 2013 and it grew at a CAGR of 9.00% until 2013. The industry is expected to grow at a CAGR of approximately 10.00% and reach ₹ 43.92 billion by Financial Year 2018 and ₹ 70.74 billion by Financial Year 2023. The growth will be mainly assisted by increase in disposable incomes, change in lifestyle and preferences of the customer.

Exhibit 45: Bread Industry growth by value (in ₹ billion)



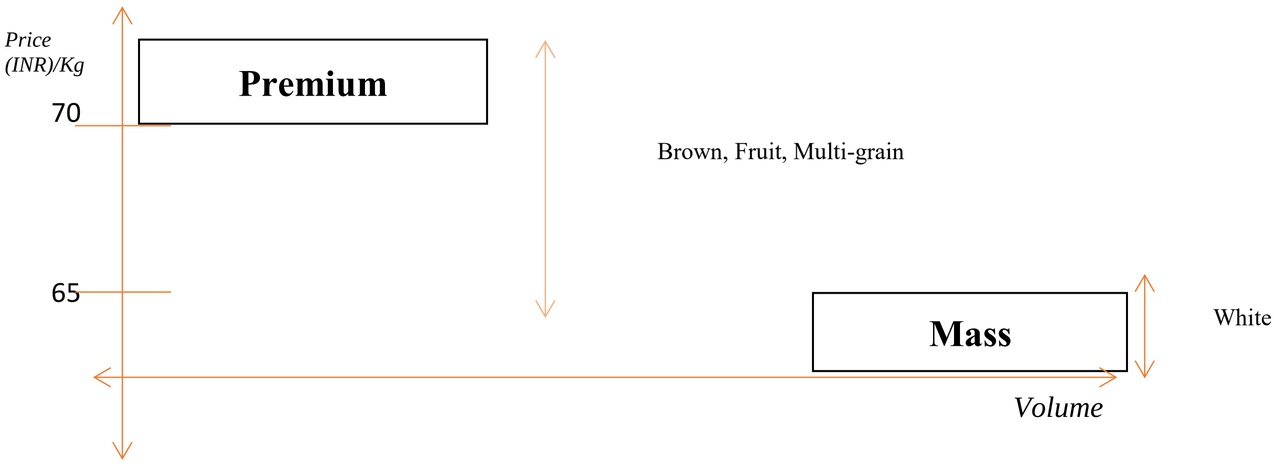
Source: Technopak Report, Secondary research

The Indian bakery industry is comprised of breads, cakes, biscuits, biscuits and pastries. The bread market was valued at ₹ 43.82 billion among the segments. The bread market is mainly concentrated around tier I and larger tier II cities due to higher disposable incomes and more brand awareness among consumers. Northern and Western India are the biggest consumers of bread in the country. By looking at the increased consumption rate of bakery products International players like Au Bon Pain and Le Pain Quotidien, and domestic chains such as Theobroma and La Opera are expanding from their current format to the sit-in café format.

Bread can be classified based on the ingredients and price. Now, consumers are gradually moving towards premium categories from mass categories. Mass category is comprised of white bread made up of wheat/flour whereas premium category is comprised of brown breads, fruit bread and other nutritional bread. Though the premium category currently has a comparatively smaller share it is growing at a much faster rate of 14% per annum.

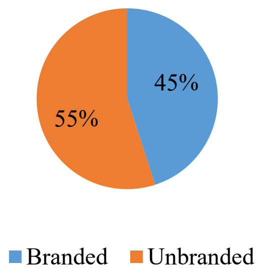
Exhibit 46: Min-max table based on primary research conducted during April-May 2018 (per kg)

Mass	White	48-65
Premium	Brown, Fruit, Multi-grain, White Variant	65 upwards



Branded and Unbranded companies: the bread industry consists of branded and unbranded players contributing around 45.00% and 55.00% of the total bread production respectively. In the branded segment, Britannia Industries and Modern are market leaders in the country with more than 50.00% of the total market share. Companies in the branded segment are increasing their focus on tier II and tier III cities, given the improving infrastructure and customers' changing buying pattern.

Exhibit 47: Bread sales breakup (Financial Year 2017-18)

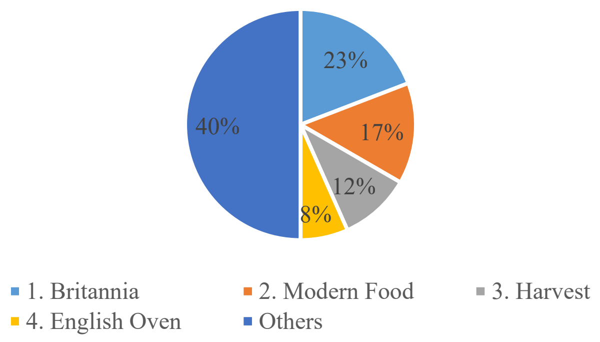


Source: Technopak Report, Secondary Research

India’s bread industry is dominated by unbranded players contributing to about 55.00% 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. 35.00% of the total production comes from the small-scale sector with about 1700-2000 units in operation.

Exhibit 48: Branded Market in Financial Year2017-18

Market Size (₹ 19.7 billion)



Source: Technopak Report, Secondary Research

Types of bread on the basis of shape:

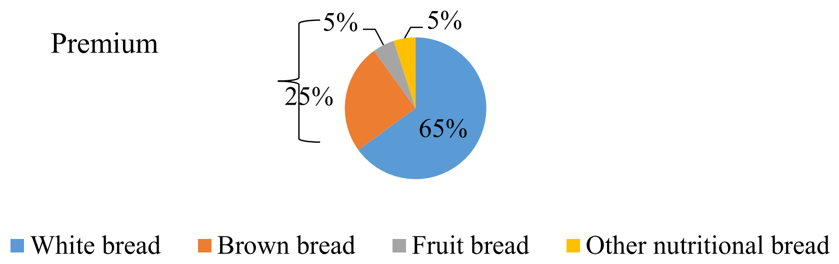
- ***Sliced Bread:*** Sliced bread is pre-sliced bread loaf which is available at grocery stores. This segment is led by organized players and mostly consumed as a breakfast item in households with milk, tea etc;
- ***Pavs and Buns:*** Pav is a hand sized; flat-bottomed dome-shaped bakery product. This 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 highest market share easy availability, economical price and popularity makes it the market leader in bread segment. Companies like Britannia, Modern and Harvest provide white breads to customers.
- ***Brown bread:*** is made from whole wheat flour. Mostly preferred by consumers for better ingredient and quality purposes and is relatively expensive than white bread. Harvest, Bonn and English Oven are some brands which manufacture 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.

Exhibit 49: Market share by ingredient in Financial Year 2018 by value

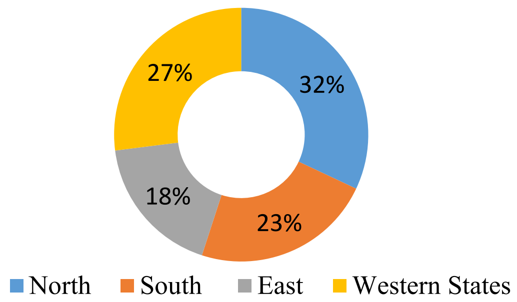


Source: Technopak report, Primary Interviews, Secondary Research

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 50: Consumption pattern in four zones in India (Financial Year 2018)

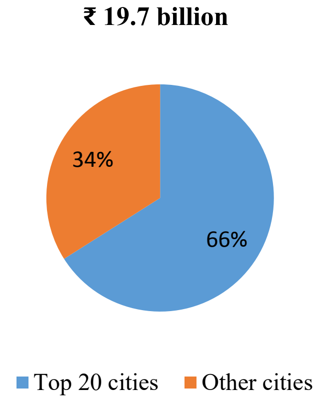


Source: Secondary Research

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, urbanization in western states is around 44.00% which is highest in the country. Whereas in north urbanization is lower than other regions but the main food items (like pakodas and sandwich) of this region contain bread as an important ingredient. Regional players of northern part are Englosh Oven, Harvest, Bonn and Kitty and western parts are Super and Aabad.

Eastern & Southern region: Eastern region accounts for lowest urbanization in India which is around 25.00%. 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 and Fresho is famous in Chennai.

Exhibit 51: Branded bread market share city wise



Top 20 cities include- Mumbai, Delhi, Bengaluru, Hyderabad, Ahmedabad, Chennai, Kolkata, Surat, Pune, Jaipur, Lucknow, Kanpur, Nagpur, Visakhapatnam, Indore, Thane, Bhopal, Patna, Vadodara, Chandigar

Bread demand is high especially in metro cities like Mumbai and Delhi NCR and consumers are gradually showing more liking towards premium segment bread variants. Regional leaders in premium segment of bread in Delhi NCR and north region are Harvest Gold and English f however mass segment bread is led by Britannia.

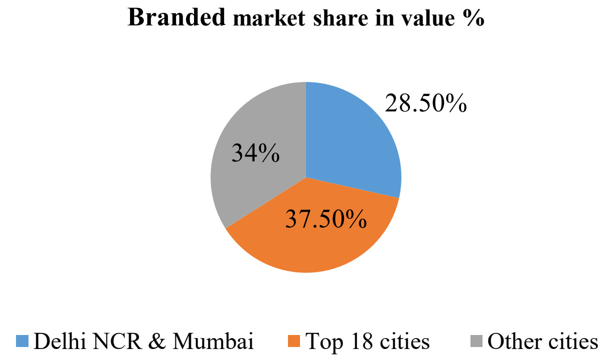
Exhibit 52: Classification of bread players

National	Britannia and Modern	Presence across multiple cities with multiple offerings	Premiumization and customising products
Regional	English Oven, Top N Town and Harvest	Concentrated in 1 city and neighbouring suburbs	Expansion beyond core region
Unbranded	Local bakeries	Tactical players and use margins to tackle regional brands	Lack scale, Quality perception and lack customer recall

Source: Technopak Analysis

The demand for bread is perceived highest in metro cities like Mumbai and Delhi NCR. Consumer's choice with time is gradually shifting towards premium segment bread variants like brown bread and other nutritional breads. Premium bread market size for Top 20 cities is approximately ₹ 479.00 crores, Delhi-NCR and Mumbai are the top two cities driving premium breads with a market size of ₹ 224.00 crores.

Exhibit 53: Branded bread market share city wise



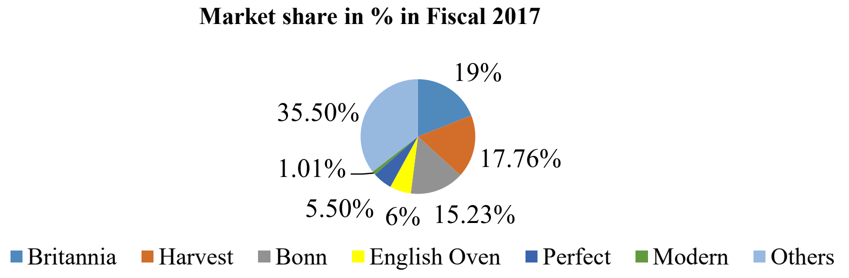
Source: Technopak Report, Primary Research and Technopak Report,

Top Two Cities: Mumbai and Delhi,

Top 18 Cities: Bengaluru, Hyderabad, Ahmedabad, Chennai, Kolkata, Surat, Pune, Jaipur, Lucknow, Kanpur, Nagpur, Visakhapatnam, Indore, Thane, Bhopal, Patna, Vadodara, Chandigarh and Kanpur

Leaders in premium segment of bread in Delhi NCR, Mumbai and Northern region of India are Harvest Gold, English Oven and Fresho Signature. However, the leader in the mass segment bread throughout India is Britannia in branded category.

Exhibit 54: Company wise bread market share of Delhi NCR in volume % in Financial Year 2017



Source: Technopak Report, Primary Research and Technopak Report

*Others include unbranded players

Delhi NCR is the top market of India for bread sales as it sells on an average 20 lakh loaves per day in peak season. The top players in organised segment of Delhi NCR by market share are Britannia, Harvest, Bonn, English Oven and Perfect. In Delhi NCR, Britannia sells around 3.75 lakh loaves per day, Harvest Gold sells 3.47 lakh loaves per day, Bonn sells around 3 lakh loaves per day and English Oven sells 1.20 lakh loaves per day as of May 2018. Britannia is a market leader in mass segment. The breakup of mass and premium bread market in Delhi NCR region is 60:40 as consumption of mass segment is higher because of lower prices. While Harvest Gold is the market leader in the premium bread segment, English Oven is the 2nd largest premium bread brand in Delhi NCR.

Major brands and detailed profile

Organized market is dominated by Britannia, Modern, Harvest gold, English Oven, Bonn and Kitty which contribute to 80.00% of the market share. The two major players Britannia and Modern had a market share of 25.00% and 20.00% respectively in Financial Year 2014. Britannia and Modern are very old brands and they have presence all over India. Apart from these two, there are few large regional players such as Kitty and Bonn in regions like Punjab and Haryana whereas Harvest Gold, English Oven are major regional players in Delhi NCR, Spencers in South India and Vibbs in Maharashtra. MFIL, a subsidiary of HUL, is trying to promote this brand by introducing new variants in bread segment.

'English Oven' is premium bread manufacturer and top player in northern region. Its product portfolio comprises of brown bread, sandwich bread, pizza bread and burger breads. 'English Oven' brand is a part of our Company. It has its own manufacturing unit which produces 530.00 million bread and bun pieces per annum. English Oven is one of the largest players in the premium bread in Delhi NCR. The Company recently entered Mumbai and currently covers around 9,000 retail outletes in Delhi NCR region and Maharashtra. The Company is in the process of launching its products in cities like Bengaluru, Punjab and Pune.

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: In QSR segment, Domino's Pizza is a leading brand with 25.00% market share of the chain QSR market in terms of number of outlets, marking its presence across various zones and type of cities. Newer entrant's such as Subway and Burger King have also rapidly expanded their footprints to Tier II and Tier III cities. Along with Domino's and Subway other large chains like McDonald's and KFC have started targeting the Tier II and Tier III cities. Indian brands such as, Goli Vada Pav, Fassos and Jumbo King have started expanding across the country.

Exhibit 55: QSR- key brands outlet presence (FY 2018)

Brand	Player Type	Outlet Count	Metro (%)	Mini Metros (%)	Tier I (%)	Tier II & Others (%)
Domino's	National	1,127	25.00%	31.00%	12.00%	32.00%
McDonald's	National	447	39.00%	31.00%	11.00%	19.00%
Subway	National	621	29.00%	33.00%	11.00%	27.00%
Pizza Hut Delivery	National	148	35.00%	28.00%	10.00%	27.00%

Source: Technopak Report

CDR: In CDR segment, Pizza Hut is a leading player in terms of number of outlets followed by Moti Mahal, Sagar Ratna and Barbeque Nation. 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 Metros and Mini Metros.

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Exhibit 56: CDR- Key Brands Outlet Presence (Financial Year 2018)

Brand	Player Type	Outlet Count	Metro (%)	Mini Metros (%)	Tier I (%)	Tier II & Others (%)
Pizza Hut*	National	231	26.00%	36.00%	18.00%	20.00%
Moti Mahal	Regional	103	28.00%	9.00%	8.00%	55.00%
Sagar Ratna	Regional	82	43.00%	0%	15.00%	42.00%
Barbeque Nation	National	105	28.00%	31.00%	18.00%	23.00%
Mainland China	National	40	25.00%	52.00%	18.00%	5.00%
Chilli's	National	25	48.00%	48.00%	4.00%	0%

Source: Technopak Report
** Pizza Hut count only includes Dine-in formats*

Café: In Café segment, Café Coffee Day is the largest player in terms of number of outlets and is well spread out across India. It holds 55.00% share of the café market and is growing consistently. Starbucks which is relatively new entrant, has rapidly scaled up its operations and reached a store count of one hundred thirteen in just over five years. However, the focus of Starbucks is more in Metros as compared to Café Coffee Day, which has outlet presence in Tier III cities as well.

Exhibit 57: Café- key brands outlet presence (Financial Year 2018)

Brand	**Player Type**	**Outlet Count**	**Metro (%)**	**Mini Metros (%)**	**Tier I (%)**	**Tier II & Others (%)**
Café Coffee Day	National	1,682	23.00%	31.00%	10.00%	36.00%
Starbucks	National	113	55.00%	45.00%	-	-
Barista	National	124	48.00%	39.00%	2.00%	11.00%

Source: Technopak Report

Increasing Urbanization

By Financial Year 2025, 69 metropolitan cities in India are expected to have 78.00% of the urban population. 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. Demographically youngest consumer market (33.00% of the population is younger than 15 and 50.00% younger than 24). Largest working age population (15-54 years) will rise by 135.00 million by 2021, India to soon have 20.00% of the world's working-age population.

Availability of Organized Space leading to Food Service Expansion

Food service has recently emerged as a key sector in driving the retail space and footfalls within a mall or high street. With intent to leverage on higher revenues generated by the segment, malls are leasing out prime floor spaces to bring new F&B brands within their fold. On an average, 20.00-25.00% of the mall space is dedicated to food service outlets. A new concept like Food hubs as destinations dedicated completely to food services is emerging in India. Some key examples being Epicuria, Cyber Hub and Sangam Courtyard in Delhi NCR. Due to change in consumer consumption patterns and profiles, eating-out has emerged in non-traditional locations such as office complexes, educational institutions, hospitals and railway/metro stations etc. Malls, high streets, office complexes, highways, hospitals, railway/metro stations, airports are the preferred destinations by most of the brands in the food services to operate.

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.

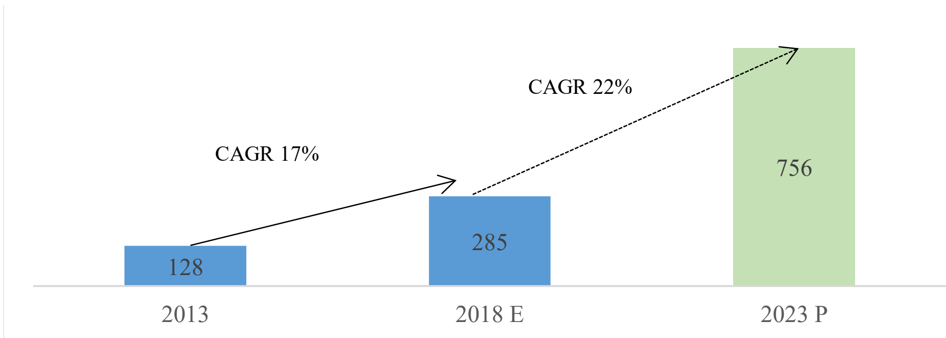
Impact of Chain Market Growth on Vendor Ecosystem for Processed Bread and Dough

The growth of organized food services, more specifically the chain segment has positively impacted the growth of food processing industry in India. The Indian food processing industry accounts for 32.00% of the country's total food market and is estimated to be US$ 350.00 billion, though 30.00% of the food processing sector is still unorganized. Nearly 6.00-8.00% 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

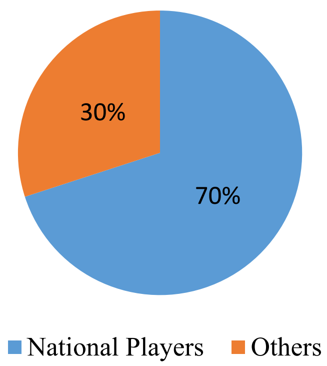
The overall processed food market in organised food services space (Chain and Standalone) is estimated at ₹ 440.00 billion in Financial Year 2018 and is expected to grow at a CAGR of 21.00% to reach ₹ 1,150 billion in Financial Year 2023. The share of processed dough-based products in the food component for the chain segment is estimated to be ₹ 6.50 billion in Financial Year 2018 and is projected to grow at CAGR of 27.00% to reach ₹ 21.50 billion by Financial Year 2023.

Exhibit 58: Chain QSR market ₹ billion (Financial Year)



Source: Primary and Secondary Research

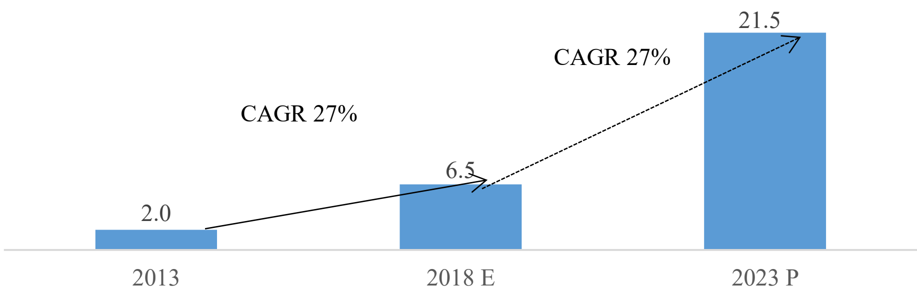
Exhibit 59: Market share of dough contributed by national players



Source: Primary and Secondary Research
National Players such as Domino's, McDonald's, CCD, Subway, Burger King and Pizza Hut

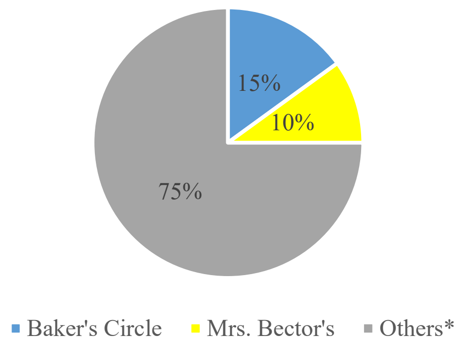
Key players such as Domino's, McDonald's, CCD, Subway, Burger King and Pizza Hut together contribute 70.00% of the chain market, the same in value terms is approximately ₹ 4.50 billon.

Exhibit 60: Dough based products market for Chain segment ₹ billion (Financial Year)



Source: Primary and Secondary Research

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*

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 25.00%. The remaining 75.00% share is catered by the in-house commissaries and other smaller players. Mrs. Bector'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.

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, for example McDonald's has partnered with Mrs. Bector's to supply burger buns and from past 20 years. As per the team from Mc Donalds, Mrs. Bector's is fulfilling more than 75.00% of the requirement of buns for McDonald's in India. Mrs. Bector 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. Bector's Baker's Circle General Mills	• Large Scale and Investment Capabilities • Strong Quality Compliance • Broader Geographical Outreach • Strong Processing Capabilities • Multi Product Range
Small Players	Golden Crust Cranberry Foods Signature International Foods	• Customized Offerings • Strong Reach in local service area • Ideal to cater to small FS brands

Source: Primary & Secondary Research

Future growth drivers- processed bread and dough play

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 14.00% till Financial Year 2023, however, the chain restaurants are poised to grow at a CAGR of 22.00% 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 Industry/Chain Market in India which has grown at a CAGR of 18.80% from Financial Year 2014 to Financial Year 2018 and is expected to grow at a CAGR of 23.80% from Financial Year 2018 to Financial Year 2023. 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	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Domino's	576	726	876	1,026	1,111	1,127
Pizza Hut	315	380	374	356	360	379
McDonald's	316	369	373	393	416	447
Subway	417	476	505	568	600	621
Café Coffee Day	1,454	1,568	1,520	1,556	1,654	1,682

Source: Brand Websites, Primary Research

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 the USA, the 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. The USA has around one hundred eighty seven restaurants per million people where as China and India have a meagre five and two 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 of processed and semi-processed dough-based products.

Exhibit 64: Key Brands Global Presence (Financial Year 2017)

Countries	Population	McDonald's	Domino's	Subway	Pizza Hut	Starbucks	Restaurant per million
U.S.	325	14,036	5,587	25,454	7,497	8,222	187
China	1,409	2,631	43	594	2,195	1,540	5
Japan	127	2,894	503	334	373	621	37
U.K.	66	1,285	1,094	2,393	693	377	88
India	1,300	447	1,127	621	345	113	2

Source: Secondary Research, Technopak Analysis

The usage of processed and semi processed food likes breads, buns and frozen/ chilled dough 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 and standardization etc.

However, with the growing awareness regarding food safety among the consumers and the increasing reach of branded play to Tier II and III cities and increasing penetration in the bigger cities, will force the standalone players to offer products that comply to 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 processed bread and dough-based products in this segment.

Presently the players in the bread and dough-based products are focusing on producing products for the western cuisine, for example, burgers, pizza dough etc. Customization of such products for the local cuisine specially for the Indian breads such as Naans, Parathas etc. at reasonable prices will further open new fields for the players operating in the bread and dough segment.

BUSINESS

*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 16, 97 and 366, respectively, as well as the financial information included in the section titled "**Financial Statements**" on page 192. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

The industry data in this section has been extracted from the report dated July 28, 2018, titled "Indian Biscuit and Bread 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 non-glucose biscuits and premium breads segment in North India, according to Technopak Report, with products sold under our well-recognized brands, '*Mrs. Bector's Cremica*' and '*English Oven*'. We manufacture and market a range of products such as biscuits, breads and buns, catering primarily to retail consumers in 11 states within India as well as to reputed institutional customers pan-India. We are also a leading exporter of biscuits from India, according to Technopak Report, and we exported biscuits under our brand as well as under third party private labels to 61 countries in Financial Year 2018. We market a wide variety of biscuits under our flagship brand '*Mrs. Bector's Cremica*', which is one of the leading non-glucose biscuit brands in North India, according to the Technopak Report. We manufacture and market breads under the '*English Oven'* brand, which currently caters to the premium bread segment in Delhi NCR and Maharashtra. According to the Technopak Report, '*English Oven*' is one of the largest players in the premium bread brand in Delhi NCR, supplying approximately 120,000 loaves per day as of May, 2018. According to the Technopak Report, we are the largest supplier of buns in India to reputed QSR chains such as Hardcastle Restaurants Private Limited and Burger King India Private Limited. Substantially all our products are manufactured in-house at our six strategically located manufacturing facilities, which enables us to have effective control over the manufacturing process and to ensure consistent quality of our products.

Our diversified product portfolio includes three main categories.

- *Biscuits.* We manufacture and sell biscuits, primarily in the non-glucose category including a wide variety of cookies, creams, crackers and digestives, which accounted for ₹ 3,851.58 million, or 84.97 % of our Biscuit Revenue from Direct Sales in Financial Year 2018. '*Mrs. Bector's Cremica*' is one of the leading biscuit brands in the non-glucose biscuit segment in Punjab, Himachal Pradesh, Jammu and Kashmir, Haryana and Rajasthan, according to the Technopak Report. Our key export markets are Africa and North America, where we export biscuits under the '*Mrs. Bector's Cremica*' brand and under private labels for international retail chains through reputed buying houses such as Monteagle International (UK) Limited. Additionally, we also undertake manufacturing of 'Oreo' and 'Bournvita' biscuits on contract basis for Mondelez India Foods Private Limited and another leading biscuit manufacturer in India. Our Biscuit Revenue from Direct Sales accounted for ₹ 4,533.04 million in Financial Year 2018 and has grown at a CAGR of 2.64 % during Financial Years 2014 to 2018. Revenue from the export of biscuits accounted for ₹ 2,063.41 million and in Financial Year 2018 has grown at a CAGR of 13.21% during Financial Years 2014 to 2018.

- *Breads.* We manufacture and sell various types of breads, including whole wheat, multigrain fruit and sandwich breads under the '*English Oven*' brand, which caters to the premium segment in Delhi NCR, Maharashtra and the Northern region of India. In our bread segment we also manufacture and supply ready-to-eat frozen products and other varieties of breads, such as garlic bread and other stuffed breads. Our revenue from the sale of breads accounted for ₹ 773.18 million or 11.14% of our consolidated revenue from operations in Financial Year 2018. Our revenue from the sales of breads has grown at a CAGR of 20.90 % during Financial Years 2014 to 2018. Our revenue from the sale of breads has grown faster than the growth of 14.00% per annum (*Source: Technopak Report)* of the premium bread industry in India from Financial Year 2013 till Financial Year 2018.

- *Buns.* We manufacture and supply buns in accordance with the specifications provided by our QSR customers. We have been the preferred supplier of buns to Hardcastle Restaurants Private Limited since the year 2007. According to the Technopak Report, we are the largest bun suppliers in India equipped with dedicated modern manufacturing facilities which enables us to undertake large orders while complying with the stringent quality standards required by reputed QSR chains. In Financial Year 2018, the revenue from sale of buns to our institutional customers accounted for ₹ 908.51 million or 13.09 % of our total revenue. Revenue from sale of buns to our institutional customers has grown at a CAGR of 17.22 % during Financial Years 2014 to 2018.

We believe that we are able to differentiate ourselves from our competitors by consistently refreshing our product portfolio and introducing new products, while maintaining consistent quality of our products. For instance, we have recently started manufacturing frozen products such as frozen pizzas, croissants and muffins to hotels, restaurants and cafés. As on June 30, 2018, our diversified product portfolio consists of 542 SKU's products across all our product segments. We have undertaken four new products launches in Financial Year 2018, which include 'Golden bytes', 'Kalonji Cracker', our range of digestive biscuits including 'oatmeal' and 'cornflakes', '100%' whole wheat bread and 'Bunfills'. We believe that our diversified product portfolio and focus towards introducing value-added bakery products helps us in addressing the changing consumer preferences and market trends in India.

Our product development is supported by our six manufacturing facilities in Phillaur and Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khapoli (Maharashtra) and Bengaluru (Karnataka) which are strategically located in proximity to our target markets, which minimises freight and logistics related time and expenses. We have received all the major quality certifications and accreditations, including certification from the Food Safety and Standards Authority of India (FSSAI) and the FSSC 22000. Our biscuit manufacturing facility situated in Phillaur (Punjab) has been awarded certification from U.S. Food and Drugs Administration. We have also received British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits and Halal certification for manufacturing biscuits.

We have a strong distribution network in India and globally in the general trade and the modern trade segment. As of June 30, 2018, we distributed our biscuits across 11 states in India, through our widespread network of 135 super-stockists and 570 distributors. 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. As of June 30, 2018, we had a network of 1,271 preferred outlets. Our distribution channels also include modern retailers, which we define as large supermarkets or modern retailer stores. We have distribution tie-ups with reputed retail chains in India. According to the Technopak Report, we are the largest suppliers of biscuits to Canteen Stores Department of Government of India ("**CSD**"). We also export our biscuits to 61 countries through our strong global distribution network and through our tie-ups with reputed buying houses such as Monteagle International (UK) Limited. As on June 30, 2018 our breads were sold through over 9,000 retail outlets situated in Delhi NCR region and Maharashtra (*Source: Technopak Report*) through modern trade and general trade channels, through direct sales to supermarkets, departmental stores or indirect sales through wholesalers and distributors.

Our Company was founded by Mrs. Rajni Bector and our recipes are inspired by the original recipes created by Mrs. Rajni Bector. Our Company is promoted by Mr. Anoop Bector who has over 23 years of industry experience. He is also the Managing Director of the 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 and is responsible for the overall supervision, development and expansion of our breads business. We believe that the experience of our senior management team has significantly contributed to our success and growth.

For the Financial Years 2018, 2017, 2016, 2015 and 2014 our consolidated revenue from operations was ₹ 6,939.65 million, ₹ 6,386.52 million, ₹ 5,987.81 million, ₹ 6,016.60 million and ₹ 5,600.09 million respectively. Our revenue from operations has grown at a CAGR of 5.51 % during Financial Years 2014 to 2018. In Financial Years 2018, 2017, 2016, 2015 and 2014, we recorded EBITDA of ₹ 845.07 million, ₹ 694.14 million, ₹ 750.90 million, ₹ 736.25 million and ₹ 612.35 million respectively. For Financial Years 2018, 2017, 2016, 2015 and 2014 our net profit was ₹ 360.18 million, ₹ 288.16 million, ₹ 408.47 million, ₹ 293.04 million and ₹ 254.98 million, respectively. Our net profit has grown at a CAGR of 9.02% during Financial Years 2014 to 2018. Our ROE for Financial Years 2018, 2017, 2016, 2015 and 2014 was 14.33%, 12.92%, 21.29%, 18.49% and 17.87%, respectively.

Our Strengths

We believe that we have the following competitive strengths.

Established brands with a diversified product portfolio of medium and premium products

We believe that a strong and recognizable brand is a key attribute in our industry, which increases customer confidence and influences a purchase decision. We sell our biscuits under our flagship brand '*Mrs. Bector's Cremica*' which is one of the leading non-glucose biscuit brand in North India, according to the Technopak Report. We have developed our recipes and products based on our extensive understanding of our key markets for the biscuit 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. According to the Technopak Report, we are among the top two Indian biscuit manufacturers in the medium and premium biscuit segment in Punjab, Himachal Pradesh and Jammu and Kashmir and among one of the leading manufacturers in the non-glucose biscuit segment in Haryana and Rajasthan. In Financial Year 2018, we had a share of 4.1% of the non-glucose biscuit market in North India. We market breads under our brand '*English Oven'* which is the second largest selling premium bread brand in Delhi NCR.

We complement our understanding of the biscuit and bakery products market with our product development and innovation capabilities, which have enabled us to develop and launch a comprehensive portfolio of non-glucose biscuit and premium bakery products. As on June 30, 2018, our diversified product portfolio consists of 542 SKU's across all our product segments including varieties of biscuits across the cookies, creams, crackers and digestives categories and varieties of premium breads including, multigrain bread, fruit bread, sandwich bread, jumbo bread, garlic breads and stuffed breads.

Our focus on growing our premium biscuit segment is reflected in the growth of non-glucose category of biscuits, such as cookies, creams, crackers and digestives which has grown at a higher growth rate in the last five Financial Years, as compared with the growth in our glucose biscuit segment. Our revenue from sale of non-glucose biscuits increased by 5.21% from ₹ 3,143.14 million in Financial Year 2014 to ₹ 3,851.58 million in Financial Year 2018.

Through our diverse line up of biscuits, we aim to cater to a wide variety of different tastes and preferences. In addition, keeping in mind changing consumer preferences we have also introduced new products to appeal to health-conscious consumers who seek to avoid artificial flavours, synthetic colours, excessive calories from sugar and butter with our marie biscuits and digestive varieties of biscuits. We maintain an active product pipeline, and our relationships with our raw material suppliers and our manufacturing facilities enable us to efficiently introduce new products. For instance, in order to cater to the growing QSR business segment, we have recently introduced a range of frozen products such as frozen pizza, croissants and muffins. In order to cater to the premium bread market we have also launched 'Bunfills' in the Delhi NCR market, which is center filled bun with chocolate and custard. Similarly, even in the biscuit segment we continuously introduce new products which cater to the premium segment such as 'Golden Bytes'. We believe that our focus on developing premium biscuit and bakery products enables us to differentiate from our competitors, particularly in urban and semi-urban markets, as well as offering market relevant products to our institutional customers in the domestic and international markets.

A leading exporter of biscuits

According to the Technopak Report, we are the leading exporter of biscuits from India, with approximately 23% share of the Indian biscuit export market in Financial Year 2017. In Financial Year 2018, we exported biscuits to 61 countries across Africa, Middle East, North America, Central America, Asia, Europe and Australia. We export cookies, creams, crackers and glucose biscuits under our flagship brand '*Mrs. Bector's Cremica*' brand as well as under private labels for international retail chains. Revenue from the export of biscuits accounted for ₹ 2,063.41 million constituting 45.52% of our Biscuit Revenue from Direct Sales in Financial Year 2018, which has grown at a CAGR of 13.21% during Financial Years 2014 to 2018.

We have received major quality certifications from including certificate of registration from the U.S. Food and Drug Administration, the BRC food certification and Halal certification for manufacturing biscuits, which helps in the acceptability of our products in quality conscious export markets.

Our market share in the total biscuit exports from India to our key export markets in Financial Year 2017 in Europe was 41.40%, in North America was 12.14%, and in Africa was 11.35 %. Particularly in certain regions such as the Caribbean region and Oceania region, we have a 66.16% and 13.54% share of the total exports from India, respectively. Further, in certain countries such as Haiti and in Uganda we have a share comprising 75.50% and 48.84% of the total exports from India, respectively.

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 customized 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 packaging and variation in flavors, aligned with the consumer preferences and trend in our target export markets.

A leading supplier of buns to the fast growing QSR industry

We are the largest supplier of buns (*Source: Technopak Report*) to reputed QSR chains 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 certain of our customers expect of us.

We are the preferred supplier of buns to Hardcastle Restaurants Private Limited for approximately 11 years. We have also been the one of the main supplier of buns to Burger King India Private Limited since 2014. 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 facilities situated at Greater Noida (Uttar Pradesh), Khapoli (Maharashtra) and Bengaluru (Karnataka) 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 the stringent quality standards required by multinational QSR chains. We also undertake the delivery of our products from our manufacturing facilities to certain customers in order to ensure quality and mitigate the risk of damage of products during transportation.

Certain of our key QSR customers have 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 benefit by working closely with our QSR 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 end-product.

Our success in leveraging our relationships with our QSR customers is illustrated in the growth of our buns (institutional) segment over the years. Our revenues from the buns (institutional) segment have increased at a CAGR of 17.22% from ₹ 481.26 million in Financial Year 2014 to ₹ 908.51 million in Financial Year 2018. Our growth is supplemented by the growth of the QSR industry, which has grown at a CAGR of 19% from Financial Year 2013 to Financial Year 2017 and is expected to grow at a CAGR of 24% from Financial Year 2018 to 2023, as per the Technopak Report. We believe that we are well positioned to capitalise the growth opportunity in the QSR business segment by leveraging our dedicated bun manufacturing facilities and our long standing relationships with our key institutional customers by including newer categories of products like frozen dough.

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 semi urban and urban markets, where we expect growth to be more significant.

We distribute our biscuits across 11 states in India, through our widespread network super stockists and distributors. As of June 30, 2018, we have a distribution network comprising of 135 super stockists and 570 distributors. Our distribution network is managed by our in-house sales team of over 374 employees as on June 30, 2018, which works 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 technology 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. We believe that our extensive distribution network enables us to serve our customers and markets in an efficient and timely manner. Additionally, our products are sold through modern trade channels. We also directly supply biscuits to institutional clients like canteen store department and hospitals.

We sell our breads through modern trade and general trade channels. As on June 30, 2018 our breads were sold through over 9,000 retail outlets situated in Delhi NCR region and Maharashtra (*Source: Technopak Report*) through direct sales to supermarkets, departments stores or indirect sales through wholesalers and distributors.

Modern and automated production process with a focus on quality control

Our production facilities are strategically located in proximity of our target markets, which minimises freight and logistics related time and expenses. We manufacture biscuits in our manufacturing facilities located in Phillaur and Rajpura (Punjab) and Tahliwal (Himachal Pradesh). We manufacture buns and breads in our manufacturing facilities located in Greater Noida (Uttar Pradesh), Khapoli (Maharashtra) and Bengaluru (Karnataka). In order to ensure that our products meet the desirable quality standards, we undertake manufacture majority of our products at our own facilities. In Financial Year 2018, 97.37% of our overall biscuits sold were manufactured in-house at our manufacturing facilities, whereas only 2.63% of our biscuits were sourced from third party manufacturers. Further, all our breads and buns are manufactured in-house. Our manufacturing facilities are equipped with advanced equipment and modern technology. For example, for manufacturing buns and breads, we have imported semi-automated bun and bread lines, which reduce the need for human intervention and help in increasing productivity and improving cost efficiency. For the baking process, we have imported specialized 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 chain, from procurement of the raw material to dispatch of the finished product. 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 Hardcastle Restaurants Private Limited and Mondelez India Foods Private Limited. We have a 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 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 consistent quality of wheat during the manufacturing process.

We have received several quality certifications for our products and production facilities, including certification of registration from the U.S. Food and Drugs Administration, certification from Food Safety and Standards Authority of India (FSSAI) for bread and bun products and certification from the British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits. We have also received Halal certification for manufacturing biscuits.

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 23 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. As our Managing Director, Mr. Anoop Bector provides strategic guidance to our Company, while also being involved in our day to day functioning. Mr. Ishaan Bector, our whole time director, heads our breads and buns business and is responsible for its 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 19.16% in the last three Financial Years under the leadership of Mr. Ishaan Bector.

Our Board and senior management have a track record and an in-depth understanding of the retail business. Key members of our senior management team including Mr. Manoj Verma who is the national sales director (domestic sales) of our Company (who has over 24 years of experience in sales and marketing) and Mr. Vishal Malik who is the international sales director (export sales) of our Company (who has over 17 years of experience in sales) 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 "***Management***" on page 166.

Strong financial profile and established track record

We have an established track record of strong financial performance and delivering returns to shareholders.

Particulars	Financial Year 2018	Financial Year 2017	Financial Year 2016	Financial Year 2015	Financial Year 2014
Consolidated Revenues from Operations (₹ million)	6,939.65	6,386.52	5,987.81	6,016.60	5,600.09
Gross Margin (%)[1]	44.36%	41.21%	44.43%	43.26%	40.27%
EBITDA Margin (%)[2 & 3]	12.18%	10.87%	12.54%	12.24%	10.93%
ROE (%)[4]	14.33%	12.92%	21.29%	18.49%	17.87%
ROCE (%)[5]	19.88%	17.87%	26.73%	22.60%	*-
Cash Flow from Operating activities (₹ million)	463.52	546.80	506.93	537.22	480.22
EBITDA to operating cash flows (%)	182.32	126.95	148.13	137.05	127.52
Working Capital cycle (days)[6]	35	25	37	28	21

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 = Earning before interest, taxes, depreciation and amortization excluding other income*
3. *EBITDA% = EBITDA / Revenue from operations*
4. *ROE has been calculated based on PAT and average shareholders funds during the year*
5. *ROCE = Earnings before tax and interest / Average capital employed. Capital Employed = Shareholders funds + Term loans + loans from related parties + working capital loans + current maturities of long term loans - cash and cash equivalents - Non-Current Investments - Capital Work-in-progress.*
   ROCE for Financial Year 2014 has not been included because the closing capital employed for Financial Year 2013 is not available on a comparable basis.
6. *Working Capital Days = Trade receivables days + inventory days - Trade Payable days*

Our Strategies

Expand our product reach in India and globally and increase our manufacturing capacity

While historically we have had a strong presence in North India, we intend to leverage our brands and expand our presence in the southern and western regions of India. As a part of our expansion strategy, we are in the process of setting up a new manufacturing facility in Dhar (Madhya Pradesh), which will help us in serving markets outside North India, especially in our target markets of Maharashtra and West Bengal and also cater to our export markets. We also seek to increase the capacity utilization of the plant situated in Greater Noida (Uttar Pradesh) for manufacturing breads and buns and our newly commissioned plant at Rajpura Punjab for manufacturing biscuits, breads and buns. We also intend to expand our distribution network to deepen our penetration in existing markets and to expand our presence in under-penetrated markets. In order to increase our distribution network in semi urban and urban markets, we intend to increase the sale of products through modern retail trade channels including hypermarkets and supermarkets.

In addition to increasing our presence in our existing export markets, we seek to expand our geographical footprint in order to access a more diversified customer base across 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 new offices in Dubai and certain parts of Africa to strengthen our presence in these markets.

Expand our product portfolio

We will continue to expand our product portfolio within the existing product segments and distribution reach, focus on increasing sales 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 capitalize on emerging trends. According to the Technopak Report, the QSR is one of the fastest growing segments in the food industry in India and expected to grow at a CAGR of 24% from Financial Year 2018 to Financial Year 2023.

In order to cater to the demand of the growing QSR business segment, we have introduced frozen products, such as frozen pizzas, croissants and muffins. We also plan to introduce new frozen dough products which we primarily aim to cater to hotels restaurants and café's . We also intend to increase our research and development efforts on improving taste, food quality and safety. This would allow us to better serve the increasing demand from consumers for healthier, tastier and premium quality food products.

Leverage relationship with institutional customers to further grow institutional business segment

We have established strong relationships with various large multinational and Indian corporates and other institutional customers for the supply of buns and biscuits. Our institutional customers include Hardcastle Restaurants Private Limited, Burger King India Private Limited and Mondelez India Foods Private Limited. We strengthened our institutional business in 2007 as the preferred supplier of buns to Hardcastle Restaurants Private Limited, in India. 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 volumes to these institutional customers and their affiliates in India and globally.

Further, we have also commissioned a sheeting line capable of producing potato puff patties, croissants, focaccia breads, Panini breads, ciabatta breads, pan-o-choc at out Greater Noida facility. We have also added large blast freezing, individual quick freezing and holding freezers at our Greater Noida Facility. We intend to install blast freezers and holding freezers in our Bengaluru and Khapoli Facilities. Through commissioning of new technology, we intend to create a seamless capability to manufacture frozen products at all our manufacturing facilities. We believe that the commissioning of such new technologies, will also provide us with the opportunity to capitalize growth opportunities beyond the QSR business segment and allow us to serve customers in the casual dining restaurant business segment and the hotel, restaurant and café business segment.

Increase margins by focusing on expanding our product portfolio

Our strategy is also to diversify into products with higher margins. Currently, we offer various non-glucose category of biscuits including cookies, creams, crackers and digestives. According to the Technopak Report, the non-glucose biscuits market is expected to grow to ₹ 469.00 billion by Financial Year 2023 growing at a CAGR of 12.10% from Financial Year 2018 to Financial Year 2023. We also offer premium category of breads, including whole wheat, multigrain and sandwich breads. According to the Technopak Report, the market for premium breads and bakery products is estimated to grow to ₹ 14.00 billion by Financial Year 2023 growing at a CAGR of 16.50% from Financial Year 2018 to Financial Year 2023. We intend to expand our product offerings to include niche biscuit and bakery products such as niche biscuit, cookies, crackers and bakery products such as health range of biscuits, premium rich cookies, premium flaky crackers, soda crackers, croissants and filled pastry, which will help us realize higher margins. We have recently installed dedicated lines at our Rajpura (Punjab) facility to cater to production of high margin premium products. We believe that our focus on high margin products will provide higher returns and help us in increasing our profitability.

Increase our brand awareness

We seek to continuously allocate significant resources to establish '*Mrs. Bector's Cremica*' and '*English Oven*' as one of India's leading biscuit and bakery brands, respectively. 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. Our marketing plan comprises advertising in print media, digital, television and outdoor promotional campaigns, 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 believe that the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share.

Our Product Portfolio

We have a diversified product portfolio and offer products in three main categories, comprising of biscuits, breads and buns.

Biscuits

We primarily manufacture non-glucose category of biscuits including cookies, creams, crackers and digestives. We also manufacture glucose biscuits catering to the mass segment. In Financial Year 2018, Financial Year 2017 and Financial Year 2016, our Biscuit Revenue from Direct Sales represented 65.32%, 64.40% and 67.53%, respectively, of our consolidated revenue from operations for the respective periods. Revenues generated by sale non-glucose biscuits such as cookies, creams, crackers and digestives increased by 5.21% from ₹ 3,143.14 million in Financial Year 2014 to ₹ 3,851.58 million in Financial Year 2018.The following table sets out certain details about our key biscuit products:

Products		Variants	Stock Keeping Units
Cream	Domestic	Twin Creme Chocolate Vanilla in flavours of Chocolate, Elaichi, Orange and Strawberry	45 gm and 90gm
		Magicreme in flavours of Chocolate, Elaichi, Orange and Strawberry	45 gm and 90gm
		Bourbon	20 gm, 60 gm, 75 gm, 100gm, 150 gm and 200 gm
		Cremfills in flavours of strawberry and butter	100gm
		Elaichi Cream	75 gm
		Orange crème	75 gm
	Exports	Mambo – chocolate, vanilla & strawberry	25, 30 gm
		Love it – chocolate, orange, vanilla, strawberry	30 gm
		Cremelo – chocolate, orange, vanilla & strawberry	90gm, 165 gm , 200 gm
		Premium Cream – Chocolate, strawberry vanilla	150 gm
		RIO4 – chocolate, strawberry, lemon, vanilla.	180 gm, 360 gm
		Bourbon	20 gm, 40 gm,
Cookies	Domestic	Butter Gold	45 gm, 90 gm and 200 gm
		Butter Cookies	45 gm, 150 gm and 200 gm
		Bisko Choco Chip Cookies	45 gm
		Butter Cookies	90 gm
		Golden Bytes Butter	83 gm and 250 gm
		Golden Bytes Mix Nuts	66 gm and 200 gm
		Cashew Cookies	42.5 gm, 85 gm and 120 gm
		Special Butter Cookies	100 gm
		Kaju Khazoor Cookies	100 gm
		Coconut Crunchies	50 gm, 100 gm and 110 gm
		Coconut Cookies	120 gm, 150 gm and 200 gm
		Jeera Lite	45 gm, 90 gm and 200 gm
	Exports	Kitty marie	30 gm
		Marie	100 gm
		Golden bytes	90 gm and 720 gm
		shortbread	170 gm
		Mini Teddies	168 gm
Digestive	Domestic	Digestive	15 gm, 75 gm, 120 gm, 150 gm, 250 gm and 600 gm
		Cornflake Digestive Biscuit	120 gm
		Oatmeal Digestive Biscuit	120 gm
		Oatmeal Cookies	100 gm and 150 gm
	Exports	digestive	250 & 400 gm
		Sugar free	250 & 400 gm

Products		Variants	Stock Keeping Units
Cracker	Domestic	Marie Classic	9.5 gm, 11 gm, 50 gm, 100 gm and 300 gm
		Party Cracker	50 gm and 100 gm
		Krack Bite	40gm, 80 gm and 200 gm
		Ajwain Cracker	40 gm, 90 gm and 200 gm
		Kalonji Cracker	40 gm and 90 gm
	Export	Original cracker	250 gm
		Mini Cracker	227 gm
		Bfast bracker	300 gm
		Cheese cream cracker	24 gm , 39 gm

As on June 30, 2018, the maximum retail price of our biscuits in the domestic market typically ranges between ₹ 3 to ₹ 70.

Breads

We primarily manufacture premium category of breads including multigrain bread, sandwich bread, jumbo bread, garlic breads and stuffed breads. Our product portfolio comprises of Indian and western varieties of bakery products. These products are primarily classified under following categories healthy breads, fruit based breads, brown breads, white breads and center filled buns. In Financial Year 2018, Financial Year 2017 and Financial Year 2016, the sale from breads represented 11.14%, 9.89 % and 9.09%, respectively, of our consolidated revenue from operations for the respective periods. From Financial Year 2014 to Financial Year 2018, revenues generated by sale of breads increased at a CAGR of 20.90 % from ₹ 361.85 million in Financial Year 2014 to ₹ 773.18 million in Financial Year 2018. The following table sets out certain details about our key biscuit products:

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	200 gm
	Fruit Bun 2 pc	150 gm
	Sweet Bread	400 gm

Products	Variant	Stock Keeping Units
Indian Indulgence	Sweet Bun	200 gm, 420 gm, 600 gm
	Kulcha Bread	200 gm
	Pav Bread	250 gm
Premium Health Breads	100% Atta Bread	500 gm
	100% Whole Wheat Bread	450 gm
	Honey Oat Meal Bread	400 gm
	Milk Bread	400 gm
	Multi Grain Bread	400 gm
	Multigrain Bead	400 gm
	Whole Meal Bread	400 gm
Western Treat	Atta Burger	300 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	300 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
	Club Sandwich Bread	1 kg
	Jumbo Sandwich Bread	700 gm
	Premium Sandwich	350 gm
	Sandwich Bread	400 gm
Center Filled Buns	Bunfills Chocolate	60 gm
	Bunfills Chocolate	30 gm
	Bunfills Custard	60 gm
	Bunfills Custard	30 gm

As on June 30, 2018, the maximum retail price of our breads typically ranges between ₹ 10 to ₹ 120.

Buns

We primarily manufacture premium category of buns including multigrain bread, sandwich bread, jumbo bread, garlic breads and stuffed breads. In Financial Year 2018, Financial Year 2017 and Financial Year 2016, the revenue from buns (institutional) represented 13.09 %, 13.50 % and 11.14%, respectively, of our consolidated revenue from operations for the respective periods. From Financial Year 2014 to Financial Year 2018, revenues generated by sale of buns increased at a CAGR of 17.22% from ₹ 481.26 million in Financial Year 2014 to ₹ 908.51 million in Financial Year 2018. The following table sets out certain details about our key bun products:

Products	Variants	Stock Keeping Units
Buns	Seeded Bun (4 inches) (48 pieces)	-
	Seeded Buns (5 inches) (36 pieces)	-
	Corndusted Oval Bun 4 inches (48 pieces)	-
	Non-sesame Round Bun	50 gm
	Sesame Seed Bun (4.5 inches)	90 gm
	Bun (Fresh)	70 gm
	Burger Pizza Frozen 3.5 (inches)	200 gm
	Value Bun (48 pieces)	-
	Gold bun (48 pieces)	50 gm
	Chilly Brioche Bun (48 pieces)	50 gm
	Whole Wheat Longer Bun (48 pieces)	-
	Non Sesame Round Bun	50 gm
	Cornmeal Round Bun [4 x 12]	58 gm
	Longer Bun (48 pieces)	45 gm
	Super Charger Bun	-
	Maharaja Bun	-
	Quarter Pounder Bun	-
	Regular Bun	-
	Seeded Bun	-
	Big Seeded Bun	-

Our Operations

Production Process

Biscuits

The primary ingredients used in the manufacture of biscuits are flour, sugar, refined vegetable oil, 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 ground in a grinding machine to make it powdery. Flavours, preservatives, salt are also dissolved in water and mixed 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 and moulding: The hard dough is fed into a laminator machine which produces sheets which 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 soft dough is fed directly to the moulding machine. In the moulding machine, dough is moulded into the desired shape, size and design.

Baking and Cooling: The unbaked biscuits from the rotary moulder/cutter are then transferred through a 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.

Sandwich Breads

The main ingredients used in manufacturing sandwich bread are flour, water, sugar, yeast, salt, vegetable oil and natural additives to fortify and enhance the flour quality. The manufacture of sandwich bread consists of the following stages namely, (i) raw material preparation; (ii) dough mixing; (iii) dough processing; 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 tin 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 tins 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.

Our Manufacturing Facilities

We manufacture biscuits in our manufacturing facilities located in Phillaur and Rajpura (Punjab) and Tahliwal (Himachal Pradesh). We manufacturer buns and breads in our manufacturing facilities located in Greater Noida (Uttar Pradesh), Khapoli (Maharashtra) and Bengaluru (Karnataka).

Our manufacturing facilities are equipped with advanced equipment and modern technology. For manufacturing of buns and breads, we have imported semi-automated bun and bread lines, which reduce the need for human intervention and help in increasing productivity and improving cost efficiency. For the baking process, we have imported specialized 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, 2016	Capacity Utilization (%) in Financial Year 2016	Installed Capacity as of March 31, 2017	Capacity Utilization (%) in Financial Year 2017	Installed Capacity as of March 31, 2018	Capacity Utilization (%) in Financial Year 2018
Phillaur (Punjab)							
Biscuits (Direct Sales)	MT	28,200	91%	28,200	92%	28,200	98%

Manufacturing Facility*	Units for installed capacity	Installed Capacity as of March 31, 2016	Capacity Utilization (%) in Financial Year 2016	Installed Capacity as of March 31, 2017	Capacity Utilization (%) in Financial Year 2017	Installed Capacity as of March 31, 2018	Capacity Utilization (%) in Financial Year 2018
Biscuits (Contract manufacturing)	MT	25,200	35%	25,200	38%	25,200	48%
Tahliwal (Himachal Pradesh)							
Biscuits (Direct Sales)	MT	37,200	86%	37,200	81%	37,200	89%
Biscuits (Contract manufacturing)	MT	29,576	51%	29,206	50%	26,282	50%
Greater Noida (Uttar Pradesh)							
Breads	(in thousand packs)	36,409	82%	36,409	81%	51,650	64%
Buns	(in thousand packs)	112,543	90%	136,798	81%	170,775	67%
Khapoli (Maharashtra)							
Breads	(in thousand packs)	647	20%	7,762	35%	7,762	47%
Buns	(in thousand packs)	170,755	41%	170,755	46%	170,755	49%
Bengaluru (Karnataka)							
Buns	(in thousand packs)	93,139	25%	93,139	30%	93,139	34%

** The manufacturing facility at Rajpura which is operated by our Company commenced commercial production on August 6, 2018 and has a total installed capacity of 18,000 mtpa which is used for manufacturing biscuits. Additionally, our Company has commenced commercial production of bread at its manufacturing facility at Bengaluru on July 16, 2018. The manufacturing facility at Bengaluru has total capacity of 7,762 (in thousand packs) per annum for manufacturing bread.*

Raw Materials

The primary raw materials required to manufacture our bakery products are wheat flour, oil and fats, sugar, packaging material and others. This constituted 17.78%, 10.42%, 10.07%, 11.53% and 9.01%, respectively, total expenses in Financial Year 2018.

Further, we also require chemicals 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 density polyethylene (for breads) of polyster/bi-axially oriented poly proplyne ("**PET/BOPP**") or bi-axially oriented poly proplyne

("**BOPP**") or bi-axially oriented poly propylene (Transparent & metallized)/ cast poly proplyne ("**BOPP/CPP**") for biscuit. This enables the product to have the shelf life of nine months in case of biscuits and six days in case of breads and buns. 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 packaging, we use corrugated carton boxes to protect the primary packs in different stages of sales and distribution.

Quality Control

We place great emphasis on quality assurance and product safety at each step of the manufacturing process, right from the procurement of raw materials until the final product is packaged and ready for distribution. We have a dedicated quality assurance team comprising 38 personnel as on June 30, 2018, who ensure that adequate training is departed to employees working in all departments from procurement to sales and marketing on quality control 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.

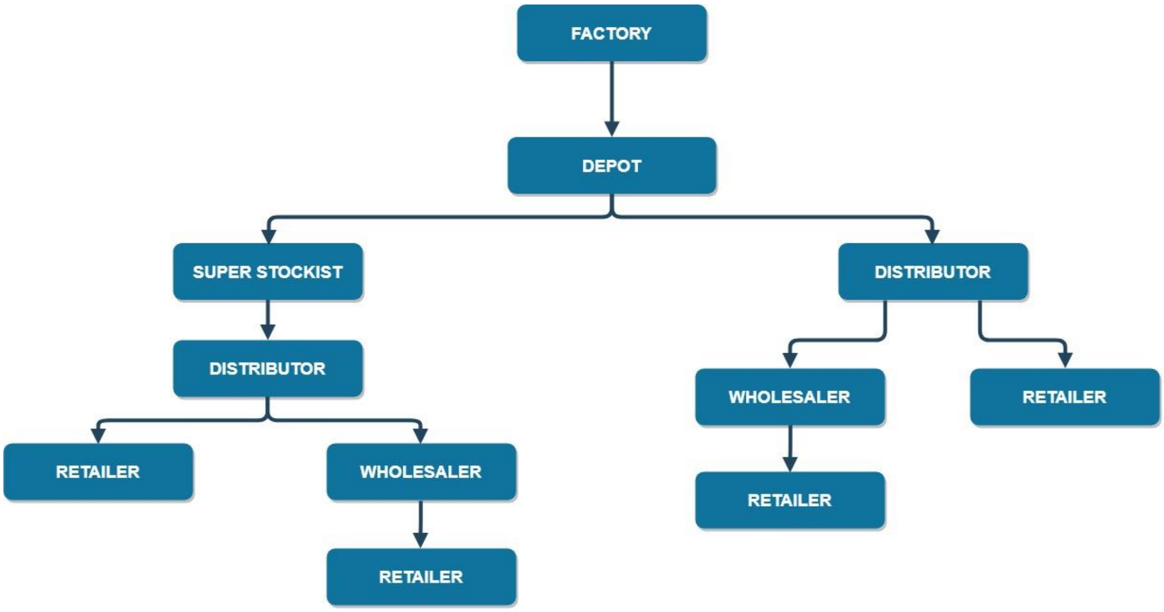
We have also implemented stringent quality control standards for raw material suppliers and vendors. On-site inspections and routine audits are conducted for our vendors and suppliers to ensure constant supply of quality products. We also conduct sampling tests to ensure that the colour, odour, taste, 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. 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:

- certification from the Food Safety and Standards Authority of India for 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;
- certificate of registration with the United States Food and Drug Administration for our Phillaur facility; and
- "Halal" certification.

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, bread, and bun 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 provide the distributor with certain discounts while invoicing on the invoice value of the products purchased.



Domestic sales distribution network

Biscuits

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 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. As of June 30, 2018, we have widespread network of 570 distributors which allows us to reach a wide range of consumers 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. As of June 30, 2018, we had a network of 1,271 preferred outlets. Our modern trade channels include large supermarkets or modern retailer stores. We have distribution tie-ups with reputed retail chains in India. We also distribute our biscuits to CSD and according to the Technopak Report, we are one of the largest suppliers of biscuits to the CSD.

Breads

Our principal markets for our breads includes Delhi NCR and Maharashtra. Our breads have a short shelf life and are primarily sold in proximity of our manufacturing facilities. We sell our breads through to retail customers through smaller general stores and super markets. As on June 30, 2018 our breads are currently sold through over 9,000 retail outlets situated in Delhi NCR region and Maharashtra (*Source: Technopak Report*).

Buns

We manufacture and supply buns in accordance with the specifications provided by our QSR customers. Once the buns are manufactured, we typically engage third party transportation service providers for the transportation of our buns to the distribution centers or directly to the outlets of our QSR customers.

Export sales distribution network

In Financial Year 2018, we exported biscuits to across Africa, Middle East, North America, Central America, Asia, Europe and Australia. We export our biscuits to through our strong global network of distributors. We also have tie-ups with reputed buying houses such as Monteagle International (UK) Limited.

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, newspapers, predominantly focused on northern states. Our marketing plan comprises advertising in print media, digital, television 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 believe that the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share.

Exports

In Financial Year 2018, our products were exported to 61 countries. In Financial Years 2018, 2017 and 2016, revenues from export sales were ₹ 2,063.41 million, ₹ 1,605.17 million and ₹ 1,328.23 million, respectively, representing 45.52%, 39.03% and 32.85% of our Biscuit Revenue from Direct Sales in such periods.

Africa, North America and Caribbean region represents our most significant markets. Our revenues from export of biscuits under our '*Mrs. Bector's Cremica*' brand constituted 37.38% of our total revenues from export of biscuits in Financial Year 2018, while the export of biscuits under private labels constituted 62.62% of our total revenues from export of biscuits in Financial Year 2018.

In Financial Year 2018, we exported our biscuits to 61 countries.

Competition

Biscuits

The Indian non-glucose biscuit 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 non-glucose biscuit market accounts for 84.05 % of share in the overall Indian biscuit market. 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 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.

Breads

The Indian premium bread market is highly fragmented, which the unbranded players contributing to about 55.00% of value share in the overall Indian bread 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.Within the branded bread market, we face competition from Harvest Gold Foods India Private Limited and Britannia Industries Limited, which currently have larger manufacturing capacity and have larger market presence.

Buns (Institutional)

The market for supply of buns 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. For further information on the intellectual property of our Company, see ***"Government Approvals***" on page 403. 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 31.

Employees

As of June 30, 2018, we had 2,660 permanent employees. The following table sets forth information on the number of employees in various departments of our business as of June 30, 2018.

Department	Number of Employees
Sales	379
Marketing	5
Research & Development	43
Manufacturing	1,766
Human resources	30
Others	437
Total	**2,660**

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 organize 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.

Property

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

We have also obtained leasehold rights over property at Greater Noida in Uttar Pradesh, 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. We have entered into a lease deed with Vatika Limited with respect to our corporate office in Gurugram (Haryana) for a period of three years from September 18, 2017.

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 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, 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 processing 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 the procedure for registration and licensing process for food business and lay down detailed standards for various food products. The standards include specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels. 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.

FSSAI has also issued a food industry guide on Food Safety Management System (FSMS) ("**Guidance Document**") with the intent to provide implementation guidance to food businesses (especially the small and medium businesses) involved in storage of raw material, manufacturing, packing, storage and transportation of bakery and bakery products, to ensure that critical food safety related aspects are addressed throughout the supply chain. The Guidance Document provides directions specifically for FSMS implementation for biscuits, bread, cakes and pies.

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 January 14, 2010 and has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. 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 or other goods meant for export. Fee is levied under the Legal Metrology Act for various services. A director is nominated by a company who is responsible for complying with the provisions of the enactment. There is penalty for offences and compounding of offences. 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(2) (j) and (q) of the Legal Metrology Act which lays 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* 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, 1986 ("COPRA")

COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. In case of unfair trade practices, restrictive trade practices, defects in goods, deficiency in service, price charged being unlawful and goods being hazardous to life and safety, it provides a mechanism (three tire consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider.

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 establishes Bureau of Indian Standards (BIS) as the National Standards Body of India. 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 The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity Further, the BIS Act also provides for repair or recall, including product liability of the products bearing a standard mark but not conforming to the relevant Indian Standard.

Bureau of Indian Standards Rules, 2017 ("BIS Rules")

Further, the Ministry, vide notification no. G.S.R. 1266(E). dated October 13, 2017, has notified the BIS Rules The BIS Rules have been notified in supersession of the Bureau of Indian Standards Rules, 1987, except Chapter IV A mentioned herein, and the Bureau of Indian Standards (Appointment, Terms and Conditions of Service of Director General) Rules, 1987. According to the BIS Rules, the Bureau establishes 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 Factories Act, 1948 ("Factories Act")

The Factories Act, a central legislation, extends to the whole of India. It is the principal legislation that governs the health, safety and welfare of factory workers. Under the Factories Act each state is empowered to issue its own rules for licensing and administrating factories situated in such states (**"Factories Rules"**). Under the Factories Rules, prior to commencing any manufacturing process, a person needs to obtain a license to register such factory. Separate licence needs to be obtained in respect of each premise where a factory is set up or proposed to be set up. The Factories Act defines a factory to cover any premises which employs 10 (ten) or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 (twenty) workers without the aid of power. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is prohibition on employing children below the age of 14 (fourteen) years in a factory.

In addition to Factories Act, 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) Contract Labour (Regulation and Abolition) Act, 1970;
(d) Employees' Compensation Act, 1923;
(e) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
(f) Employees' State Insurance Act, 1948;
(g) Equal Remuneration Act, 1976;
(h) Industrial Disputes Act, 1947;
(i) Industrial Employment (Standing orders) Act 1946;
(j) Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
(k) Maternity Benefit Act, 1961;
(l) Minimum Wages Act, 1948;
(m) Payment of Bonus Act, 1965;
(n) Payment of Gratuity Act, 1972;
(o) Payment of Wages Act, 1936;
(p) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; and
(q) The Workmen's Compensation Act, 1923.

Shops and Establishments Acts of various States (collectively "S&E Acts")

The S&E Acts in India are promulgated by the state and may slight differ from state to state. Currently we are operational in the sates of Punjab, Haryana, Himachal Pradesh, Karnataka, Uttar Pradesh, Rajasthan, Bihar, Madhya Pradesh, Maharashtra, Uttarakhand, Telangana and Tamil Nadu. As per the Act, 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 contacts for sale of goods are subject to the general principles of the law relating to contracts i.e. the Indian Contact 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 and is in compliance with the Trade-Related Aspects of Intellectual Property Rights (TRIPS) obligations. 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. India follows the NICE Classification of goods and services, which is incorporated in the schedule to the rules under the Trademarks Act.

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 additional to these, the Act 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 demise of the author.

Further pursuant to the Copyright (Amendment) Act, 2012 certain modification with respect to cinematographic works and sound recordings; exceptions to copyright infringement; digital rights management provisions; statutory license for cover versions; statutory license for broadcasting; and other important provisions, have been made.

Environmental Laws

Environment Protection Act, 1986 ("EP Act") and Environment Protection Rules, 1986 ("EP Rules")

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, realizing 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 utilize the same for payment of output tax. However, no input tax credit on account of CGST is to be utilized towards payment of

SGST and vice versa. The credit of IGST is permitted to be utilized 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 ("**FEMA**") 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 authorizes the government to formulate as well as announce the export and import 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 import and export 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 (IEC) from the Director-General or the authorized 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.

In accordance with the notification no. 01(RE-2013)/2009-2014 issued by the Joint Director General 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 the latest 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 rationalization 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 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*

Memorandum of Association of our Company

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 since incorporation of our Company:

Date of Amendment/ Date of Shareholders' resolution	Particulars
December 10, 1999	Clause I of the MoA was amended to reflect the change in the name of our Company from "Quaker Cremica Foods Private Limited" to "Mrs. Bectors Food Specialities Private Limited".
December 7, 2001	Clause I of the MoA was amended to reflect the change in the name of our Company from "Mrs. Bectors Food Specialities Private Limited" to "Mrs. Bectors Food Specialities Limited".
August 6, 2006	Clause V of the MoA was amended to reflect the re-classification in authorised share capital of ₹ 20,000,000.00 divided into 1,500,000 Equity Shares of ₹ 10.00 each and 100,000.00 preference shares of ₹ 50.00 each.

Date of Amendment/ Date of Shareholders' resolution	Particulars
September 30, 2006	Clause V of the MoA was amended to reflect the re-classification in authorised share capital from ₹ 20,000,000.00 divided into 1,500,000 Equity Shares of ₹ 10.00 each and 100,000 preference shares of ₹ 50.00 each to ₹ 20,000,000.00 divided into 1,125,000 Equity Shares of ₹ 10.00 each and 175,000 preference shares of ₹ 50.00 each.
December 15, 2006	Clause V of the MoA was amended to reflect the increase in authorised share capital from ₹ 20,000,000.00 divided into 1,125,000 Equity Shares of ₹ 10.00 each and 175,000 preference shares of ₹ 50.00 each to ₹ 30,000,000.00 divided into 1,125,000 Equity Shares of ₹ 10.00 each and 100,000 optionally convertible redeemable preference shares of ₹ 50.00 each and 275,000 compulsorily convertible preference shares of ₹ 50.00 each.
November 23, 2009	Clause II of the MoA was amended to reflect the change in the registered office of our Company from Plot No. 2/539, Pipal Wala Mohalla, Badli, New Delhi 110 042, India to Theing Road, Phillaur, Jalandhar 144 410, Punjab, India and such amendment was approved by the Company Law Board pursuant to its order dated November 12, 2009.
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 "*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, 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*".
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.

Total number of shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has 10 Shareholders. For further details on the shareholding of our Company, see "***Capital Structure - Our shareholding pattern***" on page 82.

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	• Entered into a BTA with CAFL wherein the business in relation to manufacture of food products such as business, buns and namkeen etc. of CAFL was transferred to our Company on slump sale basis. • Investment of ₹ 750 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	• Commenced the supply of buns to Hardcastle Restaurants Private Limited which operates multiple restaurants in West and South geographies in India
2010	• 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	• Commissioned operations through its facility in Khapoli (Maharashtra) for production and supply of buns to Hardcastle Restaurants Private Limited

Calendar Year	Events and Milestones
2014	• Commenced the bun operations in Bengaluru (Karnataka) for production and supply of buns to Hardcastle Restaurants Private Limited
2017	• Capacity expansion of bun line by installation bakery machinery and equipment at our facility in Greater Noida (Uttar Pradesh)
2018	• Introduction of new bread line by installation of bakery machinery and equipment establishment at our facility at Greater Noida (Uttar Pradesh) • Established new production line for breads at our facility in Bengaluru (Karnataka) • Commenced operations at our facility in Rajpura (Punjab)

Awards and Accreditations

Set forth below are some of the significant awards and accreditations received by our Company.

Calendar Year	Awards and accreditations
2010	Our Company received the Apeda Export Award for Outstanding Export Performance and Contribution in the Processed Foods Sector
2016	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	Our Company received the Award of Honour by Income Tax Department, Ludhiana

Corporate Profile of the Company

For details in relation to our corporate profile including description of our activities, services, products, technology, market segments, the growth of our Company, capacity built up, the standing of our Company with reference to prominent competitors in connection with our products, major suppliers and customers and environmental issues, geographical segment, management, see "***Business***", "***Industry Overview***" , "***Management***" ,"***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Statements***" beginning on pages 135, 97, 166, 366 and 192, respectively.

Changes in activities of our Company during the last five years

Our Company was primarily engaged in the manufacture of food products such as sauces, mayonnaise, toppings, syrups etc. ("**Condiments Business**"**).** CAFL was engaged in the manufacture of breads, biscuits and namkeen ("**CAFL Business**"). Subsequently, on October 6, 2006, BTA was entered into by us with CAFL wherein the CAFL Business was transferred to our Company by way of a slump sale on a going concern basis. Further, on July 4, 2014, upon the filing of Scheme of Amalgamation and Arrangement, the Condiments Business of our Company was transferred to Cremica Foods Industries Limited.

Except BTA and the Scheme of Amalgamation and Arrangement, there have been no changes in the activities of our Company during the last five years preceding the date of this Draft Red Herring Prospectus, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

For details see "***History and certain corporate matters- Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets***" on page 162.

Capital raising through equity or debt

For details of regarding our equity issuances in the past and outstanding debt, see "***Capital Structure - History of Equity Share Capital of our Company***" and "***Financial Indebtedness***" on pages 76 and 398, respectively.

Strike and lock-outs

In the past, there have been certain strikes and lockouts in our facilities. For details, see "***Risk Factors – We are subject to labour laws or other industry standards and our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees***" on page 31.

Time and cost overrun

In the past, we have not experienced any time or cost overruns in relation to implementation of our projects.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by the Company

There are no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company.

Injunctions or restraining order against our Company

There are no injunctions or restraining orders against our Company.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, etc.

Except as disclosed below, our Company has not acquired any business/undertakings or entered into any mergers or amalgamations.

Our Company and Cremica Agro Foods Limited (**"CAFL"**) entered into a business transfer agreement dated October 11, 2006 pursuant to which the business of CAFL was transferred to our Company. In terms of the BTA, CAFL transferred all its assets including trademarks to our Company. In accordance with the terms and conditions of the BTA, all the assets and liabilities of CAFL and business as a whole were transferred on a going concern and slump sale basis with effect from November 30, 2006. Further, our Company and CAFL entered into a share subscription agreement dated October 11, 2006, pursuant to which our Company issued and allotted 66,805 Equity Shares premium of ₹ 2,637 each to CAFL.

Further, 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

Strategic and financial partners

Our Company does not have any financial and strategic partners as of the date of this Draft Red Herring Prospectus.

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 executed by and amongst our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector, Linus Private Limited, Mabel Private Limited, GW Crown Pte. Ltd., and GW Confectionary Pte. Ltd.

Our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector and Linus Private Limited have entered into a shareholders agreement dated August 24, 2015, pursuant to which our Company, Mr. Anoop Bector, Mr. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector, Linus Private Limited, Mabel Private Limited, GW Crown Pte. Ltd. and GW Confectionary Pte. Ltd. (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**").

In terms of the Shareholders Agreement, Linus Private Limited, Mabel Private Limited, GW Crown Pte. Ltd. and GW Confectionary Pte. Ltd. (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 an amendment and supplemental agreement dated August 10, 2018, executed by and amongst, GW Crown Pte. Ltd., GW Confectionary Pte. Ltd., Linus Private Limited, Mabel Private Limited, our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF and Suvir Bector (the "**Amendment Agreement**"), all the special rights available to the Investors including the pre-emptive rights, anti-dilution rights, affirmative rights, nomination rights, exit rights, tag-along rights and information rights shall automatically stand terminated upon commencement of listing of the Equity Shares on any recognized stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company. Further, in terms of the Amendment Agreement, the Parties have waived some of their rights in relation to an initial public offering. The Parties have agreed that the 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 the Draft Red Herring Prospectus and the Company shall be responsible solely to ensure such compliance. 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 (e) our Company shall, prior to providing any Shareholder with such information, will make such information available to the public; and (f) our Company confirms that it is not prohibited under any applicable law from providing such information to such Shareholder.

The Amendment Agreement shall *ipso facto* terminate if listing of our Equity Shares is not completed on or before December 31, 2018. In the event that the Amendment Agreement is terminated, then the rights of the Investors shall be reinstated as per the Shareholders' Agreement, prior to its amendment pursuant to the Amendment Agreement.

Upside Sharing Agreement dated August 6, 2018 executed by and amongst GW Crown Pte. Ltd., GW Confectionary Pte. Ltd., Mabel Private Limited, Linus Private Limited and Mr. Anoop Bector.

Our Promoter, Mr. Anoop Bector has entered into an agreement dated August 6, 2018 ("**Upside Sharing Agreement**") with the Gateway Partners and Linus pursuant to which, our Promoter is entitled to receive from Gateway Partners and Linus an amount which is based on a formula linked to the weighted average market capitalisation of the Company ("**Upside Sharing Amount**"), subject to the completion of the initial public offer of the equity shares of the Company (i.e. date of the listing of the shares of the Company on a stock exchange) occurring on or prior to December 31, 2018 ("**IPO Completion Date**") or such other date as mutually agreed by the parties in writing. Gateway Partners and Linus are liable to make payments for their proportionate share of the Upside Sharing Amount no later than 30 days from the earlier of (a) sale of all the Equity Shares held by the respective investor or (b) 15 months from the month in which the IPO Completion Date falls. The payment of the Upside Sharing Amount is subject to any tax deductions/withholding tax which may be required pursuant to Applicable Law. The Upside Sharing Agreement shall survive the completion of the Offer.

Business Transfer Agreement dated October 11, 2006 entered between our Company and Cremica Agro Foods Limited ("BTA")

Our Company and Cremica Agro Foods Limited (**"CAFL"**) entered into a business transfer agreement dated October 11, 2006 pursuant to which the business of CAFL was transferred to our Company. In terms of the BTA, CAFL transferred all its assets including trademarks to our Company. In accordance with the terms and conditions of the BTA, all the assets and liabilities of CAFL and business as a whole were transferred on a going concern and slump sale basis with effect from November 30, 2006. Further, our Company and CAFL entered into a share subscription agreement dated October 11, 2006, pursuant to which our Company issued and allotted 66,805 Equity Shares premium of ₹ 2,637.00 each to CAFL. For details, see "***Capital Structure – History of Equity Share Capital of the Company***" on page 76.

Other Material Agreements

Our Company has not entered into any material agreements other than in the ordinary course of business carried on or intended to be carried on by our Company in the two years preceding this Draft Red Herring Prospectus other than mentioned in ***History and other Corporate Matters- Summary of Key Agreements and Shareholders Agreements*** on page 162.

Holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Associates or Joint Ventures of our Company

As on the date of this this Draft Red Herring Prospectus, other than CAFL our Company has no associates or joint ventures.

Subsidiaries of our Company

As on the date of this Draft Red Herring 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 authorized share capital of BFPL is ₹ 185,000,000.00 divided into 18,500,000 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 100.00% 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 commenced 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 authorized 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 100.00% 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.

Confirmations

Common Pursuits of our Subsidiaries

Our Company and Subsidiaries are engaged in or are authorised by their respective constitutional documents to engage in the business of manufacturing buns, cookies, wafers etc. Our Company will adopt the necessary procedure and practices as permitted by law to address any conflict situation, if and when they arise.

Business Interests

Except as provided in "***Financial Statements***" on page 192 and provided below, none of our Subsidiaries have any business interest in our Company.

Listing

None of our Subsidiaries are listed in India or abroad.

Sale or purchases exceeding 10.00% in aggregate of the total sales or purchases of our Company

Other than as provided in "***Financial Statements***" on page 192, there have been no sales or purchases among our Subsidiaries which in aggregate exceed in value 10.00% of the total sales or purchases of our Company for the Financial Year 2018.

Guarantees provided by our Promoter Selling Shareholder

Guarantees are provided by Mr. Anoop Bector to secure facilities availed by our Company amounting to ₹ 67.80 million as on March 31, 2018.

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 Draft Red Herring Prospectus, our Company has eight Directors.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, designation, address, occupation, nationality, term and DIN	Age (in years)	Other Directorships
Mr. Subhash Agarwal *Designation*: Chairman and Independent Director *Address:* House No. 400/1, Rani Jhansi Road, Civil Lines, Ludhiana 141 001, Punjab, India *Occupation*: Advocate *Nationality:* Indian *Term:* Five years with effect from February 10, 2017 *DIN:* 02782473	81	*Private Companies* • Bakebest Foods Private Limited *Public Companies* • Nil
Mr. Anoop Bector *Designation:* Managing Director *Address:* House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India *Occupation*: Business *Nationality:* Indian *Term:* Five years with effect from December 8, 2015. *DIN*: 00108589	55	*Private Companies* • Bakebest Foods Private Limited; and • Mrs. Bector’s Cremica Dairies Private Limited *Public Companies* • Cremica Agro Foods Limited; and • Mrs. Bector's English Oven Limited
Mr. Ishaan Bector *Designation:* Whole-time Director *Address:* House No. C-13, Convent School Road, Sarabha Nagar, Ludhiana – 141 001, Punjab, India *Occupation*: Business *Nationality:* Indian *Term:* Liable to retire by rotation for a period of five years with effect from February 15, 2016 *DIN:* 02906180	29	*Private Companies* Nil *Public Companies* Nil
Mr. Parveen Kumar Goel *Designation:* Whole-time Director *Address:* House No. 230 - A, Near Kali Mata Mandir, Rishi Balmiki Nagar, Ludhiana – 141 001, Punjab, India *Occupation*: Service	54	*Private Companies* • Mrs. Bector's Cremica Dairies Private Limited *Public Companies* • Mrs. Bector's English Oven Limited

Nationality: Indian *Term:* Liable to retire by rotation for a period of three years with effect from April 1, 2018 *DIN:* 00007297		
Ms. Rajni Bector *Designation:* Non-executive Director *Address:* House No. C-13,Convent School Road, Sarabha Nagar, Ludhiana 141 001, Punjab, India *Occupation*: Business *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 00108730	78	*Private Companies* Nil *Public Companies* • Cremica Agro Foods Limited
Mr. Rahul Goswamy *Designation:* Non-executive Nominee Director* *Address:* House 15 Bukit Tunggal Road, Singapore 309 699 *Occupation*: Professional *Nationality:* Singaporean *Term:* Not liable to retire by rotation *DIN:* 07357011	54	*Private Companies* Nil *Public Companies* Nil *Foreign Companies* • Angsana Airport Services Pte. Ltd.; • Angsana International Limited; • ASN Investments Limited; • Gateway (Cayman) Limited; • Gateway Capital Partners Limited; • Gateway Fund Company Pte. Ltd.; • Gateway Holdings Limited; • Gateway Management Company Pte. Ltd.; • Gateway Partners Limited; • GW Confectionary Pte. Ltd.; • GW Crown Pte. Ltd.; • GW Fern Pte. Ltd.; • GW Fibre Limited; • GW Finance Limited; • GW Forest Pte. Ltd.; • GW Grey Pte. Ltd.; • GW Iris Pte. Ltd.; • GW Orchid Limited; • GW Redwood Pte. Ltd.; • GW Retail Limited; • GW Three Pte. Ltd.; • Mabel Private Limited • Mahogany Singapore Company Pte. Ltd.; and • Modern Retail Group Limited.
Mr. Nem Chand Jain *Designation:* Independent Director *Address:* House No. B-19/1135, Rajpura Road, Behind Marino Ice Cream, Tagore Nagar, Ludhiana 141 001, Punjab, India	68	*Private Companies* • Bakebest Foods Private Limited *Public Companies* • Avon Cycles Limited; and

Occupation: Business *Nationality:* Indian *Term:* Five years with effect from April 1, 2016 *DIN:* 02894923		• Nilshikhaa Infraa India Limited
Mr. Rajiv Dewan *Designation:* Independent Director *Address:* 96-F, Rishi Nagar, Ludhiana 141 001, Punjab, India *Occupation*: Professional *Nationality:* Indian *Term:* Five years with effect from July 10, 2018 *DIN:* 00007988	56	*Private Companies* Nil *Public Companies* • Trident Limited

* *Nominee of Gateway Partners*

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 and a bachelor's degree in law from Punjab University, Chandigarh. 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 23 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 34 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 16 years of experience as a chartered accountant. 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.

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 was re-appointed as the Managing Director of our Company pursuant to resolutions passed by our Board and Shareholders on December 7, 2015 and December 8, 2015 respectively. His appointment is governed by the terms of the employment agreement dated December 8, 2015. Further, pursuant to the resolution of the Board and shareholders both dated March 5, 2018, he is entitled to remuneration as set out below for the period between April 1, 2018 until March 31, 2019, subject to the overall limit set under Sections 197 and 198 read with Schedule V of the Companies Act.

Particulars	Amount (in ₹)
Basic Salary	₹ 2,100,000.00 per month
House Rent Allowance	Rent free accommodation of up to ₹ 3,000,000.00 per annum
Business Expenses	Reasonable out of pocket expenses in the course of employment, including expenses relating to entertainment, accommodation, food and beverage, travel, communication, printing and stationery etc. in line with the Company's expense policy
Club Facility	Reimbursement of membership fees up to ₹ 1,200,000.00 per club, for two clubs
Medical Reimbursement	Reimbursement of medical expenditure of up to ₹ 200,000.00 per annum
Insurance	Payment of premium of ₹ 200,000.00 per annum towards health and mediclaim insurance policy for the Managing Director and his family Keyman insurance policy is also provided
Conveyance	Reimbursement in part or whole up to ₹ 1,200,000.00 per annum towards fuel for three cars
Driver's Salary	As per actual subject to a maximum of ₹ 600,000.00 per annum
Leave Encashment	Up to one month in a year

Mr. Ishaan Bector:

Mr. Ishaan Bector was re-appointed as the Whole-time Director of our Company pursuant to resolutions passed by our Board dated July 10, 2018 and Shareholders dated August 1, 2018 respectively. His appointment is governed by the terms of the employment agreement dated December 8, 2015. Further, pursuant to the resolution of the Board and shareholders both dated March 5, 2018, he is entitled to remuneration as set out below for the period between April 1, 2018 until March 31, 2019, subject to the overall limit set under Sections 197 and 198 read with Schedule V of the Companies Act.

Particulars	Amount (in ₹)
Basic Salary	₹ 800,000.00 per month
House Rent Allowance	Rent free accommodation of up to ₹ 3,600,000.00 per annum
Business Expenses	Reasonable out of pocket expenses in the course of employment, including expenses relating to entertainment, accommodation, food and beverage, travel, communication, printing and stationery etc. in line with the Company's expenses policy
Club Facility	Reimbursement of membership fees up to ₹ 750,000.00 per club, for two clubs
Medical Reimbursement	Reimbursement of medical expenditure of up to ₹ 200,000.00 per annum
Insurance	Payment of premium of ₹ 100,000.00 per annum towards health and mediclaim insurance policy Keyman insurance policy is also provided
Conveyance	Reimbursement in part or whole up to ₹ 1,200,000.00 per annum towards fuel for two cars
Driver's Salary	As per actual subject to a maximum of ₹ 600,000.00 per annum
Leave Encashment	Up to one month in a year

Mr. Parveen Kumar Goel:

Mr. Parveen Kumar Goel was re-appointed as a Whole- time Director of our Company pursuant to resolutions passed by our Board April 20, 2018 and Shareholders dated August 1, 2018 respectively. Pursuant to resolution of the Board dated April 20, 2018 and shareholders dated August 1, 2018 he is entitled to remuneration as set out below for the period of three years from April 1, 2018, 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 ₹ 8,000,000.00 per annum
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

Compensation paid to our Executive Directors

Our Executive Directors were paid following compensation in the Financial Year 2018:

Name of the Director	Compensation paid (in ₹)
Mr. Anoop Bector	26,460,000.00
Mr. Ishaan Bector	12,590,000.00
Mr. Parveen Kumar Goel	4,919,355.00

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.

As on date of the Draft Red Herring Prospectus, other than our Independent Directors, our Non- Executive Directors are not entitled to receive any compensation from our Company.

Following sitting fees/compensation was paid to our Independent Directors in the Financial Year 2018:

Name of the Director	Compensation paid (in ₹)
Ms. Rajni Bector	Nil
Mr. Tarun Khanna*	Nil
Mr. Rahul Goswamy	Nil
Mr. Nem Chand Jain	60,000
Mr. Subhash Agarwal	730,000**

Mr. Rajiv Dewan[#]	Nil

[*]Tarun Khanna ceased to be director from our Company with effect from July 10, 2018.
** Subhash Agarwal was paid a sitting fee of ₹ 120,000 and professional fees amounting to ₹ 610,000 was paid.
[#] Rajiv Dewan has been appointed on our Board with effect from July 10, 2018.

Compensation paid to our Directors by our Subsidiaries

Except for Ms. Rajni Bector who received a remuneration ₹ 2.52 million from BFPL, our Directors did not receive any remuneration from BFPL or MBEOL in the Financial Year 2018.

Loans to Directors

No loans have been availed by the Directors from our Company.

None of our Directors are related to the sundry debtors of our Company or beneficiaries of loans and advances given by the Company.

Bonus or profit sharing plan for the Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors in our Company

Our Articles of Association do not require the Directors to hold any qualification shares. Except as set forth below, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Name of Director	Number of Equity Shares	Percentage (in %)
Mr. Anoop Bector	22,848,674	39.90
Mr. Ishaan Bector	2,386,358	4.17
Total	**25,235,032**	**44.07**

Arrangement or understanding with major shareholders, customers, suppliers or others

Except for Mr. Rahul Goswamy, our Non-executive Nominee Director, who has been appointed as a nominee for GW Crown Pte. Ltd. and GW Confectionary Pte. Ltd, 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 was appointed on our Board, see "***History and Certain Corporate Matters –Material Agreements***" on page 162.

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 is interested to the extent of receipt of rent from some of our properties leased to the Company, see "***Financial Statements***" on page 192. For details, see "***Financial Statements - Restated Consolidated Financial Information - Annexure VI - Restated Consolidated Information of Related Party Disclosures***" **on page 329** and "***Financial Statements - Restated Standalone Financial Information - Annexure VI - Restated Standalone Information of Related Party Disclosures***" **on page 240**.

Our Managing Director, Mr. Anoop Bector is also a director and a promoter of our Group Company and Subsidiaries and may be deemed to be interested to the extent of payments made between our Company and Group Company or such Subsidiaries if any.

Some of our Directors may be interested in options granted (if any) pursuant to ESOP Plan 2017. For details, see "***Capital Structure***" on page 76. Some of our Directors are interested to the extent of interest received from the Company on unsecured loans provided by them to the Company. For details, see "***Financial Statements***" on page 192.

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 Non – Executive Nominee Director, Mr. Rahul Goswamy may also be deemed to be interested to the extent of Equity Shares held by the entities nominating him in the Company.

For further details regarding the shareholding of our Directors, see - "***Shareholding of our Directors in our Company***" on page 171.

Interest in property

None of our Directors are interested in any property acquired by our Company within two years of the date of this Draft Red Herring Prospectus, or presently, proposed or intended to be acquired by it.

Interest in promotion of our Company

Expect Mr. Anoop Bector, none of our Directors have any interest in the promotion of our Company, as on the date of this Draft Red Herring Prospectus.

Confirmations

Our Promoter, Mr. Anoop Bector and was one of the promoters and 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, which was previously listed on OTCEI, an *erstwhile* stock exchange which was de-recognized 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, 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, our Group Company, CAFL, has been in violation of listing requirements of an erstwhile recognized 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 34.

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 Draft Red Herring 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.

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 Draft Red Herring Prospectus are set forth below.

Name of Director	Date of Change	Reasons
Mr. Rajiv Dewan	July 10, 2018	Appointment as an Independent Director
Mr. Tarun Khanna	July 10, 2018	Resignation as Non-Executive Director
Mr. Dharamvir Bector	December 26, 2017	Cessation due to death
Mr. Subhash Agarwal	February 10, 2017	Appointment as an Independent Director
Ms. Archana Bhargava	November 15, 2016	Resignation as Independent Director
Mr. Nem Chand Jain	April 1, 2016	Appointment as an Independent Director
Mr. Sunil Kumar Alagh	March 31, 2016	Resignation as an Independent Director
Mr. Ishaan Bector	February 15, 2016	Appointment as an Whole-time Director
Mr. Nem Chand Jain	January 5, 2016	Resignation as an Independent Director
Mr. Sunil Kumar Alagh	December 23, 2015	Appointment as an Independent Director
Mr. Tarun Khanna	December 8, 2015	Appointment as Non-Executive Director
Mr. Rahul Goswamy	December 8, 2015	Appointment as Non-Executive Nominee Director
Mr. Ajay Bector	December 8, 2015	Resignation as a Whole-time Director
Mr. Rakesh Sony	August 31, 2015	Resignation as a Nominee Director

** This table is not indicative of the regularisation of the 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 Draft Red Herring Prospectus, there are eight Directors on our Board comprising one Managing Director, two Executive Directors, two Non-executive Directors and three 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 one woman 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 the following statutory committees of the Board:

(a) Risk Management Committee; and
(b) IPO Committee

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 the Director	Designation
1.	Mr. Rajiv Dewan	Chairperson
2.	Mr. Subhash Agarwal	Member
3.	Mr. Rahul Goswamy	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:

   (a) Matters required to be included in the director’s responsibility statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

   (b) Changes, if any, in accounting policies and practices and reasons for the same;

   (c) Major accounting entries involving estimates based on the exercise of judgment by management;

   (d) Significant adjustments made in the financial statements arising out of audit findings;

   (e) Compliance with listing and other legal requirements relating to financial statements;

   (f) Disclosure of any related party transactions; and

   (g) 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 utilized 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 victimization 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; and

23) 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 July 10, 2018. 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 the Director	Designation
1.	Mr. Rajiv Dewan	Chairperson
2.	Mr. Subhash Agarwal	Member
3.	Mr. Rahul Goswamy	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 while ensuring that;

   (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

   (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

2) Formulation of criteria for evaluation 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) Considering and recommending grant of employees stock option, if any, and administration and superintendence of the same;

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 under applicable law.

10) whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of directors;

11) 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.

12) 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

13) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, 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 the Director	Designation
1.	Mr. Rajiv Dewan	Chairperson
2.	Mr. Anoop Bector	Member
3.	Mr. Rahul Goswamy	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) Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

4) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and

5) 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 July 10, 2018 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 the Director	Designation
1.	Ms. Rajni Bector	Chairperson
2.	Mr. Subhash Agarwal	Member
3.	Mr. Parveen Kumar Goel	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 the Director	Designation
1.	Mr. Rahul Goswamy	Chairperson
2.	Mr. Parveen Kumar Goel	Member
3.	Mr. Rajiv Dewan	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; and

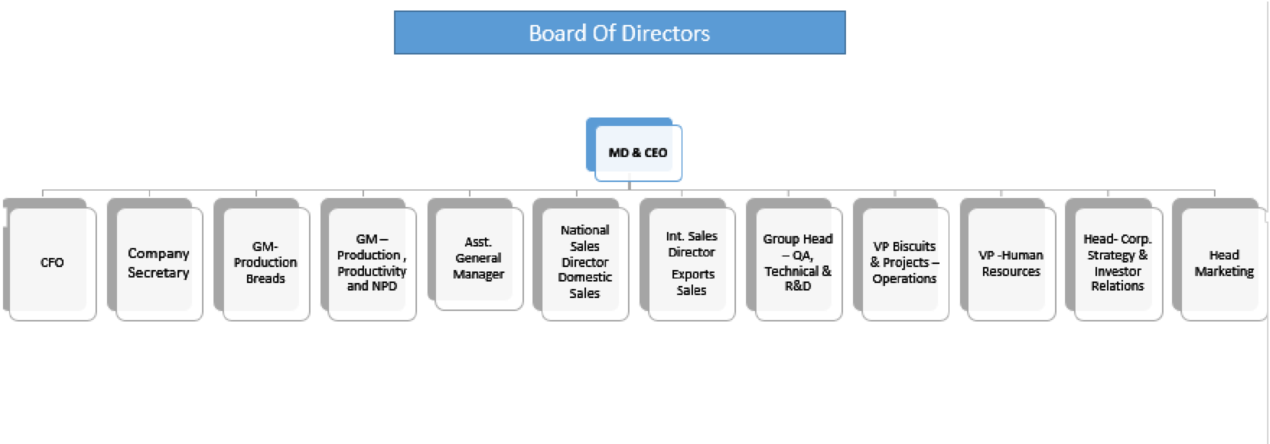
4) any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law.

IPO Committee

The IPO Committee was constituted by a resolution of our Board dated July 10, 2018. It has been authorized to approve and decide upon all activities in connection with the Offer, including, but not limited to, approve the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, to decide the terms and conditions of the Offer, including the Price Band and the Offer Price, to appoint various intermediaries, negotiating and executing Offer related agreements and to submit applications and documents to relevant statutory and other authorities from time to time. The IPO Committee currently comprises of:

S. No.	Name of the Director	Designation
1.	Mr. Anoop Bector	Chairperson
2.	Mr. Ishaan Bector	Member
3.	Mr. Parveen Kumar Goel	Member

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 Draft Red Herring Prospectus are set forth below.

Mr. Asim Bhaumik, aged 56 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 2018, he received a gross remuneration of ₹ 4.10 million.

Mr. Atul Sud, aged 33, 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 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 2018, he received a gross remuneration of ₹ 0.67 million.

Mr. Manoj Verma, aged 48 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 24 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 2018, he received a gross remuneration of ₹ 7.21 million.

Mr. Mayank Arora, aged 33 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 eight 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 2018, he received a gross remuneration of ₹ 3.34 million.

Mr. Meik Bernd Weferling, aged 47 years, is the general manager of production, productivity and new product development ("**NPD**") of our Company. He has passed the 'business of craft' examination and holds a master's craftsman certificate from Handwerkskammer Braunschweig in Germany. He has more than ten years of experience in operations and management. He has previously also worked with Agthia Group PJSC, Cathay

Pacific Catering Services, De-luxe Food Services SDN BHD and Al Hasa Automatic Bakery Company while holding various positions. He has joined our Company on April 10, 2018 and hence did not receive any remuneration in the Financial Year 2018.

Mr. Munindra Sehgal, aged 36 years, is the head of corporate strategy and investor relations of our Company. He is a qualified chartered account from the Institute of Chartered Accountants in India and holds a diploma in business management from Institute of Management Technology in Ghaziabad. He has approximately 13 years of experience in investment banking. He has previously worked with JM Financial Institutional Securities Limited as vice president of mergers and acquisitions advisory and corporate finance solutions group and with Wodehouse Capital Advisors Private Limited as associate director of business consultancy services. He has joined our Company on April 23, 2018 and hence did not receive any remuneration in the Financial Year 2018.

Mr. Neeraj Aggarwal, aged 48 years, is the vice president (projects) 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 2018, he received a gross remuneration of ₹ 4.99 million.

Ms. Neha Bector, aged 27 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 more than six years of experience in management. She has joined our Company on January 2, 2017. In the Financial Year 2018, she received a gross remuneration of ₹ 3.64 million.

Mr. Shantilal Sukalal Chaudhari, aged 56 years, is the general manager (operations) of our Company. He holds a master of science degree in food technology from Central Food Technological Research Institute in Mysore. He has more than 22 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 2018, he received a gross remuneration of ₹ 4.11 million.

Mr. Vishal Malik, aged 39 years, is the international sales director (export sales) of our Company. He holds a bachelor's degree in arts from Panjab University and a master's degree in business administration from University Business School, Punjabi University. He has more than 17 years of experience in sales. He has joined our Company on June 13, 2001. In the Financial Year 2018, he received a gross remuneration of ₹ 5.03 million.

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, 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 - "***Shareholding of our Directors in our Company***" above, none of our Key Management Personnel hold any Equity Shares in our Company as on the date of this Draft Red Herring 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.

Loans to and deposits from Key Management Personnel

As on the date of this Draft Red Herring Prospectus, our Company has not advanced any loans and/or deposits to the Key Management Personnel nor has the Company taken any loan and or deposit from the Key Management Personnel.

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, if any 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 Draft Red Herring 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 173.

Name	Date	Reason
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
Ms. Neha Bector	January 2, 2017	Appointment as assistant general manager
Mr. Mayank Arora	October 17, 2016	Appointment as vice president (human resource)
Mr. Manoj Verma	September 1, 2016	Appointment as national sales director
Mr. Atul Sud	August 13, 2016	Appointment as company secretary
Mr. Ankur Gauba	July 10, 2016	Cessation as company secretary
Mr. Harish C. Sharma	April 22, 2016	Cessation as corporate group head of human resource

Employee stock option and stock purchase schemes

For details of the employee stock option scheme of our Company, see "***Capital Structure – Employee Stock Option Scheme***" on page 84.

Payment of non-salary related benefits to officers 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 Draft Red Herring 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 Draft Red Herring Prospectus, our Promoter holds an aggregate of 22,848,674 Equity Shares, comprising 39.90% 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 76.

The details of our Promoter is provided below:

Mr. Anoop Bector

Mr. Anoop Bector, aged 55 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 further details of his educational qualifications, experience, positions and posts held in the past, other directorships and special achievements, see "***Management***" on page 166.

His driving license number is PB - 1019950134145. His voter identification number is GKC0969162.

Our Company confirms that the permanent account number, bank account number and passport number of our Promoter, Mr. Anoop Bector will be submitted to the Stock Exchange 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.

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 pages 16 and 159 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, (iii) to the extent of his shareholding, (iv) 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 78.

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 "***Management***" on page 166.

Our Promoter is interested to the extent of receipt of interest from the Company on unsecured loans provided by him to the Company. For details, see "***Risk Factors***" and "***Financial Statements***" on page 16 and 192 respectively.

Except as disclosed in this section and in "***Related Party Transactions***" and "***Financial Statements***" on pages 190 and 192, respectively, our Promoter has no interest in any property acquired by our Company during the two years preceding the date of this Draft Red Herring 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 receipt of ₹ 4.20 million per annum as consideration on renting of his properties to the Company which is currently used by our Company. (For details, see "***Financial Statements - Restated Consolidated Financial Information - Annexure VI - Restated Consolidated Information of Related Party Disclosures***" **on page 329** and "***Financial Statements - Restated Standalone Financial Information - Annexure VI - Restated Standalone Information of Related Party Disclosures***" **on page 240**.

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, "***Related Party Transactions***", "***Management***" and "***Financial Statements***" on pages 190, 166 and 192 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 Draft Red Herring 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 "***Related Party Transactions***" and "***Financial Statements***" on pages 190 and 192 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 Draft Red Herring 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.

Litigation involving our Promoter

Except as disclosed in "***Outstanding Litigation and Material Developments***" on page 400, there are no legal and regulatory proceedings involving our Promoter as on the date of this Draft Red Herring Prospectus.

Confirmations

Our Promoter, Mr. Anoop Bector is also one of the promoters and a director on the board of directors of CAFL, which was previously listed on OTCEI, an *erstwhile* stock exchange which was de-recognized as a stock exchange by SEBI pursuant to an order passed by SEBI on March 31, 2015. CAFL was previously listed on OTCEI an erstwhile stock exchange which was derecognised as a stock exchange by SEBI pursuant to its order dated March 31, 2015. Pursuant to the derecognistion 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, 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 Company, CAFL, has been in violation of listing requirements of an erstwhile recognized 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 34.

Neither our Promoter, Mr. Anoop Bector nor any of the entities with 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 Draft Red Herring 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.

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.

Common Pursuits

Other than our Promoter, Mr. Anoop Bector being a director in CAFL, 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***" on page 162.

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 Draft Red Herring Prospectus.

Promoter Group

A. ***Natural persons who are part of the Promoter Group***

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 Chhangamall Aggarwal	Spouse's father
	Ms. Neena Rameshkumar Aggarwal	Spouse's mother
	Mr. Abhay Rameshkumar Aggarwal	Spouse's brother
	Mr. Uday Rameshkumar Aggarwal	Spouse's brother
	Ms. Priya Bhasin	Spouse's sister

B. ***Entities forming part of the Promoter Group***

- Abhay Rameshkumar Aggarwal (HUF)
- Anoop Bector (HUF)
- Bakebest Foods Private Limited
- Cremica Agro Foods Limited
- Dharamvir & Sons (HUF)
- GM Finance and Trading Company
- ITM Fabrication Industries Limited
- ITM Software Business Solutions Private Limited
- Mrs. Bector's Cremica Dairies Private Limited
- Mrs. Bector's English Oven Limited
- Mrs. Bector's Desserts
- Muralidhar & Sons Financing Company Private Limited
- Oman Flanges Production Factory LLC
- Pyramid Fabricators Private Limited
- Spacewhiz Solutions Private Limited

- Sunshine Foods
- Uday Rameshkumar Aggarwal (HUF)

GROUP COMPANIES

In terms of the SEBI ICDR Regulations, for the purposes of identification of group companies, our Company has considered companies covered under the applicable accounting standards, as per the Restated Consolidated Financial Information (excluding Subsidiaries) 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.

For the purpose of identification of group companies, our Company has considered companies covered under the applicable accounting standards (i.e. AS 24) with whom we have had transactions in last the last five Financials Years and also any other companies as considered material by the Board. In addition to the above, for the purpose of disclosure in the Draft Red Herring Prospectus, a company shall be considered material and will be disclosed as a 'Group Company' in the Draft Red Herring Prospectus if such company:

(i) is a member of the Promoter Group of the Company (in terms of Regulation 2 (1) (zb) of the SEBI ICDR Regulations) and has entered into one or more transactions with the Company in the most recent audited Financial Year which, individually or in the aggregate, exceed 10.00% of the total restated consolidated revenue of the Company for Financial Year 2018; and

(ii) companies which, subsequent to the date of the last audited Restated Consolidated Financial Information of the Company disclosed in the Draft Red Herring Prospectus, would require disclosure in the consolidated financial statements of the Company for subsequent periods as entities covered under AS 24 in addition to/ other than those companies covered under applicable accounting standards in the latest audited and Restated Consolidated Financial Information of the Company included in the Draft Red Herring Prospectus.

For avoidance of doubt, it is clarified that the following companies have not been considered as 'Group Companies' for the purpose of disclosure in the Draft Red Herring Prospectus:

1. Subsidiaries of our Company, namely, Bakebest Foods Private Limited and Mrs. Bector's English Oven Limited;

2. The following companies which have ceased to be related parties of our Company (on a consolidated basis) as per the Restated Consolidated Financial Information, namely:

    (i) Cremica Frozen Foods Limited – which ceased to be a related party with effect from December 8, 2015;
    (ii) Mrs. Bector's Cremica Enterprises Limited – which ceased to be a related party with effect from December 8, 2015;
    (iii) Cremica Food Industries Limited – which ceased to be a related party with effect from December 25, 2014;
    (iv) Cremica Food Specialities Limited – which ceased to be a related party with effect from December 8, 2015);
    (v) Auro Mira Dairies Limited – which ceased to be a related party with effect from December 8, 2015;
    (vi) E.B.I Foods Private Limited – which ceased to be a related party with effect from December 8, 2015);
    (vii) Poliyan Food Park Private Limited – which ceased to be a related party with effect from December 25, 2014); and
    (viii) Bector Core Investments Private Limited – which ceased to be a related party with effect from December 25, 2014).

Based on the above, as on the date of this Draft Red Herring Prospectus, Cremica Agro Foods Limited has been identified as our Group Company.

Cremica Agro Foods Limited

Corporate Information

Cremica Agro Foods Limited ("**CAFL**") was incorporated as a private limited company under the Companies Act, 1956 on September 6, 1989 and was converted into a private limited company on January 15, 1993. 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 and a director of CAFL.

Financial Performance

The financial information derived from the audited financial results of CAFL for the Financial Years 2018, 2017 and 2016 are set forth below.

(₹ in million, except per share data)

	Financial Year 2018	**Financial Year 2017**	**Financial Year 2016**
Equity Capital	14.99	14.99	14.99
Reserves and surplus(excluding revaluation reserves)	71.40	88.28	87.59
Revenue from operations	Nil	0.73	Nil
Sales and Other Income/Turnover	Nil	0.73	Nil
Profit/ (Loss) after tax	(16.87)	0.69	0.65
Basic earnings per share	(11.26)	0.46	0.44
Diluted earnings per share	(11.26)	0.46	0.44
Net asset value	57.65	68.91	68.45

Net assets value per share = Net worth/number of shares as at year end

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Details of Group Company with negative net worth and loss-making Group Company

CAFL does not have negative net worth. CAFL has incurred a loss of ₹ 16.87 million in Financial Year 2018.

Details of Group Company under winding up

As on the date of this Draft Red Herring Prospectus, CAFL is not under winding up. Further, as on the date of this Draft Red Herring Prospectus, no winding up or revocation proceedings or actions have been initiated against CAFL.

Sick or Defunct Company

As on the date of this Draft Red Herring Prospectus, CAFL has not become sick or defunct within the meaning of the *erstwhile* Sick Industrial Companies (Special Provisions) Act, 1985, and Companies Act, respectively or declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016. Further, there are no winding up, insolvency or bankruptcy proceedings initiated against CAFL, as on the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, no application has been made to the RoC for striking off the name of CAFL during the preceding five years.

Nature and extent of interests of our Group Company

As on the date of this Draft Red Herring Prospectus:

In the promotion of the Company

CAFL does not have any interest in the promotion or formation of our Company.

In the properties acquired by our Company in the past two years before filing this Draft Red Herring Prospectus with the SEBI or proposed to be acquired

CAFL does not have any interest in any property acquired by our Company within the two years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by it.

In transactions for acquisition of land, construction of buildings and supply of machinery

Except for an advance of ₹ 6.07 million received from our Company towards the purchase of plot, CAFL does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery, etc.

Except as set forth in "***Financial Statements***" on page 192, no amount or benefits have been paid to CAFL in the last two years.

Certain Confirmations

Our Group Company, CAFL has not been identified as a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines for wilful defaulters issued by the RBI.

The securities of our Group Company, CAFL are listed on MSEIL. However, our Group Company has not made any public or rights issue of securities in the preceding three years.

Market Price information for listed companies

CAFL got listed on MSEI on July 16, 2018. There has been no trading in the shares of the company since its listing. The previous close was at ₹ 19.20 highest and lowest market price of shares during the preceding six months.

Latest Share Price and Market Capitalisation

As of August 10, 2018, the share price of CAF on the MSEI was ₹ 19.20 and the market capitalization of CAFL was ₹ 86.31 million.

There has been no capital issuances made by CAFL in the last three years.

Related Party Transactions

Except as set forth in "***Financial Statements - Restated Consolidated Financial Information - Annexure VI - Restated Consolidated Information of Related Party Disclosures***" and "***Financial Statements - Restated Standalone Financial Information - Annexure VI - Restated Standalone Information of Related Party Disclosures***" on page 329 and 240, respectively, no related party transactions have been entered into between our Group Company and our Company, as on the date of the Restated Financial Information included in this Draft Red Herring Prospectus.

Other confirmations/ disclosures

CAFL is no longer debarred from accessing the capital markets by SEBI, or any other regulatory authority. For details, see "***Risk Factors - In the past, our Group Company, CAFL, has been in violation of listing requirements of an erstwhile recognized 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 34.

Significant Sale/Purchase between Group Company and our Company

In addition, except as set forth in "***Financial Statements***" on page 192, our Company does not have any sales or purchase transactions with value exceeding, in the aggregate, 10.00% of the total sales or purchases of our Company. For more information on business transactions with CAFL and their significance on our financial performance, see "***Financial Statements***" on page 192.

Common pursuits of our Group Company

While Cremica Agro Foods Limited is enabled under its memorandum to carry on similar activities as those of the Company, it is currently not involved in any business activities. For details, see "***Risk Factor – Conflicts of interest may arise out of common business objects between our Company, and our Group Company" on page 36.***

Litigation

For litigation involving our Group Company, see "***Outstanding Litigation and Other Material Developments***" on page 400.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during Financial Years 2018, 2017, 2016, 2015 and 2014, in accordance with the requirements under Accounting Standard 24 "Related Party Disclosures", see "***Financial Statements – Restated Standalone Financial Information – Annexure VI – Restated Standalone Information of Related Party Disclosures***" on page 240 and "***Financial Statements – Restated Consolidated Financial Information – Annexure VI – Restated Consolidated Information of Related Party Disclosures*** " on page 329.

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. 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 37.

The dividends paid by our Company on the Equity Shares during the Financial Years 2018, 2017, 2016, 2015 and 2014 are set forth below:

Particulars	**Financial Year 2018**	**Financial Year 2017**	**Financial Year 2016**	**Financial Year 2015**	**Financial Year 2014**
Face value per Equity Share (₹)	10.00	10.00	10.00	10.00	10.00
Dividend paid (**₹ in million**)*	42.95	28.63	28.63	NIL	NIL
Dividend distribution tax **(₹ in million)**	5.21#	5.83	5.83	NIL	NIL
Dividend (in **₹ per Equity Share**)	0.75	1.00	1.00	NIL	NIL
Equity Share Capital (**₹ in million**)	572.68	286.34	286.34	286.34	73.46
Rate of dividend (**%**)	7.50%	10.00%	10.00%	NIL	NIL

**Excluding dividend distribution tax*

 # The dividend distribution tax paid during the year ended March 31, 2018, is net of dividend distribution tax paid our Subsidiary (BFPL) amounting to ₹ 3.53 million

However, our dividend history is not necessarily indicative of our dividend payments, if any, or our dividend policy, in the future. We may retain all our future earnings, if any, for use in the operations and expansion of our 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 among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

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

Dear Sirs,

1) We have examined the attached Restated Standalone Financial Information of Mrs. Bectors Food Specialities Limited (the "Company"), which comprise of the Restated Standalone Statement of Assets and Liabilities as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014, the Restated Standalone Statement of Profit and Loss, the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash Flows for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 and the Significant Accounting Policies, read together with the annexures and notes thereto and other restated financial information as appearing in paragraph 6 below (collectively, together with the notes and annexures thereto, the "Restated Financial Information"), for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed initial public offer of equity shares ("IPO"). The Restated Financial Information has been approved by the Board of Directors of the Company and is prepared in terms of the requirements of:

   (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act"), as amended; and

   (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date ("ICDR Regulations") in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 on clarification regarding applicability of Indian Accounting Standards to disclosures in offer documents under the ICDR Regulations issued by the Securities and Exchange Board of India.

The preparation of the Restated Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 10 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act and the ICDR Regulations.

2) We have examined such Restated 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 25 June 2018 in connection with the IPO of the Company; and

(b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

3) These Restated Financial information have been compiled by the management from:

(a) As at and for the years ended 31 March 2018 and 31 March 2017: From the audited financial statements of the Company as at and for the years ended 31 March 2018 and 31 March 2017, being the comparative period for the year ended 31 March 2018, prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act, other relevant provisions of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 10 July 2018. The audited financial statements of the Company as at and for the year ended 31 March 2017, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as amended, other relevant provisions of the Act and other accounting principles generally accepted in India, which had been approved by the Board of Directors at their Board meeting held on 5 September 2017. These financial statements have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on 1 April 2016 ('transition date') and are disclosed as the comparative figures for the year ended 31 March 2018;

(b) As at and for the years ended 31 March 2016 and 31 March 2015: From the audited financial statements of the Company as at and for the years ended 31 March 2016 and 31 March 2015, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as amended, other relevant provisions of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors at their Board meeting held on 23 September 2016 and 26 October 2015 respectively and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date ;and

(c) As at and for the year ended 31 March 2014: From the audited financial statements of the Company as at and for the year ended 31 March 2014, prepared in accordance with Accounting Standards prescribed under section 211(3C) of the Companies Act, 1956 read with Companies (Accounting Standards) Rules, 2006, which have been approved by the Board of Directors at their Board meeting held on 30 November 2014 and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date.

The Restated Financial Information mentioned in the 3(b) and 3(c) above, as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 are referred to as "the Proforma Ind AS Restated Financial Information " as per the Guidance Note.

4) The audit of the Company's financial statements as referred in paragraph 3 above for the year ended 31 March 2014, was conducted by the predecessor auditor, S.R. Batliboi & Co, Chartered Accountants.

5) Based on our examination and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act, the ICDR Regulations, the Guidance Note and terms of our engagement agreed with you, read together with paragraph 3 above and the reliance placed on the audit report of the predecessor auditor as referred to in paragraph 4 above, we report that:

(a) The Restated Standalone Statement of Assets and Liabilities of the Company as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure I to the Restated Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII – Restated Statement of Adjustments to the Audited Financial Statements. As a result of these adjustments, the amounts reported in the above mentioned statement are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

(b) The Restated Standalone Statement of Profit and Loss and Other Comprehensive Income of the Company for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure II to the Restated Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII- Restated Statement of Adjustments to the audited financial statements. As a result of these adjustments, the amounts reported in the above mentioned statement are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

(c) The Restated Standalone Statement of Changes in Equity of the Company for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure III to the Restated Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described Annexure VII - Restated Statement of Adjustments to the audited financial statements. As a result of these adjustments, the amounts reported in the above mentioned statement are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

(d) The Restated Standalone Statement of Cash Flows of the Company for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure IV to the Restated Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII - Restated Statement of Adjustments to the audited financial statements. As a result of these adjustments, the amounts reported in the above mentioned statement are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

(e) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the audit report of the predecessor auditor as referred to in paragraph 4 above, we further report that the Restated Financial Information :

(i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policies for all the reporting periods;

(ii) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

(iii) do not contain any extra-ordinary item that need to be disclosed separately in the Restated Financial Information and have been adjusted for qualifications, if any, in the auditor's report in the respective financial years to which they relate. However, other remarks / comments in the Annexure to the Auditor's report on the financial statements of the Company which do not require any corrective adjustments in the Restated Standalone Financial Information are disclosed in Annexure VII of the Restated Standalone Financial Information.

6) We have also examined, after placing reliance on the audit report of the predecessor auditors as referred to in paragraph 4 above, the following restated financial information of the Company as set out in the Annexures prepared by the management and approved by the Board of Directors on 01 August 2018 for the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014:

(i) Basis of preparation and Significant Accounting Policies as enclosed in Annexure V;
(ii) Notes to Restated Standalone Financial Information as enclosed in Annexure VI;
(iii) Restated Statement of Adjustments to Audited Financial Statements as enclosed in Annexure VII;
(iv) Restated Statement of Other Income, as enclosed in Annexure VIII
(v) Restated Statement of Accounting Ratios, as enclosed in Annexure IX;
(vi) Restated statement of Capitalisation, as enclosed in Annexure X;
(vii) Restated statement of Dividend declared/paid, as enclosed in Annexure XI; and
(viii) Restated statement of Tax Shelter, as enclosed in Annexure XII

7) According to the information and explanations given to us and also as per the reliance placed on the audit report of the predecessor auditor as referred to in paragraph 4 above, in our opinion:

(i) the Restated Financial Information and the above other restated financial information contained in Annexures VI to XII accompanying this report, read with Significant Accounting Policies disclosed in Annexure V, as at and for the years ended 31 March 2018 and 31 March 2017 are prepared after making adjustments and regroupings/reclassifications as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, the ICDR Regulations and the Guidance Note; and

(ii) the Proforma Ind AS Restated Financial Information and the above other restated financial information contained in Annexures VI to XII accompanying this report, read with significant accounting policies disclosed in Annexure V, as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 are prepared after making proforma adjustments and regroupings/reclassifications as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, the ICDR Regulations and the Guidance Note.

8) 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 or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10) Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, relevant Stock Exchanges where the equity shares are proposed to be listed and the relevant Registrar of Companies in India in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

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

Rajiv Goyal
Partner
Membership No: 094549

Place: Gurugram

Date: 1 August 2018

Mrs. Bectors Food Specialities Limited
Annexure I - Restated Standalone Statement of Assets and Liabilities
(All amounts are in Rupees millions, unless otherwise stated)

Particulars	Note	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment	1	2,289.14	1,897.53	1,481.53	1,532.12	1,569.32
Capital work-in-progress	1	920.79	117.86	193.97	15.74	13.40
Intangible assets	2	17.81	17.13	18.94	-	-
Intangible assets under development		-	5.55	-	-	-
Investment in subsidiaries	3	182.00	182.00	182.00	182.00	182.00
Investments accounted for using the equity method	4	17.48	17.48	17.48	17.48	6.96
Financial assets						
(i) Investments	5	-	-	-	0.12	0.12
(ii) Loans	6	31.63	32.66	24.15	21.21	18.05
(iii) Other financial assets	7	9.68	0.21	3.22	7.16	21.55
Non-current tax assets (net)	8	27.03	26.99	17.18	18.09	3.18
Other non-current assets	9	66.15	108.22	86.97	48.90	26.56
Total non-current assets		**3,561.71**	**2,405.63**	**2,025.44**	**1,842.82**	**1,841.14**
Current assets						
Inventories	10	344.20	262.74	313.92	263.70	253.13
Financial assets						
(i) Investments	11	0.18	48.26	102.70	50.35	79.22
(ii) Trade receivables	12	672.42	564.48	444.31	431.26	317.74
(iii) Cash and cash equivalents	13	51.81	127.74	65.68	57.44	59.90
(iv) Bank balances other than (iii) above	14	48.06	58.91	44.56	35.99	-
(v) Loans	15	-	4.37	36.08	16.68	7.12
(vi) Other financial assets	16	97.34	100.41	68.99	30.65	66.08
Other current assets	17	148.32	62.68	66.27	33.40	33.34
Total current assets		**1,362.33**	**1,229.59**	**1,142.51**	919.47	816.53
Total assets		**4,924.04**	**3,635.22**	**3,167.95**	**2,762.29**	**2,657.67**
EQUITY AND LIABILITIES						
Equity						
Equity share capital	18	572.68	286.34	286.34	286.34	73.46
Other equity	19	1,979.71	1,988.34	1,773.80	1,413.86	1,341.11
Total equity		**2,552.39**	**2,274.68**	**2,060.14**	**1,700.20**	**1,414.57**
LIABILITIES						
Non-current liabilities						
Financial liabilities						
(i) Borrowings	20	956.93	356.65	176.25	266.88	409.11
Provisions	21	30.79	30.63	20.28	18.97	13.98
Deferred tax liabilities (net)	22	58.66	53.95	55.31	66.44	53.58
Other non-current liabilities	23	137.98	34.13	35.04	33.68	37.00
Total non-current liabilities		**1,184.36**	**475.36**	**286.88**	**385.97**	**513.67**
Current liabilities						
Financial liabilities						
(i) Borrowings	24	262.73	165.59	191.83	90.81	157.44
(ii) Trade payables	25					
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		375.87	356.47	245.57	263.21	232.07
(iii) Other financial liabilities	26	295.65	118.68	132.38	112.77	162.53
Other current liabilities	27	100.17	118.84	128.55	125.37	112.95
Provisions	28	126.80	112.96	94.25	69.02	48.85
Current tax liabilities (net)	29	26.07	12.64	28.35	14.94	15.59
Total current liabilities		**1,187.29**	**885.18**	**820.93**	**676.12**	**729.43**
Total liabilities		**2,371.65**	**1,360.54**	**1,107.81**	**1,062.09**	**1,243.10**
Total equity and liabilities		**4,924.04**	**3,635.22**	**3,167.95**	**2,762.29**	**2,657.67**

The above statement should be read with the Basis of preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Standalone Financial Information appearing in Annexure VI and Statement of adjustments to Audited Financial Statements 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

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 1 August 2018

Place : Ludhiana
Date: 1 August 2018

Mrs. Bectors Food Specialities Limited
Annexure II - Restated Standalone Statement of Profit and Loss
(All amounts are in Rupees millions, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Income						
Revenue from operations	30	6,533.31	6,015.11	5,721.62	5,768.37	5,402.58
Other income	31	35.91	23.53	110.48	16.83	27.57
Total income		**6,569.22**	**6,038.64**	**5,832.10**	**5,785.20**	**5,430.15**
Expenses						
Cost of materials consumed	32	3,576.48	3,300.29	3,058.22	3,163.69	2,726.89
Purchase of stock-in-trade	33	126.39	105.72	4.22	32.67	499.86
Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	(70.38)	23.07	1.12	3.25	(24.86)
Excise duty		33.30	139.68	139.58	92.72	34.57
Employee benefits expense	35	867.84	768.68	764.63	662.21	504.58
Finance costs	36	55.29	38.64	39.41	67.37	71.03
Depreciation and amortisation expense	37	244.11	220.41	197.75	191.47	178.94
Other expenses	38	1,261.98	1,077.43	1,064.81	1,134.76	1,074.12
Total expenses		**6,095.01**	**5,673.92**	**5,269.74**	**5,348.14**	**5,065.13**
Profit before tax		**474.21**	**364.72**	**562.36**	**437.06**	**365.02**
Tax expense						
Current tax		150.23	114.69	178.93	139.88	106.52
Deferred tax		3.80	(0.53)	(11.08)	12.40	(0.33)
		154.03	114.16	167.85	152.29	106.19
Profit after tax as restated (A)		**320.18**	**250.56**	**394.51**	**284.77**	**258.83**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit plans		2.61	(2.39)	(0.17)	1.32	1.49
Income tax relating to remeasurement of defined benefit plans		(0.90)	0.83	0.06	(0.46)	(0.52)
Total other comprehensive income/(loss) for the year, net of tax (B)		**1.71**	**(1.56)**	**(0.11)**	**0.86**	**0.97**
Total comprehensive income for the year as restated (A+B)		**321.89**	**249.00**	**394.40**	**285.63**	**259.80**
Earnings per equity share [nominal value of Rs. 10 (previous year Rs.10)]	40					
Basic		5.59	4.38	6.89	4.97	4.52
Diluted		5.58	4.38	6.89	4.97	4.52

The above statement should be read with the Basis of preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Standalone Restated Financial Information appearing in Annexure VI and Statement of adjustments to Audited Financial Statements 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

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 1 August 2018

Place : Ludhiana
Date: 1 August 2018

Mrs. Bectors Food Specialities Limited
Annexure III - Restated Standalone Statement of Changes in Equity
(All amounts are in Rupees millions, unless otherwise stated)

A. Equity share capital

Particulars	Note	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
				Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
Balance as at the beginning of the year		28,633,811	28,633,811	28,633,811	7,345,872	7,345,872
Add: Shares issued on account of scheme of Amalgamation and Arrangement during the year (Refer Note 51)		-	-	-	21,287,939	-
Bonus shares issued	18 (b)	28,633,811	-	-	-	-
Balance at the end of the reporting period		**57,267,622**	**28,633,811**	**28,633,811**	**28,633,811**	**7,345,872**

B. Other equity

Particulars	Note	Reserves and surplus						Other comprehensive income	Total
		Share application money pending allotment	Share options outstanding account	Capital Reserve	General Reserve	Securities premium reserve	Retained Earnings	Remeasurement of defined benefit plans	
Balance as at 1 April 2013 - Proforma Ind AS		-	-	11.33	12.10	596.33	714.97	-	**1,334.73**
Profit for the year		-	-	-	-	-	258.83	-	**258.83**
Other comprehensive income for the year		-	-	-	-	-	-	0.97	**0.97**
Add:-Adjustment on account of merger under Composite scheme of Amalgamation and Arrangement (Refer Note 51)		212.88	-	3.04	-	-	97.93	-	**313.85**
Less:-Adjustment on account of demerger under Composite scheme of Amalgamation and Arrangement (Refer Note 51)		-	-	-	(12.10)	(66.16)	(489.01)	-	**(567.27)**
Balance as at 31 March 2014 - Proforma Ind AS		**212.88**	**-**	**14.37**	**-**	**530.17**	**582.72**	**0.97**	**1,341.11**
Profit for the year		-	-	-	-	-	284.77	-	**284.77**
Other comprehensive income for the year		-	-	-	-	-	-	0.86	**0.86**
Less:- Equity shares issued during the year		(212.88)	-	-	-	-	-	-	**(212.88)**
Balance as at 31 March 2015 - Proforma Ind AS		**-**	**-**	**14.37**	**-**	**530.17**	**867.49**	**1.83**	**1,413.86**
Profit for the year		-	-	-	-	-	394.51	-	**394.51**
Other comprehensive income/(loss) for the year		-	-	-	-	-	-	**(0.11)**	**(0.11)**
Less: Interim dividend paid						-	(28.63)		**(28.63)**
Less: Dividend distribution tax							(5.83)		**(5.83)**
Balance as at 31 March 2016 - Proforma Ind AS		**-**	**-**	**14.37**	**-**	**530.17**	**1,227.54**	**1.72**	**1,773.80**
Profit for the year		-	-	-	-	-	250.56	-	**250.56**
Other comprehensive income/(loss) for the year		-	-	-	-	-	-	(1.56)	**(1.56)**
Less: Interim dividend paid		-	-	-	-	-	(28.63)	-	**(28.63)**
Less: Dividend distribution tax							(5.83)		**(5.83)**
Balance as at 31 March 2017		**-**	**-**	**14.37**	**-**	**530.17**	**1,443.64**	**0.16**	**1,988.34**
Profit for the year		-	-	-	-	-	320.18	-	**320.18**
Other comprehensive income for the year		-	-	-	-	-	-	1.71	**1.71**
Employee stock option expense (Refer note 48)		-	3.99	-	-	-	-	-	**3.99**
Bonus shares issued		-	-	-	-	(286.34)	-	-	**(286.34)**
Less: Interim dividend paid		-	-	-	-	-	(42.96)	-	**(42.96)**
Less: Dividend distribution tax							(5.21)		**(5.21)**
Balance as at 31 March 2018		**-**	**3.99**	**14.37**	**-**	**243.83**	**1,715.65**	**1.87**	**1,979.71**

The above statement should be read with the Basis of preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Standalone Restated Financial Information appearing in Annexure VI and Statement of adjustments to Audited Financial Statements 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

Place: Gurugram
Date: 1 August 2018

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

Anoop Bector	Ishaan Bector	Atul Sud	Parveen Kumar Goel
Managing Director	*Director*	*Company Secretary*	*Executive Director and CFO*
DIN:-00108589	DIN:-02906180		DIN:- 00007297

Place : Ludhiana
Date: 1 August 2018

Mrs. Bectors Food Specialities Limited
Annexure IV - Restated Standalone Statement of Cash Flows
(All amounts are in Rupees millions, unless otherwise stated)

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
				Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
A.	**Cash flows from operating activities**					
	Profit before income tax (as restated)	474.21	364.72	562.36	437.06	365.02
	Adjustments for:					
	Depreciation and amortisation expense	244.11	220.41	197.75	191.47	178.94
	Provision for doubtful debts and advances	4.64	7.56	0.52	(0.52)	7.53
	Net gain on sale of investments	(0.67)	(2.26)	(5.26)	(1.64)	(7.42)
	Changes in fair value of financial assets at fair value through profit or loss	0.06	(3.30)	(6.72)	0.03	(10.87)
	Bad debts written off	1.91	5.32	10.05	0.11	7.12
	Dividend income on investments	18.15	-	0.01	-	0.03
	Net (gain)/loss on disposal of property, plant and	2.44	1.70	(82.44)	(0.06)	5.73
	Employee share-based payment expense	3.99	-	-	-	-
	Finance costs	55.29	38.64	39.41	67.37	71.03
	Interest income	(5.94)	(8.41)	(6.99)	(7.18)	(3.87)
	Operating profit before working capital changes (as restated)	**798.19**	**624.38**	**708.70**	**686.64**	**613.25**
	Changes in operating assets and liabilities					
	(Increase)/Decrease in loans	5.40	23.20	(22.34)	(12.72)	0.17
	(Increase)/ Decrease in other financial assets	3.19	(29.60)	(38.41)	35.50	(150.78)
	(Increase)/ Decrease in other assets	(85.64)	3.59	(32.87)	0.27	52.11
	(Increase)/Decrease in inventories	(81.46)	51.18	(50.22)	(10.57)	(46.11)
	(Increase)/Decrease in trade receivables	(114.49)	(133.05)	(23.62)	(113.11)	34.41
	Increase/(Decrease) in provisions	16.61	26.67	26.37	26.48	20.39
	Increase / (Decrease) in other liabilities	(18.27)	(5.27)	(4.08)	11.86	62.63
	Increase/(Decrease) in trade payables	19.40	110.90	(17.64)	31.14	(23.57)
	Increase/ (Decrease) in other financial liabilities	12.35	(44.85)	43.59	(0.32)	0.78
	Cash generated from operations	**555.28**	**627.15**	**589.47**	**655.17**	**563.29**
	Direct taxes (paid)/ received (net of refunds)	(136.84)	(140.21)	(164.61)	(155.44)	(102.72)
	Net cash inflow from operating activities - Total (A)	**418.44**	**486.94**	**424.86**	**499.72**	**460.56**
B.	**Cash flows from investing activities**					
	Purchase of property, plant and equipment (including capital work in progress and capital advances)	(1,181.12)	(567.50)	(399.44)	(195.93)	(353.11)
	Purchase of intangible assets (including intangible asset under development)	(0.81)	(7.81)	(18.94)	-	-
	Proceeds from sale of property, plant and equipment and intangibles	3.62	8.00	134.21	0.59	69.24
	Net proceeds of investments	48.69	60.00	(40.25)	30.48	(53.85)
	Purchase of investment in associates and subsidiaries	-	-	-	(10.52)	(103.93)
	Net redemption/(investments) in bank deposits (having original maturity of more than three months)	1.38	(11.34)	(4.63)	(21.60)	35.87
	Dividends received from subsidiaries	(18.15)	-	(0.01)	-	(0.03)
	Interest received	5.82	6.59	7.06	7.11	3.87
	Net cash outflow from investing activities - Total (B)	**(1,140.57)**	**(512.06)**	**(322.00)**	**(189.87)**	**(401.94)**
C.	**Cash flows from financing activities**					
	Proceeds/(repayments) from/to non-current borrowings	642.55	205.49	(140.57)	(176.42)	36.75
	Proceeds/(repayments) from/to current borrowings	97.14	(26.24)	101.02	(66.63)	(95.15)
	Interest paid	(54.52)	(37.48)	(40.74)	(69.26)	(71.13)
	Dividend paid on equity shares (including dividend distribution tax)	(38.97)	(54.59)	(14.33)	-	-
	Net cash outflow from financing activities - Total (C)	**646.20**	**87.18**	**(94.62)**	**(312.31)**	**(129.54)**
D.	**Net increase/ (decrease) in cash and cash equivalents (A+B+C)**	**(75.93)**	**62.06**	**8.24**	**(2.46)**	**(70.91)**
E.	**Cash and cash equivalents at the beginning of the year**	**127.74**	**65.68**	**57.44**	**59.90**	**111.23**
	Add : Cash and cash equivalents acquired pursuant to Composite Scheme of Arrangement	**-**	**-**	**-**	**-**	**19.58**
F.	**Cash and cash equivalents at the end of the year (D)+(E)**	**51.81**	**127.74**	**65.68**	**57.44**	**59.90**
	Reconciliation of cash and cash equivalents as per the cash flow statement					
	Cash and cash equivalents as per above comprise of the following					
	Cash and cash equivalents	51.81	127.74	65.68	57.44	59.90
	Balances per statement of cash flows	**51.81**	**127.74**	**65.68**	**57.44**	**59.90**

* Also refer note 20 ('c) for reconciliation of liabilities from financing activities.

The above statement should be read with the Basis of preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII.

As per our report 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

Place: Gurugram
Date: 1 August 2018

Anoop Bector
Managing Director
DIN:-00108589

Ishaan Bector
Director
DIN:-02906180

Atul Sud
Company Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place : Ludhiana
Date: 1 August 2018

1. Reporting entity

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

2. Significant Accounting Policies

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

a) Basis of preparation

The Restated Standalone Statement of Assets and Liabilities of Mrs. Bectors Food Specialities Limited as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014, the Restated Standalone Statement of Profit and Loss, the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash flows for the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 and Restated Other Standalone Financial Information (together referred as 'Restated Standalone Financial Information') has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The Restated Standalone Financial Information has been compiled by the Company from:

1) the audited financial statements of the Company as at and for the years ended 31 March 2018 and 31 March 2017, being the comparative period for the year ended 31 March 2018, prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act, other relevant provisions of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 10 July 2018. The audited financial statements of the Company as at and for the year ended 31 March 2017, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as amended, other relevant provisions of the Act and other accounting principles generally accepted in India, which had been approved by the Board of Directors at their Board meeting held on 5 September 2017. These financial statements have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on 1 April 2016 ('transition date') and are disclosed as the comparative figures for the year ended 31 March 2018;

2) From the audited financial statements of the Company as at and for the years ended 31 March 2016 and 31 March 2015, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as amended, other relevant provisions of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors at their Board meeting held on 23 September 2016 and 26 October 2015 respectively and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date ;and

3) From the audited financial statements of the Company as at and for the year ended 31 March 2014, prepared in accordance with Accounting Standards prescribed under section 211(3C) of the Companies Act, 1956 read with Companies (Accounting Standards) Rules, 2006, which have been approved by the Board of Directors at their Board meeting held on 30 November 2014 and which

have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date.

The Restated Financial Information mentioned in the sub paragraphs 2 and 3 above, as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 are referred to as "the Proforma Ind AS Restated Financial Information " as per the Guidance Note.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer Note 52 of Annexure VI).

The Restated Standalone Financial Information has been prepared by the management for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (the "IPO") of equity shares, to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Punjab and the concerned Stock Exchange in accordance with 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, 2009, as amended to date (the "ICDR Regulations") in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 on clarification regarding applicability of Indian Accounting Standards to disclosures in offer documents under the ICDR Regulations issued by the Securities and Exchange Board of India.

c) Guidance note on reports in Company prospectuses (revised 2016) issued by the Institute of Chartered Accountants of India.

This Restated Standalone Financial Information has been compiled by the Company (as explained above) and:

- have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policies for all the reporting periods;

- have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;

- do not contain any extra-ordinary item that need to be disclosed separately in the Restated Financial Information and have been adjusted for qualifications, if any, in the auditor's report in the respective financial years to which they relate. However, other remarks / comments in the Annexure to the Auditor's report on the financial statements of the Company which do not require any corrective adjustments in the Restated Standalone Financial Information are disclosed in Annexure VII of the Restated Standalone Financial Information;

- 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 Standalone Financial Statements of the Company as at and for the period ended 31 March 2018 prepared under Ind AS and the requirements of the SEBI Regulations, and

- the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective periods to which they relate.

These financial statements were authorised for issue by the Company's Board of Directors on 1 August 2018.

i) Functional and presentation currency

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

ii) Historical cost convention

The Restated Standalone Financial Information has been prepared under historical cost convention except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

iii) Basis of measurement

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

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

Fair value measurement

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

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

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

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

– Level 1: quoted 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).

iv) Use of judgments and estimates

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

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

Judgements

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

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

Assumptions and estimation uncertainties

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

- Note 1 & 2 - useful life and residual value of property, plant and equipment and intangible assets;
- Note 46 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 48 - fair value of share based payments
- Note 41 - recognition and measurement of provisions and contingencies;
- Note 49 - impairment of financial assets;
- Note 49 - Fair value measurement of financial instruments.
- Note 10 – write down of inventories
- Note 2l, 8 and 22 – recognition of tax expense including deferred tax, availability of future taxable profits against which tax losses carried forward can be used

v) Current versus non-current classification

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

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

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

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

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

b) **Property, plant and equipment**

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes 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 Restated Standalone Statement of Profit and Loss as and when consumed.

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

Advances paid towards acquisition of PPE 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 capital work-in- progress.

ii. Transition to Ind AS

On transition to Ind AS, the Company 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 (Refer note 52).

iii. Subsequent Measurement

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

iv. Depreciation

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

Leasehold improvements are amortised over the period of lease.

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

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

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

c) Intangible assets

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

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

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

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

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Restated Standalone 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 Company has elected to continue with the carrying value of all of 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.

d) **Foreign currency transactions**

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

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

e) **Borrowing costs**

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

f) **Employee benefits**

Short-term employee benefits

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

Share-based payment transactions

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

Post-employment benefits

<u>Defined contribution plans</u>

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Restated Standalone 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 Company's gratuity benefit scheme is a defined benefit plan.

Gratuity

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets

The Plan is funded with Insurance Company in form of insurance policy. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Restated Standalone 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 Restated Standalone 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 Restated Standalone Balance Sheet date. Actuarial gains and losses are recognised in the Restated Standalone Statement of Profit and Loss in the period in which they occur.

g) **Revenue**

a) Sale of goods

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

Sales include excise duty and are net of sales tax, goods and services tax and other applicable taxes

Revenues includes excise duty and are shown net of sales tax, value added tax and goods and services tax (with effect from 1 July 2017).

b) Rendering of services

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

c) Interest income

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

d) Dividend income

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

h) **Government grants and subsidies**

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

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

i) **Inventories**

Raw materials, stores and spares are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

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

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

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

j) **Provisions, contingent liabilities and contingent assets**

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

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

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

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

k) **Financial instruments**

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

1) Financial assets

i) Initial recognition and measurement

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

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

ii) Classifications and subsequent measurement

Classifications

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

Business model assessment

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

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

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

Debt instrument at amortised cost

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

– it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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

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 Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

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

iii) Reclassification of financial assets

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

iv) Derecognition of financial assets

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

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

v) Impairment of financial assets

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

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

vi) Impairment of non- financial assets

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

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

The Company's corporate assets (e.g., office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss is recognised in the Restated Standalone Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

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:

<u>Financial liabilities measured at amortised cost</u>

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.

<u>Financial liabilities at fair value through profit or loss</u>

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

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

iii) Derecognition of financial liabilities

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

3) Offsetting of financial instruments

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

4) Derivative financial instruments

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

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

l) **Income taxes**

Income tax comprises current and deferred tax. It is recognised in the Restated Standalone Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Restated Standalone Balance Sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Restated Standalone Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the Restated Standalone 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.

Minimum alternate tax ('MAT') under the provisions of Income-tax Act, 1961 is recognized as current tax in statement of profit and loss. The credit available under the Act in respect of MAT paid is adjusted from deferred tax liability only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability.

MAT credit recognized adjusted from deferred tax liability is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

m) **Leases**

Determining whether an arrangement contains a lease:

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

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

Where the Company is the Lessee:

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

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

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

Where the Company is the lessor:

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

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

n) **Segment reporting**

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

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

o) **Standards issued but not yet effective**

Ind AS 115- Revenue from contract with customers

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company will adopt the standard from 1 April 2018 and is in the process of identifying the impact if any.

Ind AS 21, The Effects of Changes in Foreign Exchange Rates

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Standalone Financial Information
(All amounts are in Rupees millions, unless otherwise stated)

1. Property, plant and equipment and capital work-in-progress

	Freehold land	Leasehold Land *	Lease hold Improvements	Buildings	Plant and equipment	Vehicles	Office equipment	Computers	Furniture and fixtures	Total	Capital work-in-progress
Year ended 31 March 2014 - Proforma Ind AS											
Deemed cost as at 1 April 2013	214.77	86.54	0.16	478.79	963.53	71.58	13.04	5.87	22.38	1,856.66	37.25
Additions during the year		27.23	8.73	37.42	342.60	27.13	0.91	2.01	16.49	462.52	317.63
Additions due to Composite scheme of Amalgamation and Arrangement (Refer Note 51)	29.87	-	-	0.59	-	1.24	-	-	-	31.70	-
Transfer due to Composite scheme of Amalgamation and Arrangement (Refer Note 51)	(103.78)	(68.30)	-	(95.17)	(241.33)	(23.32)	(6.35)	(1.58)	(8.79)	(548.62)	(5.89)
Disposals / adjustments during the year	(29.72)	-	(6.00)	(6.40)	(21.85)	(9.82)	(0.18)	(0.43)	(0.55)	(74.95)	(335.59)
Closing gross carrying amount	111.14	45.47	2.89	415.23	1,042.95	66.81	7.42	5.87	29.53	1,727.31	13.40
Accumulated depreciation as at 1 April 2013											
Additions due to Composite scheme of Amalgamation and Arrangement (Refer Note 51)	-	-	-	0.36	-	1.24	-	-	-	1.60	-
Charge for the year	-	0.56	0.90	15.31	144.43	13.81	1.12	1.39	1.42	178.94	-
Disposals / adjustments during the year	-	-	(6.00)	(1.23)	(9.02)	(5.76)	(0.04)	(0.31)	(0.19)	(22.55)	-
Closing accumulated depreciation	-	0.56	(5.10)	14.44	135.41	9.29	1.08	1.08	1.23	157.99	-
Net carrying amount as at 31 March 2014 - Proforma Ind AS	**111.14**	**44.91**	**7.99**	**400.79**	**907.54**	**57.52**	**6.34**	**4.79**	**28.30**	**1,569.32**	**13.40**
Year ended 31 March 2015 - Proforma Ind AS											
Gross carrying amount											
Opening gross carrying amount	111.14	45.47	2.89	415.23	1,042.95	66.81	7.42	5.87	29.53	1,727.31	13.40
Additions during the year	-	-	2.17	81.95	64.83	-	6.10	1.53	4.51	161.10	127.39
Disposals / adjustments during the year	-	-	-	0.03	(1.01)	(1.03)	9.82	-	(9.37)	(1.56)	(125.05)
Closing gross carrying amount	111.14	45.47	5.06	497.21	1,106.77	65.78	23.34	7.40	24.67	1,886.85	15.74
Accumulated depreciation											
Opening accumulated depreciation	-	0.56	(5.10)	14.44	135.41	9.29	1.08	1.08	1.23	157.99	-
Charge for the year	-	0.58	3.58	15.01	147.99	12.55	5.95	2.64	3.18	191.47	-
Disposals / adjustments during the year	-	-	-	1.24	(0.07)	(0.53)	6.77	0.46	(2.59)	5.27	-
Closing accumulated depreciation	-	1.14	(1.52)	30.69	283.33	21.31	13.80	4.17	1.81	354.73	-
Net carrying amount as at 31 March 2015 - Proforma Ind AS	**111.14**	**44.33**	**6.58**	**466.52**	**823.44**	**44.47**	**9.54**	**3.23**	**22.86**	**1,532.12**	**15.74**
Year ended 31 March 2016 - Proforma Ind AS											
Gross carrying amount											
Opening gross carrying amount	111.14	45.47	5.06	497.21	1,106.77	65.78	23.34	7.40	24.67	1,886.85	15.74
Additions during the year	11.15	0.85	0.70	20.31	142.63	16.04	1.19	4.74	1.53	199.14	323.26
Capitalisation of general borrowing cost	-	-	-	-	-	-	-	-	-	-	4.32
Disposals / adjustments during the year	(42.02)	-	-	-	(8.04)	(17.93)	-	(0.48)	-	(68.47)	(149.35)
Closing gross carrying amount	80.27	46.32	5.76	517.52	1,241.36	63.89	24.53	11.66	26.20	2,017.52	193.97
Accumulated depreciation											
Opening accumulated depreciation	-	1.14	(1.52)	30.69	283.33	21.31	13.80	4.17	1.81	354.73	-
Charge for the year	-	0.59	4.85	17.14	154.98	10.89	3.71	1.96	3.52	197.64	-
Disposals / adjustments during the year	-	-	-	-	(6.88)	(9.04)	-	(0.46)	-	(16.38)	-
Closing accumulated depreciation	-	1.73	3.33	47.83	431.43	23.16	17.51	5.67	5.33	535.99	-
Net carrying amount as at 31 March 2016 - Proforma Ind AS	**80.27**	**44.59**	**2.43**	**469.69**	**809.93**	**40.73**	**7.02**	**5.99**	**20.87**	**1,481.53**	**193.97**

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Standalone Financial Information
(All amounts are in Rupees millions, unless otherwise stated)

1. Property, plant and equipment and capital work-in-progress

	Freehold land	Leasehold Land *	Lease hold Improvements	Buildings	Plant and equipment	Vehicles	Office equipment	Computers	Furniture and fixtures	Total	Capital work-in-progress
Year ended 31 March 2017											
Gross carrying amount											
Opening gross carrying amount	80.27	46.32	5.76	517.52	1,241.36	63.89	24.53	11.66	26.20	2,017.52	193.97
Additions during the year	85.62	-	-	188.47	325.18	25.66	3.17	2.19	6.42	636.71	395.10
Disposals / adjustments during the year	-	-	-	-	(13.79)	(6.20)	-	-	-	(19.99)	(471.21)
Closing gross carrying amount	165.89	46.32	5.76	705.99	1,552.75	83.35	27.70	13.85	32.62	2,634.24	117.86
Accumulated depreciation											
Opening accumulated depreciation	-	1.73	3.33	47.83	431.43	23.16	17.51	5.67	5.33	535.99	-
Charge for the year	-	0.59	1.45	20.06	176.02	10.19	2.80	2.08	3.14	216.33	-
Disposals / adjustments during the year	-	-	-	-	(10.42)	(5.19)	-	-	-	(15.61)	-
Closing accumulated depreciation	-	2.32	4.78	67.89	597.03	28.16	20.31	7.75	8.47	736.71	-
Net carrying amount as at 31 March 2017	**165.89**	**44.00**	**0.98**	**638.10**	**955.72**	**55.19**	**7.39**	**6.10**	**24.15**	**1,897.53**	**117.86**
Year ended 31 March 2018											
Opening gross carrying amount	165.89	46.32	5.76	705.99	1,552.75	83.35	27.70	13.85	32.62	2,634.24	117.86
Additions during the year	4.58	96.84	-	165.99	359.31	3.83	1.59	2.44	1.48	636.06	1,251.54
Disposals / adjustments during the year	-	-	(9.78)	-	(24.11)	(0.90)	(0.04)	(0.50)	(0.13)	(35.46)	(448.61)
Closing gross carrying amount	170.47	143.16	(4.02)	871.98	1,887.95	86.28	29.25	15.79	33.97	3,234.84	920.79
Accumulated depreciation											
Opening accumulated depreciation	-	2.32	4.78	67.89	597.03	28.16	20.31	7.75	8.47	736.71	-
Charge for the year	-	0.72	0.89	24.42	193.12	11.17	2.45	2.28	3.37	238.42	-
Disposals / adjustments during the year	-	-	(9.78)	-	(18.44)	(0.62)	(0.04)	(0.48)	(0.07)	(29.43)	-
Closing accumulated depreciation	-	3.04	(4.11)	92.31	771.71	38.71	22.72	9.55	11.77	945.70	-
Net carrying amount as at 31 March 2018	**170.47**	**140.12**	**0.09**	**779.67**	**1,116.24**	**47.57**	**6.53**	**6.24**	**22.20**	**2,289.14**	**920.79**

Notes:

a) On transiton to Ind AS, the Company has elected to continue the carrying value of all its property, plant and equipment as at 1 April 2016 measured as per Previous GAAP and to use that carrying value as the deemed cost of the property, plant and equipment. The Company has followed the same accounting policy choice as initially adopted on transition date, i.e. 1 April 2016 while preparing Restated financial information for the years ended March 31, 2016, 2015 and 2014.

b) Refer note 20 for charge created on property, plant and equipment.

c) Freehold land includes land having gross block amounting to Rs. 3.07 (31 March 2017 Rs. 3.07; 31 March 2016 Rs. 3.07; 31 March 2015 Rs. 3.07; 31 March 2014 Rs. 3.07) in the state of Himachal Pradesh, pending to be registered in the name of Company.

d) Building includes Flat at Noida having gross block amounting to Rs. 4.82 (31 March 2017 Rs. 4.82; 31 March 2016 Rs Nil; 31 March 2015 Rs. Nil; 31 March 2014 Rs. Nil) and written down value amounting to Rs. 4.52 (31 March 2017 Rs. 4.66 and 31 March 2016 Rs Nil; 31 March 2015 Rs. Nil; 31 March 2014 Rs. Nil) pending to be registered in the name of the company.

e) Vehicles includes motor cars having gross block amounting to Rs. 0.03 (31 March 2017 Rs. 0.03; 31 March 2016 Rs 0.03; 31 March 2015 Rs. 0.03 and 1 April 2014 Rs 0.08) and written down value amounting to Rs. 0.03 (31 March 2017 Rs. 0.03, 31 March 2016 Rs 0.03, 31 March 2015 Rs. 0.03 and 1 April 2014 Rs 0.08) are pending to be registered in the name of the Company.

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

g) Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation rate relating to general borrowings was ranging approximately between 8.39% to 10.43%.

* Refer Note 20 (b).

(All amounts are in Rupees millions, unless otherwise stated)

2. Intangible assets

	Computer software	Total
Year ended 31 March 2014 - Proforma Ind AS		
Gross carrying amount		
Deemed cost as at April 1, 2013 - Proforma Ind AS	0.29	0.29
Transfer due to Demerger under the composite scheme of Amalgamation and Arrangement (Refer Note 51)	(0.29)	(0.29)
Additions during the year	-	-
Disposals / adjustments during the year	-	-
Closing gross carrying amount	-	-
Accumulated amortisation		
Opening accumulated amortisation	-	-
Transfer due to Demerger under the composite scheme of Amalgamation and Arrangement (Refer Note 51)	-	-
Charge for the year	-	-
Disposals / adjustments during the year	-	-
Closing accumulated amortisation	-	-
Net carrying amount as at 31 March 2014 - Proforma Ind AS	**-**	**-**
Year ended 31 March 2015 - Proforma Ind AS		
Gross carrying amount		
Opening gross carrying amount	-	-
Additions during the year	-	-
Disposals / adjustments during the year	-	-
Closing gross carrying amount	-	-
Accumulated amortisation		
Opening accumulated amortisation	-	-
Charge for the year	-	-
Disposals / adjustments during the year	-	-
Closing accumulated amortisation	-	-
Net carrying amount as at 31 March 2015 - Proforma Ind AS	**-**	**-**
Year ended 31 March 2016 - Proforma Ind AS		
Gross carrying amount		
Opening gross carrying amount	-	-
Additions during the year	19.05	19.05
Disposals / adjustments during the year		-
Closing gross carrying amount	19.05	19.05
Accumulated amortisation		
Opening accumulated depreciation	-	-
Charge for the year	0.11	0.11
Disposals / adjustments during the year	-	-
Closing accumulated amortisation	0.11	0.11
Net carrying amount as at 31 March 2016 - Proforma Ind AS	**18.94**	**18.94**
Year ended 31 March 2017		
Gross carrying amount		
Opening gross carrying amount	19.05	19.05
Additions during the year	2.26	2.26
Disposals / adjustments during the year	-	-
Closing gross carrying amount	21.31	21.31
Accumulated amortisation		
Opening accumulated amortisation	0.11	0.11
Charge for the year	4.07	4.07
Disposals / adjustments during the year		-
Closing accumulated amortisation	4.18	4.18
Net carrying amount as at 31 March 2017	**17.13**	**17.13**

(All amounts are in Rupees millions, unless otherwise stated)

2. Intangible assets

	Computer software	Total
Year ended 31 March 2018		
Gross carrying amount	21.31	21.31
Opening gross carrying amount		-
Additions during the year	6.36	6.36
Disposals / adjustments during the year		-
Closing gross carrying amount	27.67	27.67
Accumulated amortisation		
Opening accumulated amortisation	4.18	4.18
Charge for the year	5.68	5.68
Disposals / adjustments during the year		-
Closing accumulated amortisation	9.86	9.86
Net carrying amount as at 31 March 2018	**17.81**	**17.81**

1) On transition to Ind AS, the Company has elected to continue the carrying value of all its intangible assets as at 1 April 2016 measured as per Previous GAAP and to use that carrying value as the deemed cost of the intangible assets. The Company has followed the same accounting policy choice as initially adopted on transition date, i.e. 1 April 2016 while preparing Restated financial information for the years ended 31 March 2016, 2015 and 2014.

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
3. Investment in subsidiaries					
Unquoted equity shares at cost					
18,150,000 (31 March 2017:18,150,000 , 31 March 2016: 18,150,000 , 31 March 2015: 18,150,000 and 31 March 2014: 18,150,000) equity shares of Rs 10/- each fully paid up of Bakebest Foods Private Limited	181.50	181.50	181.50	181.50	181.50
50,000 (31 March 2017: 50,000 , 31 March 2016: 50,000 , 31 March 2015: 50,000 and 31 March 2014: 50,000) equity shares of Rs.10/- each fully paid up of Mrs Bectors English Oven Limited	0.50	0.50	0.50	0.50	0.50
	182.00	**182.00**	**182.00**	**182.00**	**182.00**
Aggregate value of unquoted investments	182.00	182.00	182.00	182.00	182.00
Aggregate amount of impairment in the value of investments	Nil	Nil	Nil	Nil	Nil
4. Investments accounted for using the equity method					
Investment in associates					
Unquoted investment in equity shares at cost 673,506 (31 March 2017: 673,506 , 31 March 2016: 673,506 , 31 March 2015: 673,506 and 31 March 2014: 497,100) equity shares of Rs.10/- each fully paid up of Cremica Agro Foods Limited *	17.48	17.48	17.48	17.48	6.96
Total investment in associates	**17.48**	**17.48**	**17.48**	**17.48**	**6.96**
Aggregate value of unquoted investments	17.48	17.48	17.48	17.48	6.96
Aggregate amount of impairment in the value of investments	-	-	-	-	-

* Considered as unquoted since the stock exchange on which the investment was listed is closed.

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
5. Financial assets - Investments					
Investment in equity instruments carried at fair value through profit or loss Nil (31 March 2017: Nil , 31 March 2016: Nil , 31 March 2015: 12,000 and 31 March 2014: 12,000) equity shares of Rs.10/- each fully paid up of Cremica Food Specialities Limited	-	-	-	0.12	0.12
	-	-	-	0.12	0.12
Aggregate value of unquoted investments	-	-	-	0.12	0.12
Aggregate amount of impairment in the value of investments	-	-	-	-	-

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
			Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
6. Non-current loans					
(Unsecured, considered good)					
Security deposits	31.63	32.66	24.15	21.21	18.05
	31.63	**32.66**	**24.15**	**21.21**	**18.05**
7. Other non-current financial assets					
Deposits with maturity of 12 months					
- 'Margin money deposit*	9.68	0.21	3.22	7.16	21.55
	9.68	**0.21**	**3.22**	**7.16**	**21.55**

*Margin money deposits with carrying amount of Rs. 9.68 (31 March 2017 Rs. 0.21, 31 March 2016 Rs. 3.22 , 31 March 2015 Rs. 7.16 and 31 March 2014 Rs. 21.55) are subject to first charge to secure the Company's inland letter of credit and bank guarantees.

8. Non-current tax assets (net)					
Advance income tax (net of provision for tax)	27.03	26.99	17.18	18.09	3.18
	27.03	**26.99**	**17.18**	**18.09**	**3.18**
9. Other non-current assets					
Capital advances	66.15	108.22	86.97	48.90	26.23
Advances recoverable in cash or kind	-	-	-	-	0.33
	66.15	**108.22**	**86.97**	**48.90**	**26.56**

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
			Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
10. Inventories					
(valued at lower of cost and net realisable value)					
Raw material and packing material	138.50	130.92	155.64	113.37	96.23
Work-in-progress	1.59	1.70	1.37	0.64	8.29
Finished goods - Manufactured goods (including stock in transit Rs. 85.20 (31 March 2017 Rs. 40.87; 31 March 2016 Rs.65.02; 31 March 2015 Rs.54.57 and 31 March 2014 Rs.74.41))	174.24	114.90	139.32	136.29	135.27
Stock in trade (including stock in transit Rs. 11.88 (31 March 2017 Rs. Nil, 31 March 2016 Rs.Nil , 31 March 2015 Rs Nil, 31 March 2014 Rs Nil))	11.88	0.73	-	-	0.72
Stores and spares	17.99	14.49	17.59	13.40	12.62
Total inventories	**344.20**	**262.74**	**313.92**	**263.70**	**253.13**

The write-down of inventories to net realisable value during the year amounted to Rs 1.47 (31 March 2017 Rs.1.32; 31 March 2016 Rs.0.10; 31 March 2015 Rs. Nil and 31 March 2014 Rs. Nil).

The write-down are included in changes in inventories of finished goods and work-in-progress.

During the year inventories amounting to Rs. 0.29 (31 March 2017 Rs. 0.30; 31 March 2016 Rs.0.10; 31 March 2015 Rs. Nil and 31 March 2014 Rs. Nil) were provided as free samples were recognised as expense in the statement of profit and loss.

(All amounts are in Rupees millions, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
11. Current financial assets - Investments					
Investments in equity instruments and mutual fund at fair value through profit and loss					
Quoted *					
1,700 (31 March 2017 1,700; 31 March 2016 1,700; 31 March 2015 1,700; 31 March 2014 1,700) equity shares of Bank of India	0.18	0.24	0.16	0.33	0.39
Unquoted **					
Nil (31 March 2017 Rs. Nil, 31 March 2016 Rs. Nil , 31 March 2015 Rs. Nil and 31 March 2014 974,200 funds of SBI Dynamic Bond Fund Regular Plan	-	-	-	-	14.71
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 164,078) equity shares of SBI Magnum Income Fund Regular Plan	-	-	-	-	4.91
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 2,000,000) equity shares of SBI Debt Fund Series	-	-	-	-	20.64
Nil (31 March 2017 18,813, 31 March 2016 43,066 , 31 March 2015 22,783 and 31 March 2014 Nil) equity shares of SBI Premier Liquid Fund	-	48.02	102.54	50.02	-
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 2,770,000) equity shares of IDFC Fixed Term Plan 73 Regular Plan	-	-	-	-	28.05
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 74,000) equity shares of Rs.10 each fully paid up of Cremica Foods Limited (Refer Note 47)	-	-	-	-	4.05
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 2,200) equity shares of Rs.100 each fully paid up of Cremica Industries Limited (Refer Note 47)	-	-	-	-	6.47
	0.18	**48.26**	**102.70**	**50.35**	**79.22**
Aggregate amount of impairment in the value of investments	Nil	Nil	Nil	Nil	Nil
***Quoted**					
Aggregate book value/ market value	0.18	0.24	0.16	0.33	0.39
****Unquoted**					
Aggregate book value/ market value	-	48.02	102.54	50.02	78.83

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
12. Trade receivables					
Unsecured, considered good	672.42	564.48	444.31	431.26	317.74
Doubtful	10.39	7.00	0.56	-	4.08
	682.81	**571.48**	**444.87**	**431.26**	**321.82**
Less : Allowance for doubtful receivables	(10.39)	(7.00)	(0.56)	-	(4.08)
Total trade receivables	**672.42**	**564.48**	**444.31**	**431.26**	**317.74**

* The loss allowance on trade receivables has been computed on the basis of Ind AS 109, Financial Instruments. The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 49.

13. Cash and cash equivalents					
Balances with banks					
- in current accounts#	49.63	126.65	64.56	54.36	57.14
Cash on hand	2.18	1.09	1.12	3.08	2.76
Total cash and cash equivalents	**51.81**	**127.74**	**65.68**	**57.44**	**59.90**

#Includes debit balance of working capital facility availed from HDFC Bank Ltd & State Bank of India amounting to Rs. Nil (31 March 2017 23.64; 31 March 2016 Rs. Nil ; 31 March 2015 Rs. Nil and 31 March 2014 Rs. Nil) & Rs. Nil respectively (31 March 2017 Rs. Nil; 31 March 2016 Rs. Nil , 31 March 2015 Rs. Nil and 31 March 2014 Rs. Nil).

There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior years.

(All amounts are in Rupees millions, unless otherwise stated)

14. Bank balances other than cash and cash equivalents above

Deposits due to be matured within 12 months of the reporting period	-	3.00	-	0.71	-
Margin money deposit*	48.06	55.91	44.56	35.28	-
	48.06	**58.91**	**44.56**	**35.99**	**-**

*Margin money deposits with carrying amount of Rs. 48.06 (31 March 2017 55.91; 31 March 2016 Rs. 44.56; 31 March 2015 Rs. 35.99 and 31 March 2014 Rs. Nil) are subject to first charge to secure the Company's inland letter of credit and bank guarantees.

15. Loans
(unsecured, considered good)

Loans to related parties*	-	4.37	36.08	16.68	7.12
	-	**4.37**	**36.08**	**16.68**	**7.12**

* refer note 47 on transactions with related parties.

Movement of loans to related parties	Bakebest Foods	Bakebest Foods	Bakebest Foods Private Limited	Bakebest Foods Private Limited	Mrs. Bectors Cremica Enterprises Limited** #
Name of Borrower	Wholly owned subsidiary	Wholly owned subsidiary	Wholly owned subsidiary	Wholly owned subsidiary	Related entities of KMP
Rate of Interest	8.90% p.a.	8.90% p.a.	10.50% p.a.	10.50% p.a.	-
Terms of loan					-
Secured or unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured
Purpose	Business utilisation	Business utilisation	Business utilisation	Business utilisation	Business utilisation
At the beginning of the year	4.37	36.08	16.68	-	7.12
Net Additions during the year	-	-	17.50	15.50	-
Repayment during the year	(4.37)	(33.67)	-	-	-
Interest accrued during the year (net of TDS)	-	1.96	1.91	1.18	-
At the end of the year	**-**	**4.37**	**36.08**	**16.68**	7.12

\# (Formerly Cremica Industries Limited) (Ceased to be related party w.e.f. 8 December 2015).

**Cremica Industries Limited was the owner of certain equity shares of a listed Group which was held by CIL as investments as on 1 April 2013. As per the Composite Scheme submitted to the Hon'ble High Court, after the Amalgamation and Arrangement (involving Demerger of bread undertaking of CIL into Mrs. Bectors Cremica Enterprise Limited and Merger of rest of undertaking into Mrs. Bectors Food Specialities Limited), these shares held by Cremica Industries Limited were to be transferred to the Mrs.Bectors Food Specialities Limited. However Cremica Industries Limited has sold these shares through Stock Exchange from time to time between 25 October 2013 and 8 January 2014 and received the payment of Rs.7.12 Million as consideration thereto. Thus the same took place before the presenation of Composition Scheme before the Hon'ble High Court for its sanction and the composite scheme was duly sanctioned vide order dated 04 July 2014 w.e.f 1 April 2013. In the composite scheme Hon'ble High Court ordered that all the property, rights and power relating to "Bread Undertaking" of the Cremica Industries Limited were required to be transferred to Mrs. Bectors Cremica Enterprise Limited and the rest shall be transferred to Mrs. Bectors Foods Specialities Limited. All the cash and bank balances of Cremica Industries Limited stood transferred to Mrs.Bectors Cremica Enterprises Limited including Rs.7.12 Million of sale consideration of the said shares. During the year management decided to write off the balance considering the non recoverablity of the amount.As per legal opinion obtained by the Group, this cannot be considered as a loan/advance under section 185 of the Companies Act 2013, also refer note 50.

16. Other current financial assets
(unsecured, considered good)

Forward exchange contracts used for hedging	6.52	24.16	11.11	4.19	9.26
Export incentive receivable *	85.01	70.37	54.03	26.39	56.82
Interest accrued but not due on fixed deposits with banks	1.70	1.82	-	0.07	-
Other advances	4.11	4.06	3.85	-	-
	97.34	**100.41**	**68.99**	**30.65**	**66.08**

* The Company has accrued following export incentives of Rs. 156.33 (31 March, 2017 Rs. 110.00; 31 March 2016 Rs. 83.78; 31 March 2015 Rs. 85.73; 31 March 2014 Rs. 93.41) and has also written off incentives of Rs. Nil (31 March 2017 Rs.0.34;31 March 2016 Rs. Nil; 31 March 2015 Rs. 23.72; 31 March 2014 Rs. 4.81).

a) Incentive under Vishesh Krishi Gram Upaj Yojna of Rs. Nil (31 March 2017 Rs. Nil; 31 March 2016 Rs. Nil; 31 March 2015 Rs.65.38; 31 March 2014 Rs. 58.55).
b) Incentive under Merchandise Exports from India Scheme of Rs. 107.95 (31 March, 2017 Rs 72.13; 31 March 2016 Rs. 62.61; 31 March 2015 Rs. Nil; 31 March 2014 Rs. Nil).
c) Incentive under Duty Drawback of Rs. 0.21 (31 March, 2017 Rs 0.55; 31 March 2016 Rs. 9.00; 31 March 2015 Rs. 16.73; 31 March 2014 Rs. 5.50).
d) Duty Free Import Authorization of Rs. 48.17 (31 March, 2017 Rs 37.32; 31 March 2016 Rs. 12.17; 31 March 2015 Rs. Nil; 31 March 2014 Rs. 21.79).
e) Refund of excise duty paid on machinery purchased under EPCG (Export Promotion Capital Goods)Rs. Nil (31 March 2017 Rs. Nil; 31 March 2016 Rs. Nil; 31 March 2015 Rs. Nil; 31 March 2014 Rs.8.86).

f) Freight subsidy on exports from APEDA (Agricultural Processed Food Products Export Development Authority) Rs. Nil (31 March 2017 Rs. Nil;31 March 2016 Rs. Nil; 31 March 2015 Rs. 3.62; 31 March 2014 Rs. 6.05).

17. Other current assets

Advances recoverable in cash or kind	43.95	26.67	22.25	21.66	25.99
Less: provision for doubtful advances recoverable in cash or kind	(0.94)	(1.14)	(0.09)	(0.81)	(5.92)
Balances with statutory/government authorities	105.31	37.15	44.11	12.55	13.27
	148.32	**62.68**	**66.27**	**33.40**	**33.34**

	As at 31 March 2018	**As at 31 March 2017**	**As at 31 March 2016**	**As at 31 March 2015**	**As at 31 March 2014**
			Proforma Ind AS	**Proforma Ind AS**	**Proforma Ind AS**
18. (a) Equity share capital					
Authorised					
57,600,000 (as at 31 March 2017: 57,267,622; as at 31 March 2016: 34,150,000; as at 31 March 2015:34,150,00 and as at 31 March 2014 : 34,150,00) equity shares of Rs. 10/- each	576.00	572.68	341.50	341.50	341.50
	576.00	**572.68**	**341.50**	**341.50**	**341.50**
Issued, subscribed and paid up					
57,267,622 (as at 31 March 2017: 28,633,811 and as at 1 April 2016: 28,633,811; ; as at 31 March 2015: 28,633,811 and as at 31 March 2014 : 7,345,872) equity shares of Rs. 10/- each	572.68	286.34	286.34	286.34	73.46
	572.68	**286.34**	**286.34**	**286.34**	**73.46**

(All amounts are in Rupees millions, unless otherwise stated)

(b) Reconciliation of number of shares outstanding at the beginning and end of the year :

	Number of shares	Amount
Outstanding as at 1st April 2013	29,815,290	298.15
Less: Shares cancelled on account of scheme of Amalgamation and Arrangement during the year (Refer Note 51)	(22,469,418)	(224.69)
Outstanding as at 31 March 2014	**7,345,872**	**73.46**
Add: Shares issued on account of scheme of Amalgamation and Arrangement during the year (Refer Note 51) #	21,287,939	212.88
Outstanding as at 31 March 2015	**28,633,811**	**286.34**
Add: Shares issued during the year	-	-
Outstanding as at 31 March 2016	**28,633,811**	**286.34**
Add: Shares issued during the year	-	-
Outstanding as at 31 March 2017	**28,633,811**	**286.34**
Add: Bonus Shares issued during the year	28,633,811	286.34
Outstanding as at 31 March 2018	**57,267,622**	**572.68**

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.

(c) Details of shareholders holding more than 5% shares in the company	**As at 31 March 2018**	**As at 31 March 2017**	**As at 31 March 2016**	**As at 31 March 2015**	**As at 31 March 2014**
			Proforma Ind AS	**Proforma Ind AS**	**Proforma Ind AS #**
Number of equity shares held					
Anoop Bector	22,848,674	11,424,337	10,743,105	4,666,224	-
GW Crown Pte Limited	11,170,496	5,585,248	5,585,248	-	-
Linus Private Limited	13,120,790	6,560,395	6,560,395	-	-
India Business Excellence Fund-I	-	-	-	4,348,860	4,348,860
IL&FS Trust Co. Limited	-	-	-	2,341,680	2,341,680
Dharamvir Bector	-	-	-	4,476,568	-
Ajay Bector	-	-	-	4,968,333	-
% holding in equity shares					
Anoop Bector	39.90%	39.90%	37.52%	16.30%	-
GW Crown Pte Limited	19.51%	19.51%	19.51%	-	-
Linus Private Limited	22.91%	22.91%	22.91%	-	-
India Business Excellence Fund-I	-	-	-	15.19%	59.20%
IL&FS Trust Co. Limited	-	-	-	8.18%	31.88%
Dharamvir Bector	-	-	-	15.63%	-
Ajay Bector	-	-	-	17.35%	-

Investors India Business Excellence fund and IL&FS trust had invested in the Company in earlier years. The investor were issued same class of equity shares, however such class of shareholders have a right to appoint a nominee director on the Board of the Company and certain other reserved matters as per the terms of Share Subscription Agreement (SSA).

Detail of shareholder holding more than 5% at year end in the Company considering issue of shares lying under suspense account in FY 2013-14 (issued in FY 2014-15 on record date i.e September 10, 2014).

	31 March 2015		**31 March 2014**	
	Numbers	**% holding in the class**	**Numbers**	**% holding in the class**
Equity shares of Rs.10 each fully Paid				
India Business Excellence Fund-I	4,348,860	15.19%	4,348,860	15.19%
IL&FS Trust Co. Limited	2,341,680	8.18%	2,341,680	8.18%
Dharamvir Bector	4,476,568	15.63%	4,977,893	17.38%
Ajay Bector	4,968,333	17.35%	2,258,549	7.89%
Anoop Bector	4,666,224	16.30%	1,956,440	6.83%

During the five-year period ended 31 March 2018 , 21,287,939 equity shares of Rs 10 each have been allotted as fully paid as per approved composite scheme of amalgamation and arrangement .

d) Aggregate number of shares issued for consideration other than cash during the period of five years:

	As at 31 March 2018	**As at 31 March 2017**	**As at 31 March 2016 Proforma Ind AS**	**As at 31 March 2015 Proforma Ind AS**	**As at 31 March 2014 Proforma Ind AS**
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	28,633,811	-	-	-	-
Shares alloted as per approved composite scheme of amalgamation and arrangement (Refer Note 51)*	-	-	-	21,287,939*	-
	28,633,811	-	-	21,287,939	-

* Note:- As per approval of Honorable High Court for the scheme of amalgamation and arrangement under section 391 to 394 of Companies Act, 1956 with effect from appointed dated 10 September 2014, the Company has cancelled 22,469,418 shares and has issued 21,287,939 shares for consideration other than cash. (Refer Note 51)

(All amounts are in Rupees millions, unless otherwise stated)

e) Shares reserved for issue under options
Information relating to Company's option plan, including details of options issued, exercised, and lapsed during the financial year and options outstanding at the end of the reporting period, is given in note 48.

19. Details of Other equity	**As at 31 March 2018**	**As at 31 March 2017**	**As at 31 March 2016 Proforma Ind AS**	**As at 31 March 2015 Proforma Ind AS**	**As at 31 March 2014 Proforma Ind AS**
Other equity					
a) Capital reserve					
Balance at the beginning of the year	14.37	14.37	14.37	14.37	14.37
Less: Movement during the year	-	-	-	-	-
Balance at the end of the year	**14.37**	**14.37**	**14.37**	**14.37**	**14.37**
b) Securities premium					
Balance at the beginning of the year	530.17	530.17	530.17	530.17	530.17
Less: Bonus shares issued	(286.34)	-	-	-	-
Balance at the end of the year	**243.83**	**530.17**	**530.17**	**530.17**	**530.17**
c) Surplus/deficit in the statement of profit & loss					
Balance at the beginning of the year	1,443.64	1,227.54	867.49	582.72	323.89
Add: Profit for the year	320.18	250.56	394.51	284.77	258.83
Less: Interim dividend	(42.96)	(28.63)	(28.63)	-	-
Less: Dividend distribution tax on interim dividend	(5.21)	(5.83)	(5.83)	-	-
Balance at the end of the year	**1,715.65**	**1,443.64**	**1,227.54**	**867.49**	**582.72**
d) General reserve					
Balance at the beginning of the year	-	-	-	-	12.10
Less:-Adjustment on account of demerger under Composite scheme of Amalgamation and Arrangement (Refer Note 51)	-	-	-	-	(12.10)
	-	-	-	-	
Less: Dividend distribution tax on interim dividend	-	-	-	-	-
Balance at the end of the year	-	-	-	-	-
e) Remeasurement of defined benefit plans					
Balance at the beginning of the year	0.16	1.72	1.83	0.97	-
Add: Addition during the year	1.71	(1.56)	(0.11)	0.86	0.97
Balance at the end of the year	**1.87**	**0.16**	**1.72**	**1.83**	**0.97**
f) Share application money pending allotment					
Balance at the beginning of the year	-	-	-	212.88	-
Add:-Adjustment on account of merger under Composite scheme of Amalgamation and Arrangement (Refer Note 51)	-	-	-	-	212.88
Less:- Equity shares issued during the year	-	-	-	(212.88)	-
Balance at the end of the year	-	-	-	-	**212.88**

	As at 31 March 2018	**As at 31 March 2017**	**As at 31 March 2016 Proforma Ind AS**	**As at 31 March 2015 Proforma Ind AS**	**As at 31 March 2014 Proforma Ind AS**
f) Share options outstanding account					
Balance at the beginning of the year	-	-	-	-	-
Employee stock option expense	3.99	-	-	-	-
Balance at the end of the year	**3.99**	-	-	-	-

Nature and purpose of other reserves

Capital reserve
Capital reserve is on account of scheme of Amalgamation and Arrangement transaction as per the Court Scheme dated 10 September 2014.

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

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

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

Dividends
The following dividends were declared by the Company during the year:

Re. 0.75 per equity share (31 March 2017: Re. 1, 31 March 2016: Re. 1, 31 March 2015 : Nil , 31 March 2014: Nil)	42.96	28.63	28.63	-	-
Dividend distribution tax on dividend to equity shareholders	5.21	5.83	5.83	-	-
Balance at the end of the year	**48.17**	**34.46**	**34.46**	-	-

(All amounts are in Rupees millions, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
20. Non - current borrowings					
Term loans (Refer note (a))					
From banks (Secured)	1,035.14	376.11	198.26	303.28	487.66
Vehicle loans (Refer note (a))					
From banks (Secured)	5.90	9.04	6.86	5.02	12.00
From Others (Secured)	5.11	8.27	-	0.59	1.08
Loans from related parties (unsecured)*****	25.12	34.64	16.41	55.10	36.51
Long term maturities of finance lease obligations (secured) (Refer note (b) below)	9.80	-	-	-	-
Total non-current borrowings	**1,081.07**	**428.06**	**221.53**	**363.99**	**537.25**
Less: Current maturities of long term debt	(121.17)	(69.10)	(44.01)	(93.95)	(128.14)
Less: Interest accrued but not due on borrowings	(2.97)	(2.31)	(1.27)	(3.16)	-
Non current borrowings as per balance sheet	**956.93**	**356.65**	**176.25**	**266.88**	**409.11**

Notes:

a) Key terms and breakdown of term loans are as follows:

Particulars	ICICI Bank*	State Bank of India**	HDFC Bank***	Vehicle loans****
Principal amount (Rs.)				
(as at 31 March 2018)	501.65	25.98	504.60	10.95
(as at 31 March 2017)	-	52.55	321.35	17.21
(as at 31 March 2016)	-	131.22	65.81	6.81
(as at 31 March 2015)	-	300.15	-	5.58
(as at 31 March 2014)	-	487.66	-	13.08
Year of maturity	2025-26	2018-19	2025-26	2021-22
Term of repayment	monthly basis	monthly/quarterly basis	monthly basis	monthly basis
Nominal Interest rate	8.25% - 8.35%	9.20% - 10.80%	8.25% - 9.15%	8.51% - 9.66%

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

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

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

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

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

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

There has been no delays in repayment of interest during the year.

Term Loans

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

(All amounts are in Rupees millions, unless otherwise stated)

b) Finance lease obligations *

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

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

* 'Present value of finance lease obligations other than above are equivalent to its carrying value as at the respective balance sheet date and are therefore not discounted. Accordingly, the Group had no obligation under finance lease as at 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014.

c) Net debt reconciliation

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

Cash and cash equivalents	51.81	127.74	65.68	57.44	59.90
Current borrowings	(262.73)	(165.59)	(191.83)	(90.81)	(157.44)
Non-current borrowings	(1,078.10)	(425.75)	(220.26)	(360.83)	(537.25)
Interest on borrowings	(3.67)	(3.00)	(1.84)	(3.17)	(5.06)
Net debt	**(1,292.69)**	**(466.60)**	**(348.25)**	**(397.37)**	**(639.85)**

	Other Assets	Liabilities from financing activities				
	Cash and cash equivalents	Finance lease obligations	Non-Current borrowings	Current borrowings	Interest on borrowings	Total
Net debt as at 1 April 2013	111.23	-	(404.44)	(628.41)	(5.16)	(926.79)
Cash flows	(51.33)	-	(132.81)	470.97	-	286.84
Foreign exchange investments	-	-	-	-	-	-
Interest expense	-	-	-	-	(71.03)	(71.03)
Interest paid	-	-	-	-	71.13	71.13
Other non-cash movements	-	-	-	-	-	-
- Fair value adjustments	-	-	-	-	-	-
Net debt as at 31 March 2014	**59.90**	**-**	**(537.25)**	**(157.44)**	**(5.06)**	**(639.85)**
Cash flows	(2.46)	-	176.42	66.63	-	240.59
Interest expense	-	-	-	-	(67.37)	(67.37)
Interest paid	-	-	-	-	69.26	69.26
Other non-cash movements	-	-	-	-	-	-
- Fair value adjustments	-	-	-	-	-	-
Net debt as at 31 March 2015	**57.44**	**-**	**(360.83)**	**(90.81)**	**(3.17)**	**(397.37)**
Net debt as at 31 March 2015	**57.44**	**-**	**(360.83)**	**(90.81)**	**(3.17)**	**(397.37)**
Cash flows	8.24	-	140.57	(101.02)	-	47.79
Interest expense	-	-	-	-	(39.41)	(39.41)
Interest paid	-	-	-	-	40.74	40.74
Other non-cash movements	-	-	-	-	-	-
- Fair value adjustments	-	-	-	-	-	-
Net debt as at 31 March 2016	**65.69**	**-**	**(220.26)**	**(191.83)**	**(1.84)**	**(348.24)**
Net debt as at 31 March 2016	**65.68**	-	**(220.26)**	**(191.83)**	**(1.84)**	**(348.25)**
Cash flows	62.06	-	(205.49)	26.24	-	(117.19)
Interest expense	-	-	-	-	(38.64)	(38.64)
Interest paid	-	-	-	-	37.48	37.48
Other non-cash movements	-	-	-	-	-	-
- Fair value adjustments	-	-	-	-	-	-
Net debt as at 31 March 2017	**127.74**	**-**	**(425.75)**	**(165.59)**	**(3.00)**	**(466.60)**
Net debt as at 31 March 2017	127.74	-	(425.75)	(165.59)	(3.00)	(466.60)
Cash flows	(75.93)	-	(642.55)	(97.14)	-	(815.62)
Interest expense	-	(0.10)	-	-	(55.29)	(55.39)
Interest paid	-	-	-	-	54.52	54.52
Other non-cash movements	-	-	-	-	-	-
- Acquisitions	-	(9.70)	-	-	-	(9.70)
- Fair value adjustments	-	-	-	-	0.10	0.10
Net debt as at 31 March 2018	**51.81**	**(9.80)**	**(1,068.30)**	**(262.73)**	**(3.67)**	**(1,292.69)**

21. Non-current provisions

Provision for employee benefits					
Compensated absences (refer note 46)	11.70	11.19	8.54	8.28	6.57
Gratuity (refer note 46)	19.09	19.44	11.74	10.69	7.41
	30.79	**30.63**	**20.28**	**18.97**	**13.98**

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(All amounts are in Rupees millions, unless otherwise stated)

22. Income Tax	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
A. Amounts recognised in profit or loss					
Current tax expense					
Current year	150.23	114.69	178.93	139.88	106.52
	150.23	**114.69**	**178.93**	**139.88**	**106.52**
Deferred tax credit					
Changes in recognised temporary differences	3.80	(0.53)	(11.08)	12.40	(0.33)
Effect of changes in tax rate					
	3.80	**(0.53)**	**(11.08)**	**12.40**	**(0.33)**
Total Tax Expense	**154.03**	**114.16**	**167.85**	**152.28**	**106.19**
B. Amounts recognised in Other Comprehensive Income					
Defined benefit plan					
Before tax	2.61	(2.39)	(0.17)	1.32	1.49
Tax(Expense)/Income	(0.90)	0.83	0.06	(0.46)	(0.52)
Net of tax	**1.71**	**(1.56)**	**(0.11)**	**0.86**	**0.97**
C. Reconciliation of effective tax rate					
Profit before tax from continuing operations	474.21	364.72	562.36	437.06	365.02
Domestic tax rate	34.61%	34.61%	34.61%	34.61%	33.99%
Tax using the Company's domestic tax rate	164.11	126.22	194.62	151.26	124.07
Tax effect of:					
Non-deductible expenses	1.37	1.96	0.27	0.35	0.42
Capital gains (considered profit in tax books)	-	-	-	-	(19.96)
Non-taxable income	-	-	(31.27)	(3.45)	1.26
Tax-exempt income	(6.34)	-	-	-	-
Tax incentives	-	(14.81)	-	-	-
Changes in estimates related to prior years	(7.17)	1.40	2.62	-	0.86
Others	2.06	(0.61)	1.61	4.13	(0.46)
Tax expense	**154.03**	**114.16**	**167.85**	**152.29**	**106.19**

D. Movement in deferred tax balances

	As at 31 March 2017	Recognized in P&L	Recognized in OCI	As at 31 March 2018
Deferred Tax Liability				
Property, plant and equipment	114.60	19.22	-	133.82
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)	**124.07**	**13.17**	**-**	**137.24**
Deferred Tax Assets				
Provisions - employee benefits	15.54	2.27	(0.90)	16.90
Allowances on doubtful receivables	2.82	1.14	-	3.96
Others	51.76	5.96	-	57.72
Sub- Total (b)	**70.12**	**9.37**	**(0.90)**	**78.58**
Net Deferred Tax Liabilities (a)-(b)	**53.95**	**3.80**	**0.90**	**58.66**

	As at 1 April 2016	Recognized in P&L	Recognized in OCI	As at 31 March 2017
Deferred Tax Liability				
Property, plant and equipment	105.48	9.12	-	114.60
Investments in mutual funds at fair value through profit and loss	2.42	(0.21)	-	2.21
Forward exchange contracts used for hedging	2.06	4.44	-	6.50
Other items	1.49	(0.73)	-	0.76
Sub- Total (a)	**111.45**	**12.62**	**-**	**124.07**
Deferred Tax Assets				
Provisions - employee benefits	11.75	2.96	0.83	15.54
Allowances on doubtful receivables and loans	0.23	2.59	-	2.82
Others	44.16	7.60	-	51.76
Sub- Total (b)	**56.14**	**13.15**	**0.83**	**70.12**
Net Deferred Tax Liabilities (a)-(b)	**55.31**	**(0.53)**	**(0.83)**	**53.95**

(All amounts are in Rupees millions, unless otherwise stated)

	As at 1 April 2015	Recognized in P&L	Recognized in OCI	As at 31 March 2016
Deferred Tax Liability				
Property, plant and equipment	106.00	(0.52)	-	105.48
Investments in mutual funds at fair value through profit and loss	0.10	2.32	-	2.42
Forward exchange contracts used for hedging	(1.59)	3.64	-	2.06
Other items	2.07	(0.58)	-	1.49
Sub- Total (a)	**106.58**	**4.86**	**-**	**111.45**
Deferred Tax Assets				
Provisions - employee benefits	6.22	5.47	0.06	11.75
Allowances on doubtful receivables	0.28	(0.05)	-	0.23
Others	33.64	10.52	-	44.16
Sub- Total (b)	**40.14**	**15.94**	**0.06**	**56.14**
Net Deferred Tax Liabilities (a)-(b)	**66.44**	**(11.08)**	**(0.06)**	**55.31**

	As at 31 March 2014	Recognized in P&L	Recognized in OCI	As at 31 March 2015
Deferred Tax Liability				
Property, plant and equipment	100.77	5.23	-	106.00
Investments in mutual funds at fair value through profit and loss	3.69	(3.59)	-	0.10
Forward exchange contracts used for hedging	1.53	(3.12)	-	(1.59)
Other items	(0.24)	2.31	-	2.07
Sub- Total (a)	**105.75**	**0.84**	**-**	**106.58**
Deferred Tax Assets				
Provisions - employee benefits	10.20	(3.52)	(0.46)	6.22
Allowances on doubtful receivables	3.40	(3.12)	-	0.28
Others	38.57	(4.93)	-	33.64
Sub- Total (b)	**52.17**	**(11.57)**	**(0.46)**	**40.14**
Net Deferred Tax Liabilities (a)-(b)	**53.58**	**12.41**	**0.46**	**66.44**

	As at 1 April 2013	Recognized in P&L	Recognized in OCI	As at 31 March 2014
Deferred Tax Liability				
Property, plant and equipment	78.99	21.78	-	100.77
Investments in mutual funds at fair value through profit and loss	-	3.69	-	3.69
Forward exchange contracts used for hedging	(2.61)	4.14	-	1.53
Other items	-	(0.24)	-	(0.24)
Sub- Total (a)	**76.38**	**29.37**	**-**	**105.75**
Deferred Tax Assets				
Provisions - employee benefits	8.82	1.90	(0.52)	10.20
Allowances on doubtful receivables	1.96	1.44	-	3.40
Others	11.70	26.87	-	38.57
Sub- Total (b)	**22.48**	**30.21**	**(0.52)**	**52.17**
Net Deferred Tax Liabilities (a)-(b)	**53.90**	**(0.84)**	**0.52**	**53.58**

23. Other non-current liabilities	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Deferred income					
Government grants*	137.98	34.13	35.04	33.68	37.00
Total other non- current liabilities	**137.98**	**34.13**	**35.04**	**33.68**	**37.00**

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

(All amounts are in Rupees millions, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
24. Current borrowings					
Loans from banks repayable on demand (secured)	262.73	165.59	191.83	90.81	157.44
	262.73	**165.59**	**191.83**	**90.81**	**157.44**

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

These facilities are also secured by personal guarantee of Mr. Anoop Bector. The facilities availed from SBI carries floating rate of interest @ MCLR +0.25% to 1.25% ranging from 8.15%.to 9.15% per annum (31 March 2017: 8.15%.to 10.30% per annum; 31 March 2016: 10.30% to 11.25% ; 31 March 2015: 11.50% to 12.25%; 31 March 2014: 11.70% to 13.90%)

The Company has also taken the working capital limits from HDFC Bank Ltd. which are secured against pari-passu charge on entire current assets (existing and future) of Noida Unit. The facilities availed from HDFC Bank carries floating rate of interest @ MCLR + 0.10% i.e. 8.25% per annum (31 March 2017: 9.00% to 9.05% per annum; 31 March 2016 : Nil; 31 March 2015: Nil; 31 March 2014: Nil). (Refer Note 13)

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

25. Trade payables

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Trade payables					
-to micro and small enterprises*	-	-	-	-	-
- to others**	375.87	356.47	245.57	263.21	232.07
Total trade payables	**375.87**	**356.47**	**245.57**	**263.21**	**232.07**

*The Company has during the year, not received any intimation from any of its suppliers regarding their status under the MSMED Act. Based on the above facts, there are no dues to parties registered under MSMED Act. Further, disclosures required under MSMED Act is given under note 44.

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

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
26. Others financial liabilities					
Current maturities of long-term debt	121.17	69.10	44.01	93.95	128.14
Interest accrued but not due on borrowings	3.67	3.00	1.84	3.17	5.06
Security and other trade deposits	16.77	9.31	54.18	10.48	10.27
Payables towards capital goods	139.94	37.27	18.05	5.06	18.42
Unpaid dividends	9.20	-	14.30	-	-
Forward exchange contracts used for hedging	4.90	-	-	0.11	0.64
Total other financial liabilities	**295.65**	**118.68**	**132.38**	**112.77**	**162.53**

(All amounts are in Rupees millions, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
27. Other current liabilities					
Deferred income on government grants	9.65	10.05	8.66	7.23	6.67
Statutory dues	14.82	31.38	30.42	32.62	33.31
Advance from customers	15.81	22.35	33.58	29.69	22.11
Dividend distribution tax payable	-	-	5.83	-	-
Employee payable*	59.89	55.06	50.06	55.83	50.86
Total other current liabilities	**100.17**	**118.84**	**128.55**	**125.37**	**112.95**

*Includes dues to related parties (refer note 47)

28. Current provisions	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Provision for employee benefits (refer note 46)					
Compensated absences	1.11	1.32	0.96	0.82	1.14
Gratuity	1.89	1.56	1.29	1.29	2.84
Others:					
Provision for wealth tax (refer note (c))	-	-	-	0.35	0.32
Provision for Litigation (refer note (a))	117.65	103.98	85.39	59.92	38.21
Provision for Sales return (refer note (b))	6.15	6.10	6.61	6.64	6.34
	126.80	**112.96**	**94.25**	**69.02**	**48.85**
a) Provision for litigation*					
Balance at the commencement of the year	103.98	85.39	59.92	38.21	25.94
Add: Provision made during the year	13.67	23.32	25.47	21.71	12.27
Less: Provision utilised/reversed during the year	-	4.73	-	-	-
Balance at the end of the year	**117.65**	**103.98**	**85.39**	**59.92**	**38.21**

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

b) Provision for sales return					
Balance at the commencement of the year	6.10	6.61	6.64	6.34	5.57
Add: Provision made during the year	6.15	6.10	6.61	6.64	6.34
Less: Provision utilised/reversed during the year	(6.10)	(6.61)	(6.64)	(6.34)	(5.57)
Balance at the end of the year	**6.15**	**6.10**	**6.61**	**6.64**	**6.34**

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

c) Provision for wealth tax					
Balance at the commencement of the year	-	-	0.35	0.32	-
Add: Provision made during the year	-	-	-	0.03	0.32
Less: Provision utilised/reversed during the year	-	-	(0.35)	-	-
Balance at the end of the year	-	-	-	0.35	0.32

This represents amount of wealth tax computed on the net wealth of the assessee under the provision on wealth-tax act, 1957.

29. Current tax liabilities

Income tax [net of advance tax]	26.07	12.64	28.35	14.94	15.59
	26.07	**12.64**	**28.35**	**14.94**	**15.59**

(All amounts are in Rupees millions, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
30. Revenue from operations					
Sale of products (including excise duty to the extent applicable)	5,844.33	5,377.44	5,129.81	5,139.84	4,765.11
Sale of services					
Job work income	407.54	407.70	414.71	458.01	514.04
Total (A)	**6,251.87**	**5,785.14**	**5,544.52**	**5,597.85**	**5,279.15**
Other operating revenue					
Export incentives	156.33	110.00	83.44	85.73	71.73
Net gain on account of foreign exchange fluctuations	55.23	45.67	28.18	28.17	-
Others	69.88	74.30	65.48	56.62	51.70
Total (B)	**281.44**	**229.97**	**177.10**	**170.52**	**123.43**
Total revenue from operations (A+B)	**6,533.31**	**6,015.11**	**5,721.62**	**5,768.37**	**5,402.58**
31. Other income					
Interest income on financial assets measured at amortised cost	4.14	4.76	-	-	-
Interest income from others	1.80	3.65	6.99	7.18	3.87
Gain on sale of investments (net)	0.67	2.26	5.26	1.64	7.42
Net gain on disposal of property, plant and equipment and intangible assets	-	-	82.44	0.06	-
Net change in fair value of financial assets measured at fair value through profit and loss	-	3.30	6.72	-	10.87
Government grants (Refer note 23)	9.97	9.08	8.09	6.83	4.59
Dividend income	18.15	-	0.01	-	0.03
Miscellaneous income	1.18	0.48	0.97	1.12	0.79
	35.91	**23.53**	**110.48**	**16.83**	**27.57**
32. Cost of materials consumed					
Inventory at the beginning of the year	130.92	155.64	113.37	96.23	251.17
Less:- Inventory Demerged under Composite scheme of Amalgamation and Arrangement (Refer Note 51)	-	-	-	-	177.57
Add: Purchases (net)	3,584.06	3,275.57	3,100.49	3,180.83	2,749.52
Less: Inventory at the end of the year	138.50	130.92	155.64	113.37	96.23
Total cost of materials consumed	**3,576.48**	**3,300.29**	**3,058.22**	**3,163.69**	**2,726.89**
33. Purchase of stock in trade					
Purchases	126.39	105.72	4.22	32.67	499.86
	126.39	**105.72**	**4.22**	**32.67**	**499.86**
34. Changes in inventories of finished goods , stock-in-trade and work in progress					
Opening inventories					
Finished goods	114.90	139.32	136.29	135.27	170.00
Less:- Inventory Demerged under Composite scheme of Amalgamation and Arrangement (Refer Note 51)	-	-	-	-	51.90
Stock-in-trade	0.73	-	-	0.72	0.51
Work-in-progress	1.70	1.37	0.64	8.29	12.48
Less:- Inventory Demerged under Composite scheme of Amalgamation and Arrangement (Refer Note 51)					11.28
Total (A)	**117.33**	**140.69**	**136.93**	**144.28**	**119.81**
Closing inventories					
Finished goods	174.24	114.90	139.32	136.29	135.27
Work-in-progress	1.59	1.70	1.37	0.64	8.29
Stock-in-trade	11.88	0.73	-	-	0.72
Total (B)	**187.71**	**117.33**	**140.69**	**136.93**	**144.28**
Decrease/(Increase) in excise duty on change in inventories of finished goods	-	(0.29)	4.88	(4.10)	(0.39)
Total (C)	-	**(0.29)**	**4.88**	**(4.10)**	**(0.39)**
Total changes in inventories of finished goods , work in progress and stock-in-trade (A + B+C)	**(70.38)**	**23.07**	**1.12**	**3.25**	**(24.86)**

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
35. Employee benefits expense					
Salaries, wages and bonus	795.35	711.74	708.78	595.86	452.94
Contribution to provident and other funds (Refer Note 46)	44.47	37.12	34.58	48.09	34.35
Employee share-based payment expense (Refer Note 48)	3.99	-	-	-	-
Staff welfare expenses	24.03	19.82	21.27	18.26	17.29
Total employee benefits expense	**867.84**	**768.68**	**764.63**	**662.21**	**504.58**
36. Finance costs					
Interest expense on:					
- financial liabilities measured at amortised cost	44.86	30.70	30.72	56.17	61.62
- Others	10.43	7.94	8.69	11.20	9.41
Total finance costs	**55.29**	**38.64**	**39.41**	**67.37**	**71.03**
37. Depreciation and amortisation expense					
Depreciation of property, plant and equipment (Refer Note 1)	238.43	216.34	197.75	191.47	178.94
Amortisation of intangible assets (Refer Note 2)	5.68	4.07	-	-	-
Total depreciation and amortisation expense	**244.11**	**220.41**	**197.75**	**191.47**	**178.94**

(All amounts are in Rupees millions, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
38. Other expenses					
Power and fuel	291.42	268.55	291.28	381.90	355.76
Rent (refer note 43)	37.42	30.76	40.26	28.52	25.58
Repairs and maintenance					
- Plant and machinery	47.53	35.78	32.01	31.30	43.07
- Building	13.41	9.13	4.99	5.20	8.10
- Others	3.45	3.80	1.53	2.40	2.85
Insurance	8.22	8.20	7.10	7.12	7.70
Rates and taxes	7.32	6.95	4.59	2.48	3.78
Travel and conveyance	76.95	69.28	69.31	61.86	56.14
Director's commission and sitting fee	38.66	34.26	23.08	24.73	21.20
Payment to auditor (refer Note 39(a) below)	5.71	4.09	5.10	4.17	2.25
Expenditure on Corporate social responsibility (refer note 39(b) below)	2.81	2.18	-	-	-
Legal and professional	14.66	20.93	31.29	27.88	25.78
Communication	9.76	7.73	7.45	6.84	7.15
Advertisement and sales promotion	135.76	102.01	116.35	61.38	45.91
Consumption of stores and spare parts	24.89	24.60	21.37	20.37	16.85
Freight and forwarding	501.72	405.31	367.63	414.09	371.28
Net change in fair value of financial assets measured at fair value through profit and loss	0.06	-	-	0.03	-
Commission and brokerage	6.01	6.61	7.89	38.51	36.28
Bank charges	4.29	3.90	3.00	3.37	2.88
Loss on sale of property, plant and equipment	2.44	1.70	-	-	5.73
Loss allowance on trade receivables and advances	4.64	7.56	0.52	(0.52)	7.53
Net loss on account of foreign exchange fluctuations	-	-	-	-	6.54
Printing and stationery	3.31	3.30	2.86	3.25	2.63
Miscellaneous expenses	21.54	20.80	27.20	9.88	19.13
Total other expenses	**1,261.98**	**1,077.43**	**1,064.81**	**1,134.76**	**1,074.12**
Note 39 (a): Payment to Auditors					
As auditor					
Statutory audit	5.20	3.60	3.25	3.73	2.25
Certification	0.20	0.20	0.08	0.09	-
Reimbursement of expenses	0.31	0.29	0.22	0.35	-
Other Services	-	-	1.55	-	-
Note 39 (b): Corporate social responsibility expenditure					
Gross amount required to be spent by the Company during the period/year as per Section 135 of the Act	8.85	8.68	7.90	6.28	-
Amount spent during the period/year on:					
(i) Construction/acquisition of an asset	2.81	2.18	-	-	-
(ii) On purposes other than (i) above	-	-	-	-	-
	2.81	**2.18**	**-**	**-**	**-**
Amount yet to be spent	6.04	6.50	7.90	6.28	-

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
40: Earning per share					
(a) Basic earnings per share					
Attributable to the equity holders of the Company	**5.59**	**4.38**	**6.89**	**4.97**	**4.52**
(b) Diluted earnings per share					
Attributable to the equity holders of the Company	**5.58**	**4.38**	**6.89**	**4.97**	**4.52**
(c) Basis for calculating earnings per share					
Profit attributable to the equity holders of the company used for Basic and dilluted earnings per share	320.18	250.56	394.51	284.77	258.83
(d) Weighted average number of shares used as the denominator (for Basic)					
Balance at the beginning of the year	28.63	28.63	28.63	28.63	7.35
Share capital suspense account (to be issued)	-	-	-	-	21.29
Effect of issue of bonus shares	28.63	28.63	28.63	28.63	28.63
	57.27	**57.27**	**57.27**	**57.27**	**57.27**
(e) Weighted average number of shares used as the denominator (for Diluted)					
Balance at the beginning of the year	28.63	28.63	28.63	28.63	7.35
Share capital suspense account (to be issued)	-	-	-	-	21.29
Effect of issue of bonus shares	28.63	28.63	28.63	28.63	28.63
Effect of employee stock options	0.06	-	-	-	-
	57.33	**57.27**	**57.27**	**57.27**	**57.27**

(All amounts are in Rupees millions, unless otherwise stated)

41. Contingent liabilities, contingent assets and commitments

On the basis of current status of above-mentioned individual cases and as per legal advice obtained by the Group, wherever applicable, the Group is confident that the outcome in the above cases would be in the favour of the Group and is of view that no provision is required in respect of these cases.

A. Contingent liabilities

		31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	April 1, 2014 Proforma Ind AS
a)	**Claims against the Company not acknowledged as debts (The Company expects a favourable outcome against all the cases):**					
	I) Income Tax related matters	**2.14**	**1.99**	**6.03**	**5.51**	**2.34**
	i) Relating to Income tax demand on certain disallowance for AY 2009-10	-	-	-	-	1.24
	ii) Relating to Income tax demand on certain disallowance for AY 2010-11	-	0.03	0.03	0.03	0.03
	iii) Relating to Income tax demand on certain disallowance for AY 2011-12	0.13	0.13	0.31	0.31	1.07
	iv) Relating to Income tax demand on certain disallowance for AY 2012-13	-	-	-	5.17	-
	v) Relating to Income tax demand on certain disallowance for AY 2013-14	1.83	1.83	5.69	-	-
	vi) Relating to Income tax demand on certain disallowance for AY 2015-16	0.18	-	-	-	-
	II) Sales tax related matters	**3.01**	**4.92**	**3.01**	**-**	**-**
	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	-	-
	ii) Sales Tax Demand for assessment year 2013-14 on account of pending C forms and F forms to be deposited with the sales tax department of Uttar Pradesh	-	1.91	-	-	-
	III) Civil matters	**9.10**	**9.10**	**-**	-	-
	i) Stamp duty case for the plot taken on 99 years lease in Noida	9.10	9.10	-	-	-
b)	**In respect of bank guarantees**					
	Guarantees given by the Company	7.45	3.30	1.66	2.06	4.32
c)	**Others**					
	Differential amount of Customs Duty payable by the Company in case of non fulfilment of export obligation against the import of capital goods made at concessional rate of duty. Based on the past sales performance and the future sales plan, management is quite hopeful to meet out the obligations by executing the required volume of exports in future.	91.07	4.95	11.74	16.61	31.69
	Impact of bonus due to restrospective amendment in the Payment of Bonus Act, 1965 for the financial year 2014-15 since matter is sub-judicious in similar case.	10.27	10.27	10.27	-	-

d) Other pending litigations

(a) The Company had obtained a stay against Himachal Pradesh Government order levying entry tax @ 2% on all goods entering the state. The same was reduced to 1% with effect from 13 July 2011 and then increased to 2% with effect from 1 March 2014. The Hon'ble High Court had stayed the matter. The estimated amount of entry tax upto 31 March 2018 of Rs. 99.87 (31 March 2017 Rs. 89.52; 31 March 2016 Rs. 72.34; 31 March 2015 Rs. 48.28; 31 March 2014 Rs. 27.96) (including interest of Rs. 40.62 (31 March 2017 Rs. 30.19; 31 March 2016 Rs. 20.23; 31 March 2015 Rs. 12.23; 31 March 2014 Rs. 6.79) has been provided in the books of accounts.
The Company had provided a bank guarantee for an amount of Rs. 39.45 (31 March 2017 Rs. 34.45; 31 March 2016 Rs. 29.25; 31 March 2015 Rs. 24.25; 31 March 2014 Rs. Nil) in this regard.

(b) The Company had obtained a stay against Punjab VAT Act levying entry tax on Furnace Oil on the basis of High Court judgment delivered on the same point in an another case which is pending before Supreme Court. The estimated amount of tax and interest thereon upto 31 March 2018 of Rs. 3.61 (31 March 2017 Rs. 3.31; 1 April 2016 Rs. 3.00; 31 March 2015 Rs. 2.70; 31 March 2014 Rs. 23.95) (including interest of Rs. 1.92 (31 March 2017 Rs. 1.62, 31 March 2016 Rs. 1.31; 31 March 2015 Rs. 1.01; 31 March 2014 Rs. 0.71)) has been provided in the books of accounts.

(c) A demand of Rs. 2.37 and Rs. 3.75 related with FY 2008-09 and FY 2009-10 respectively is pending with DETC, Ludhiana. The matter is related with input tax credit claimed by assesse on purchase of HSD. The Company has demanded to start the proceeding without depositing the 25% of amount demanded. The department has rejected the appeal of the Company. The Company filed the writ petition in High Court and the High court had accepted the contention of assesse & remanded the case back to DETC, Ludhiana. The Company has created the provision in books for amount demanded and has also accrued the interest on amount demanded @ 1.5% per month. Therefore the provision for an amount of Rs. 4.49 (31 March 2017 Rs. 4.07; 31 March 2016 Rs. 3.64; 31 March 2015 Rs. 3.22; 31 March 2014 Rs. 2.79) and Rs. 7.75 (31 March 2017 Rs. 7.08; 31 March 2016 Rs. 6.40; 31 March 2015 Rs. 5.73 and 31 March 2014 Rs. 5.05) includes an interest of Rs. 2.13 (31 March 2017 Rs. 1.70; 31 March 2016 Rs. 1.27; 31 March 2015 Rs. 0.85; 31 March 2014 Rs. 0.43) and Rs. 3.99 (31 March 2017 Rs. 3.32; 31 March 2016 Rs. 2.65; 31 March 2015 Rs. 1.97; 31 March 2014 Rs. 1.30) respectively.

(d) A demand of Rs. 1.91 for assessment year 2013-14 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.

B. Contingent Assets

The Company does not have any contingent assets as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014.

C. Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 121.98 (as on 31 March 2017; Rs. 285.92; 31 March 2016 Rs. 141.34; 31 March 2015 Rs. 157.04; 31 March 2014 Rs. 71.94).

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

42. Segment Information

The Board of Directors is the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108 'Operating Segments'. CODM monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.
The Company is engaged in the business of imparting coaching to students appearing in entrance exam of medical and engineering education and are viewed by CODM as single primary segment, i.e. learning business segment. The entire revenue of the Company is generated from the customers in India. The Company does not have transactions of more than 10% of total revenue with any single external customer and earns revenue from external customers only.

Basis for segmentation

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

(All amounts are in Rupees millions, unless otherwise stated)

	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	April 1, 2014 Proforma Ind AS

Operating Segments

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

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

Entity wide disclosures

A. **Information about products and services**

i) Revenue comprises :

	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	April 1, 2014 Proforma Ind AS
Revenue from food products*	6251.87	5785.14	5544.52	5597.85	5279.15
Total	**6251.87**	**5785.14**	**5544.52**	**5597.85**	**5279.15**

*excludes other operating revenues.

B. **Information about geographical areas**

The geographical information analyses the Company's revenues by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment

i) Revenue from external customers:

	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	April 1, 2014 Proforma Ind AS
Within India	4,188.46	4,179.97	4,216.29	4,208.71	4,023.07
Outside India	2,063.41	1,605.17	1,328.23	1,389.14	1,256.08
Total	**6,251.87**	**5,785.14**	**5,544.52**	**5,597.85**	**5,279.15**
ii) Receivables					
Within India	336.76	340.28	286.77	242.27	245.80
Outside India	335.66	224.20	157.54	188.99	71.94
Total	**672.42**	**564.48**	**444.31**	**431.26**	**317.74**

iii) Non-current assets

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

C. **Information about major customers (from external customers)**

During the year ended 31 March 2018, Company does not have transactions with any single external customer having 10% or more of its revenue. (Rs. 626.60 for the year ended 31 March 2017 Rs. Nil for the year ended 31 March 2016, Rs. Nil for the year ended 31 March 2015, Rs. Nil for the year ended 31 March 2014).

43. Leases

Operating Leases

i. Leases as a lessee

The Company has entered into operating leases for residential and warehouse premises for a period ranging from 1-5 years. Terms of the lease include term for renewal and cancellation. Lease rental amounting to Rs. 12.76 (31 March 2017 Rs. 7.93 , 31 March 2016 Rs. 13.11 , 31 March 2015 Rs. 7.46 and 31 March 2014 Rs. 25.58) have been charged to the Statement of Profit and Loss during the year.

Commitments for minimum lease payments excluding service tax in relation to the above lease arrangements are payable as follows:	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	April 1, 2014 Proforma Ind AS
Within one year	17.14	8.13	6.76	11.24	5.87
Later than one year but not later than five years	35.37	26.97	1.86	3.55	8.04
Later than five years	-	-	-	-	-
	52.51	**35.10**	**8.62**	**14.79**	**13.91**

ii. Leases as lessor

Under previous GAAP, arrangements that did not take the legal form of lease were accounted for based on the legal form of such arrangements e.g. job work arrangement. Under Ind AS, any arrangement (even if not legally structured as lease) which convey right to use an asset in return for a payment or series of payments are identified as leases provided certain conditions are met. In case such arrangements are determined to be in the nature of leases, such arrangements are required to be classified into finance or operating leases as per the requirements of Ind AS 17, Leases

The Company has identified certain job-work arrangements to be in the nature of operating lease and accordingly these have been classified as operating lease arrangement. As a result of this during the year the Company has booked lease income amounting to Rs. 46.66 (Rs. 45.60 for the year ended 31 March 2017, Rs. 43.59 for the year ended 31 March 2016, Rs. 42.60 for the year ended 31 March 2015, Rs. 44.33 for the year ended 31 March 2014). There is a contingency attached to the future lease income and are therefore can not be ascertained.

44. The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Company as under:

	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	April 1, 2014 Proforma Ind AS
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	-	-	-	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-	-	-	-
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.	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) 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 accounting year.	-	-	-	-	-
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.	-	-	-	-	-
	-	-	-	-	-

45. Transfer Pricing

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

(All amounts are in Rs. millions, unless otherwise stated)

46. Employee benefits

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

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

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss (included in note 35-Employee benefits expense):

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Contribution to provident fund	31.05	26.29	24.41	34.55	28.55

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

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Net defined benefit liability					
Provision for Gratuity	20.98	21.00	13.03	11.98	10.25
Total employee benefit liabilities	**20.98**	**21.00**	**13.03**	**11.98**	**10.25**
Non-current	19.09	19.44	11.74	10.69	7.41
Current	1.89	1.56	1.29	1.29	2.84

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:

(a) Defined benefit obligation

Balance as at the beginning of the year	**52.84**	**41.78**	36.28	**30.42**	**25.90**
Included in Profit or loss					
Current service cost	9.94	9.31	7.92	7.30	6.94
Interest cost (income)	3.98	3.34	2.90	2.74	2.25
Past service cost	0.60	-	-	-	-
	14.53	**12.65**	**10.82**	**10.04**	**9.19**
Included in OCI					
Remeasurements loss (gain)					
- financial assumptions	(1.32)	3.07	-	4.86	(1.36)
- demographic adjustments	-	-	-	-	-
- experience adjustment	(1.53)	(0.89)	0.17	(6.37)	(0.09)
	(2.85)	**2.18**	**0.17**	**(1.51)**	**(1.45)**
Other					
Contributions paid by the employer	-	-	-	-	-
Benefits paid	(3.49)	(3.77)	(5.49)	(2.67)	(3.23)
	(3.49)	**(3.77)**	**(5.49)**	**(2.67)**	**(3.23)**
Balance as at the end of the year	**61.03**	**52.84**	**41.78**	**36.28**	**30.42**

(All amounts are in Rs. millions, unless otherwise stated)

46. Employee benefits
(b) Fair value of plan assets

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Balance as at 1 April	**31.83**	**28.74**	**24.30**	**20.17**	**15.76**
Included in Profit or loss					
Current service cost	-	-	-	-	-
Interest cost (income)	2.40	2.30	1.94	1.81	1.37
Past service cost	-	-	-	-	
	2.40	**2.30**	**1.94**	**1.81**	**1.37**
Included in OCI					
Remeasurements loss (gain)					
- financial assumptions	(0.18)	(0.21)	0.00	(0.18)	0.04
- demographic adjustments	-	-	-	-	-
- experience adjustment	-	-	-	-	-
	(0.18)	**(0.21)**	**0.00**	**(0.18)**	**0.04**
Other					
Expected return					
Contributions paid by the employer	6.00	1.00	2.50	2.50	3.00
Benefits paid	-	-	-	-	-
	6.00	**1.00**	**2.50**	**2.50**	**3.00**
Balance as at 31 March	**40.05**	**31.83**	**28.74**	**24.30**	**20.17**

(c) Net defined liability

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Balance as at 1 April	**21.01**	**13.03**	**11.98**	**10.25**	**10.14**
Included in Profit or loss					
Current service cost	9.94	9.31	7.92	7.30	6.94
Interest cost (income)	1.58	1.04	0.96	0.93	0.88
Past service cost	0.60	-	-	-	-
	12.13	**10.35**	**8.88**	**8.23**	**7.82**
Included in OCI					
Remeasurements loss (gain)					
- financial assumptions	(1.13)	3.28	(0.00)	5.04	(1.40)
- demographic adjustments	-	-	-	-	-
- experience adjustment	(1.53)	(0.89)	0.17	(6.37)	(0.09)
	(2.66)	**2.39**	**0.17**	**(1.33)**	**(1.49)**
Other					
Expected return					
Contributions paid by the employer	(6.00)	(1.00)	(2.50)	(2.50)	(3.00)
Benefits paid	(3.49)	(3.77)	(5.49)	(2.67)	(3.23)
	(9.49)	**(4.77)**	**(7.99)**	**(5.17)**	**(6.23)**
Balance as at 31 March	**20.98**	**21.00**	**13.03**	**11.98**	**10.25**

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

C. Plan assets

Plan assets comprise of the following

Plan assets comprise of the following

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Investments with Life insurance corporation and SBI life insurance	100%	100%	100%	100%	100%

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

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

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

(All amounts are in Rs. millions, unless otherwise stated)

46. Employee benefits

D. Actuarial assumptions

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS

a) Economic assumptions

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

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Discount rate	7.71%	7.54%	8.00%	7.54%	8.00%
Expected rate of future salary increase	7.00%	7.00%	7.00%	7.00%	7.00%

b) Demographic assumptions

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

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
i) Retirement age (years)	60	60	60	60	60
ii) Mortality rates inclusive of provision for disability			100% of 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 31 March 2018	As at 31 March 2017	As at 1 April 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Increase					
Discount rate (0.50% movement)	(3.74)	(3.44)	(2.74)	(2.56)	(2.05)
Expected rate of future salary increase (0.50% movement)	3.96	3.80	3.03	2.84	2.26
Decrease					
Discount rate (0.50% movement)	4.11	3.80	3.05	2.85	2.29
Expected rate of future salary increase (0.50% movement)	(3.64)	(3.47)	(2.78)	(2.59)	2.09

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

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

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Duration of defined benefit payments					
Less than 1 year	1.89	1.56	1.29	1.29	2.84
Between 1-2 years	1.44	1.89	2.74	0.78	0.76
Between 2-5 years	7.44	6.51	5.73	2.63	1.83
Over 5 years	50.25	42.87	32.01	31.58	24.98
Total	**61.02**	**52.83**	**41.77**	**36.27**	**30.40**

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 18.05 years (31 March 2017: 18.27 years; 31 March 2016: 18.56 years; 31 March 2015 19.00 years; 31 March 2014 20.51 years).

Expected contribution to post-employement benefit plans in the next year is Rs 14.51.

G. Description of Risk Exposures:

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

(iii) Other long-term employee benefits:

The company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods 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 period 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 period, the benefit is classified as a long-term employee benefit. During the year ended 31 March 2018, the Company has incurred an expense on compensated absences amounting to Rs. 4.99 (31 March 2017 Rs. 6.19; 31 March 2016 Rs. 3.02; 31 March 2015 Rs. 6.21; 31 March 2014 Rs. 5.11). The Company determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

(All amounts are in Rs. millions, unless otherwise stated)

47. Related Party Transaction

(a) Names of related parties and nature of relationship

Name of Related Party		Nature of Relationship				
Bakebest Foods Private Limited*		Subsidiary company	Subsidiary company	Subsidiary company	Subsidiary company	Subsidiary company
Mrs Bectors English Oven Limited		Subsidiary company	Subsidiary company	Subsidiary company	Subsidiary company	Subsidiary company
Cremica Agro Foods Limited		Associate Group	Associate Group	Associate Group	Associate Group	Associate Group
Anoop Bector , Managing Director		Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
Ishaan Bector, (Appointed as director w.e.f. 15 February 2016)		Key Management Personnel	Key Management Personnel	Key Management Personnel	Relatives of KMP	Relatives of KMP
Ajay Bector , (Ceased to be director w.e.f. 8 December 2015)				Key Management Personnel	Key Management Personnel	Key Management Personnel
Parveen Kumar Goel , Executive Director		Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
Akhilesh Bector (Ceased to be related party w.e.f. 25 December 2014)					Relatives of KMP	Relatives of KMP
Sana Bector (Ceased to be related party w.e.f. 25 December 2014)					Relatives of KMP	Relatives of KMP
Geeta Bector (Ceased to be related party w.e.f. 25 December 2014)					Relatives of KMP	Relatives of KMP
Dharamvir Bector *		Relatives of KMP	Relatives of KMP	Relatives of KMP	Key Management Personnel	Key Management Personnel
Rajni Bector		Relatives of KMP	Relatives of KMP	Relatives of KMP	Key Management Personnel	Key Management Personnel
Rashmi Bector		Relatives of KMP	Relatives of KMP	Relatives of KMP	Relatives of KMP	Relatives of KMP
Neha Bhatia (Ceased to be related party w.e.f. 8 December 2015)				Relatives of KMP	Relatives of KMP	Relatives of KMP
Neha Gupta		Relatives of KMP	Relatives of KMP			
Suvir Bector		Relatives of KMP	Relatives of KMP	Relatives of KMP	Relatives of KMP	Relatives of KMP
Samira Bector (Ceased to be related party w.e.f. 8 December 2015)				Relatives of KMP	Relatives of KMP	Relatives of KMP
Nikhil Bector (Ceased to be related party w.e.f. 8 December 2015)				Relatives of KMP	Relatives of KMP	Relatives of KMP
Akshay Bector (Ceased to be director w.e.f. 25 December 2014)		Relatives of KMP	Relatives of KMP	Relatives of KMP	Key Management Personnel	Key Management Personnel
Namrata Goel				Relatives of KMP	Relatives of KMP	Relatives of KMP
Sunshine Foods		Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Hira Mal Lacchman Das Parlour (Ceased to be related party w.e.f. 8 December 2015)				Related entities of KMP	Related entities of KMP	Related entities of KMP
Him Valley Food Processors - LLP (Ceased to be related party w.e.f. 25 December 2014)					Related entities of KMP	Related entities of KMP
Mrs. Bectors Cremica Dairies Private Limited		Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Cremica Frozen Foods Limited (Ceased to be related party w.e.f. 8 December 2015)				Related entities of KMP	Related entities of KMP	Related entities of KMP
Mrs. Bectors Cremica Enterprises Limited (Ceased to be related party w.e.f. 8 December 2015)				Related entities of KMP	Related entities of KMP	Related entities of KMP
Cremica Food Industries Limited (Ceased to be related party w.e.f. 25 December 2014)					Related entities of KMP	Related entities of KMP
Cremica Food Specialities Limited (Ceased to be related party w.e.f. 8 December 2015)				Related entities of KMP	Related entities of KMP	Related entities of KMP
Auro Mira Dairies Limited (Ceased to be related party w.e.f. 8 December 2015)				Related entities of KMP	Related entities of KMP	Related entities of KMP
E.B.I Foods Private Limited (Ceased to be related party w.e.f. 8 December 2015)				Related entities of KMP	Related entities of KMP	Related entities of KMP
Poliyan Food Park Private Limited (Ceased to be related party w.e.f. 25 December 2014)					Related entities of KMP	Related entities of KMP
Bector Core Investments Private Limited (Ceased to be related party w.e.f. 25 December 2014)					Related entities of KMP	Related entities of KMP
Dharamvir and Sons (HUF)		Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Anoop Bector (HUF)		Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Ajay Bector (HUF) (Ceased to be related party w.e.f. 8 December 2015)				Related entities of KMP	Related entities of KMP	Related entities of KMP
Akshay Bector (HUF) (Ceased to be related party w.e.f. 25 December 2014)					Related entities of KMP	Related entities of KMP
Parveen Goel (HUF)		Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Nem Chand Jain, Director w.e.f. 17 March 2015		Independent Director	Independent Director	Independent Director	Independent Director	
Archana Bhargava, Director till 15 November 2016			Independent Director	Independent Director	Independent Director	
Sunil Kumar Alagh, Director till 31 March 2016				Independent Director		
Subhash Agarwal, Director w.e.f. 10 February 2017		Independent Director	Independent Director			

* Previously known as Bakebest Foods Limited
** Deceased on 26 December 2017

(All amounts are in Rs. millions, unless otherwise stated)

(b) Key management personnel compensation	As at and for the year 31 March 2018	As at and for the year 31 March 2017	As at and for the year 31 March 2016 Proforma Ind AS	As at and for the year 31 March 2015 Proforma Ind AS	As at and for the year 31 March 2014 Proforma Ind AS
Short-term employee benefits	44.73	40.27	23.58	24.98	21.94
Post-employment defined benefit	4.08	2.76	2.52	2.75	2.37
Director sitting fees	0.18	0.13	-	-	-
Consultancy charges	-	-	-	1.94	-
Employee share based payment	0.56	-	-	-	-
Total compensation	**49.55**	**43.16**	**26.10**	**29.67**	**24.31**

(c) Transactions with related parties during the course of ordinary business :

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

	For the year 31 March 2018	For the year 31 March 2017	For the year 31 March 2016	For the year 31 March 2015	For the year 31 March 2014
			Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
Purchase of finished goods					
- Bakebest Foods Private Limited	6.72	0.14	0.05	0.39	-
- Cremica Agro Foods Limited	-	-	-	7.50	474.12
- Cremica Food Industries Limited	-	-	-	0.04	0.01
Sale of goods					
- Bakebest Foods Private Limited	0.02	-	0.02	0.02	2.25
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	-	0.30
Purchase of property, plant and equipment					
-Bakebest Foods Private Limited	-	0.59	0.34	-	0.56
- Cremica Agro Foods Limited	-	-	-	-	0.50
- Cremica Food Industries Limited	-	-	-	-	2.48
Sale of Property, plant and equipment					
- Bakebest Foods Private Limited	-	0.87	-	0.03	1.40
- Mrs. Bectors Cremica Enterprises Limited	-	-	3.40	-	-
Unsecured loan taken from					
- Anoop Bector	30.70	27.50	28.00	24.28	9.37
- Ishaan Bector	-	19.95	-	-	2.35
- Dharamvir Bector	-	5.40	0.50	17.90	3.88
- Rajni Bector	-	7.00	0.65	10.96	2.98
- Anoop Bector HUF	-	-	-	-	1.45
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	-	1.59
- Rashmi Bector	-	-	-	-	4.80
- Dharamvir and Sons HUF	-	-	-	-	2.38
	For the year 31 March 2018	For the year 31 March 2017	For the year 31 March 2016	For the year 31 March 2015	For the year 31 March 2014
			Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
Unsecured loan repaid to					
- Anoop Bector	27.73	29.70	31.74	14.27	7.00
- Ishaan Bector	12.13	2.78	-	4.79	1.31
- Dharamvir Bector	-	5.40	17.63	2.90	10.10
- Rajni Bector	1.63	5.50	20.50	0.11	3.80
- Anoop Bector HUF	-	-	-	5.03	0.27
- Suvir Bector	-	-	-	0.88	-
- Rashmi Bector	-	-	-	4.66	3.05
- Dharamvir and Sons HUF	-	-	-	5.46	0.46
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	-	1.64
Finance cost on loan taken					
- Anoop Bector	0.49	1.23	1.59	0.81	0.47
- Anoop Bector HUF	-	-	-	0.37	0.39
- Dharamvir Bector	0.02	0.03	0.22	0.23	0.79
- Dharamvir and Sons HUF	-	-	-	0.46	0.35
- Rajni Bector	0.07	0.08	0.44	1.17	0.73
- Rashmi Bector	-	-	-	0.40	0.11
- Ishaan Bector	0.82	0.62	-	0.44	0.34
- Suvir Bector	-	-	-	0.08	0.08
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	-	0.05
Other income from					
- Bakebest Foods Private Limited	0.16	2.18	2.12	1.31	-

(All amounts are in Rs. millions, unless otherwise stated)

Non current investments made					
- Bakebest Foods Ltd.	-	-	-	-	102.90
- Mrs Bectors English Oven Ltd.	-	-	-	-	0.50
Others					
Rent paid					
- Dharamvir Bector	0.09	0.09	0.09	-	-
- Anoop Bector	4.20	4.20	4.20	4.72	4.60
- Bakebest Foods Private Limited	0.06	0.06	0.06	0.06	0.05
- Anoop Bector HUF	3.00	3.00	2.37	2.16	2.16
- Cremica Foods Specialities Limited	-	-	0.53	1.01	1.01
- Mrs. Bectors Cremica Enterprises Limited	-	-	12.00	-	-
- Dharamvir and Sons HUF	-	-	-	0.09	0.10
Consultancy Charges Paid					
- Subhash Agarwal	0.61	0.73	-	-	-

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Rent received					
- Bakebest Foods Private Limited	0.06	0.06	0.06	-	-
- Mrs Bectors English Oven Limited	0.01	0.01	0.03	-	-
- Cremica Agro Foods Limited	0.01	-	-	-	-
Expenses incurred by the Company on behalf of					
- Bakebest Foods Private Limited	-	0.04	-	0.31	-
- Cremica Food Industries Limited	-	-	-	40.23	53.67
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	-	2.19
- Cremica Agro Foods Limited	-	-	-	-	1.23
Expenses incurred on behalf of Company					
- Mrs. Bectors Cremica Enterprises Limited	-	-	0.02	-	1.75
- Cremica Food Industries Limited	-	-	-	37.24	15.85
- Bakebest Foods Private Limited	-	-	-	-	0.18
Interim dividend paid					
- Anoop Bector	17.14	11.42	10.74	-	-
- Anoop Bector HUF	1.50	1.00	1.00	-	-
- Ajay Bector	0.34	0.23	0.23	-	-
- Rashmi Bector	0.91	0.61	0.61	-	-
- Ishaan Bector	1.79	1.19	1.19	-	-
- Suvir Bector	1.19	0.79	0.79	-	-
Contribution to provident and other funds					
- Rashmi Bector	0.73	0.60	0.53	0.52	0.52
- Neha Gupta	0.42	0.10	-	-	-
- Ishaan Bector	-	-	0.69	0.38	0.27
- Nikhil Bector	-	-	0.13	0.23	0.23
- Namrata Goel	-	-	-	0.03	0.07
Dividend received					
- Bakebest Foods Private Limited	18.15	-	-	-	-
Salary paid					
- Rashmi Bector	6.54	5.40	4.80	4.75	4.75
- Ishaan Bector	-	-	5.25	3.60	2.59
- Nikhil Bector	-	-	6.83	2.45	2.45
- Namrata Goel	-	-	-	0.26	0.62
- Samira Bector	-	-	7.20	-	-
- Neha Gupta	3.60	0.89	-	-	-
- Rajni Bector	2.52	2.16	1.26		
Consultancy charges paid					
- Subhash Agarwal	0.61	0.73	-	-	-
- Dharamvir Bector	-	-	1.50	-	-
- Rajni Bector	-	-	0.90	-	-
Purchase of shares					
- Anoop Bector	-	-	-	2.49	-
- Ajay Bector	-	-	-	2.49	-
- Dharamvir Bector	-	-	-	5.55	-
Sale of shares					
- Anoop Bector	-	-	-	2.49	-
- Ajay Bector	-	-	-	2.48	-
- Dharamvir Bector	-	-	-	5.56	-
- Mrs. Bectors Cremica Enterprises Limited	-	-	4.56	-	-
Amount written off					
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	7.12	-
Sale of Land/ Apartment					
- Samira Bector	-	-	-	-	9.30

* Transactions are net off Sales Tax / GST / Service Tax wherever applicable.

(All amounts are in Rs. millions, unless otherwise stated)

(d) Details of balances with related parties at year end

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
			Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
Trade and other payables					
- Bakebest Foods Private Limited	0.01	-	-	-	-
- Anoop Bector	0.41	0.48	0.48	0.70	1.78
- Ishaan Bector	0.62	0.52	0.12	0.14	0.31
- Parveen Kumar Goel	0.30	0.22	0.18	0.19	0.12
- Rashmi Bector	0.50	0.35	0.33	0.60	0.77
- Neha Gupta	0.19	0.14	-	-	-
- Rajni Bector	0.09		-	0.16	0.30
- Dharamvir Bector	-	0.09	0.08	0.01	0.17
- Cremica Food Industries Limited	-	-	-	9.93	14.46
- Cremica Foods Specialities Limited	-	-	-	0.08	-
- Nikhil Bector	-	-	-	0.17	0.08
- Cremica Agro Foods Limited	-	-	-	-	20.96
- Ajay Bector	-	-	-	0.66	0.67
- Namrata Goel	-	-	-	-	0.04
Unsecured loans					
- Ishaan Bector	6.34	17.73	-	-	4.40
- Anoop Bector	17.87	14.46	15.56	17.86	7.14
- Rajni Bector	0.91	2.17	0.60	20.05	8.14
- Dharamvir Bector	-	0.28	0.25	17.18	1.98
- Dharamvir and Sons HUF	-	-	-	-	5.05
- Anoop Bector HUF	-	-	-	-	4.70
- Rashmi Bector	-	-	-	-	4.30
- Suvir Bector	-	-	-	-	0.80
Advances and other receivables					
- Bakebest Foods Private Limited	-	4.57	36.08	16.68	-
- Cremica Agro Foods Limited	6.07	6.06	6.06	5.56	-
- Mrs Bectors English Oven Limited	-	0.04	0.03	-	-
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	-	7.12
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	17.48	17.48	17.48	17.48	6.96
- Cremica Foods Specialities Limited	-	-	-	0.12	0.12
- Cremica Foods Limited	-	-	-	-	0.74
- Cremica Industries Limited	-	-	-	-	0.22

(e) Personal Guarantees of Directors and relatives of Directors for loans obtained from the banks
Personal Guarantees of Mr. Anoop Bector are towards outstanding loans obtained from the banks (Refer note 24)

(All amounts are in Rs. millions, unless otherwise stated)

48. Share-based payment arrangements

A. Description of share-based payment arrangements

i. Share option programmes (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 Period	Vesting condfitions
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 Period	Vesting condfitions
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

B. Measurement of fair values

i. Equity-settled share-based payment arrangements

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

	Employees Stock Option Plan - 2017 (Grant 1)	Employees Stock Option Plan - 2017 (Grant 2)
	31-Mar-2018	**31-Mar-2018**
Fair value of options at grant date	124.01	124.01
Enterprise value per share ar grant date	347.08	347.08
Exercise price	349.24	349.24
Exercise price after bonus issue	174.62	174.62
Expected volatility (weighted-average)	34.11%	34.11%
Expected life (weighted-average)	2 years	3 years
Expected dividends	0.27%	0.27%
Risk-free interest rate (based on government bonds)	6.36%	6.36%

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. The expected term of the instruments has been based on historical experience and general option behavior.

C. Reconciliation of outstanding share options

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

	Number of options	Weighted average exercise price
	31 March, 2018	**31 March, 2018**
Employees Stock Option Plan-2017		
Options outstanding as at the beginning of the year	-	-
Add: Options granted during the year	70,871	349.24
Add: Options increased due to bonus share	70,871	(174.62)
Less: Options lapsed during the year	-	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	**141,742**	**174.62**
Exercisable as at 31 March 2018	**-**	**-**

The options outstanding at 31 March 2018 had an exercise price of Rs. 174.62 and a weighted-average contractual life of 3.16 years.

D. Expense recognised in statement of profit and loss

For the details of the related employee benefits expenses see note 35.

(All amounts are in Rupees millions, unless otherwise stated)

49. Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Fair value measurement

The following table shows the carrying amount and fair value of financial assets and financaial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2018	Note	Carrying amount			Fair value			
		FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non - current loans	6	-	31.63	31.63	-	-	31.63	31.63
Other non-current financial assets	7	-	9.68	9.68	-	-	9.68	9.68
Current investments	11	0.18	-	0.18	0.18	-	-	0.18
Trade receivables	12	-	672.42	672.42	-	-	672.42	672.42
Cash and cash equivalents	13	-	51.81	51.81	-	-	51.81	51.81
Bank balances other than cash and cash equivalents	14	-	48.06	48.06	-	-	48.06	48.06
Current loans	15	-	-	-	-	-	-	-
Other current financial assets	16	6.52	90.82	97.34	-	6.52	90.82	97.34
Total financial assets		**6.70**	**904.42**	**911.12**	**0.18**	**6.52**	**904.42**	**911.12**
Financial liabilities								
Non current borrowings	20	-	956.93	956.93	-	-	956.93	956.93
Short term borrowings	24	-	262.73	262.73	-	-	262.73	262.73
Trade payables	25	-	375.87	375.87	-	-	375.87	375.87
Other financial liabilities	26	4.90	290.75	295.65	-	4.90	290.75	295.65
Total financial liabilities		**4.90**	**1,886.28**	**1,891.18**	**-**	**4.90**	**1,886.28**	**1,891.18**

As at 31 March 2017	Note	Carrying amount			Fair value			
		FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non - current loans	6		32.66	32.66	-	-	32.66	32.66
Other non-current financial assets	7		0.21	0.21	-	-	0.21	0.21
Current investments	11	48.26	-	48.26	48.26	-	-	48.26
Trade receivables	12	-	564.48	564.48	-	-	564.48	564.48
Cash and cash equivalents	13	-	127.74	127.74	-	-	127.74	127.74
Bank balances other than cash and cash equivalents	14	-	58.91	58.91	-	-	58.91	58.91
Current loans	15	-	4.37	4.37	-	-	4.37	4.37
Other current financial assets	16	24.16	76.25	100.41	-	24.16	76.25	100.41
Total financial assets		**72.42**	**864.62**	**937.04**	**48.26**	**24.16**	**864.62**	**937.04**
Financial liabilities								
Non current borrowings	20	-	356.65	356.65	-	-	356.65	356.65
Short term borrowings	24		165.59	165.59	-	-	165.59	165.59
Trade payables	25	-	356.47	356.47	-	-	356.47	356.47
Other financial liabilities	26	-	118.68	118.68	-	-	118.68	118.68
Total financial liabilities		**-**	**997.39**	**997.39**	**-**	**-**	**997.39**	**997.39**

As at 31 March 2016	Note	Carrying amount			Fair value			
		FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non - current loans	6	-	24.15	24.15	-	-	24.15	24.15
Other non-current financial assets	7	-	3.22	3.22	-	-	3.22	3.22
Current investments	11	102.70	-	102.70	102.70	-	-	102.70
Trade receivables	12	-	444.31	444.31	-	-	444.31	444.31
Cash and cash equivalents	13	-	65.68	65.68	-	-	65.68	65.68
Bank balances other than cash and cash equivalents	14	-	44.56	44.56	-	-	44.56	44.56
Current loans	15	-	36.08	36.08	-	-	36.08	36.08
Other current financial assets	16	11.11	57.88	68.99	-	11.11	57.88	68.99
Total financial assets		**113.81**	**675.88**	**789.69**	**102.70**	**11.11**	**675.88**	**789.69**
Financial liabilities								
Non current borrowings	20	-	176.25	176.25	-	-	176.25	176.25
Short term borrowings	24	-	191.83	191.83	-	-	191.83	191.83
Trade payables	25	-	245.57	245.57	-	-	245.57	245.57
Other financial liabilities	26	-	132.38	132.38	-	-	132.38	132.38
Total financial liabilities		**-**	**746.03**	**746.03**	**-**	**-**	**746.03**	**746.03**

As at 31 March 2015	Note	Carrying amount			Fair value			
		FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non - current investments	5	0.12	-	0.12	-	-	0.12	0.12
Non - current loans	6	-	21.21	21.21	-	-	21.21	21.21
Other non-current financial assets	7	-	7.16	7.16	-	-	7.16	7.16
Current investments	11	50.35	-	50.35	50.35	-	-	50.35
Trade receivables	12	-	431.26	431.26	-	-	431.26	431.26
Cash and cash equivalents	13	-	57.44	57.44	-	-	57.44	57.44
Bank balances other than cash and cash equivalents	14	-	35.99	35.99	-	-	35.99	35.99
Current loans	15	-	16.68	16.68	-	-	16.68	16.68
Other current financial assets	16	4.19	26.46	30.65	-	4.19	26.46	30.65
Total financial assets		**54.66**	**596.20**	**650.86**	**50.35**	**4.19**	**596.32**	**650.86**
Financial liabilities								
Non current borrowings	20	-	266.88	266.88	-	-	266.88	266.88
Short term borrowings	24		90.81	90.81	-	-	90.81	90.81
Trade payables	25	-	263.21	263.21	-	-	263.21	263.21
Other financial liabilities	26	0.11	112.77	112.88	-	0.11	112.77	112.88
Total financial liabilities		**0.11**	**733.67**	**733.78**	**-**	**0.11**	**733.67**	**733.78**

As at 31 March 2014	Note	Carrying amount			Fair value			
		FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non - current investments	5	0.12	-	0.12	-	-	0.12	0.12
Non - current loans	6		18.05	18.05	-	-	18.05	18.05
Other non-current financial assets	7		21.55	21.55	-	-	21.55	21.55
Current investments	11	79.22	-	79.22	79.22	-	-	79.22
Trade receivables	12	-	317.74	317.74	-	-	317.74	317.74
Cash and cash equivalents	13	-	59.90	59.90	-	-	59.90	59.90
Bank balances other than cash and cash equivalents	14	-	-	-	-	-	-	-
Current loans	15		7.12	7.12	-	-	7.12	7.12
Other current financial assets	16	9.26	56.82	66.08	-	9.26	56.82	66.08
Total financial assets		**88.60**	**481.18**	**569.78**	**79.22**	**9.26**	**481.30**	**569.78**
Financial liabilities								
Non current borrowings	20	-	409.11	409.11	-	-	409.11	409.11
Short term borrowings	24		157.44	157.44	-	-	157.44	157.44
Trade payables	25	-	232.07	232.07	-	-	232.07	232.07
Other financial liabilities	26	0.64	162.53	163.17	-	0.64	162.53	163.17
Total financial liabilities		**0.64**	**961.15**	**961.79**	**-**	**0.64**	**961.15**	**961.79**

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 ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014

(c) Valuation process

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

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

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

	As at 31 March 2018		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets								
Non-current investment	-	-	-	-	-	-	0.12	0.12
Non-current loans	31.63	31.63	32.66	32.66	24.15	24.15	21.21	21.21
Other non-current financial assets	9.68	9.68	0.21	0.21	3.22	3.22	7.16	7.16
Current investments	0.18	0.18	48.26	48.26	102.70	102.70	50.35	50.35
Trade receivables	672.42	672.42	564.48	564.48	444.31	444.31	431.26	431.26
Cash and cash equivalents	51.81	51.81	127.74	127.74	65.68	65.68	57.44	57.44
Bank balances other than cash and cash equivalents	48.06	48.06	58.91	58.91	44.56	44.56	35.99	35.99
Current loans	-	-	4.37	4.37	36.08	36.08	16.68	16.68
Other current financial assets	97.34	97.34	100.41	100.41	68.99	68.99	30.65	30.65
Total financial assets	**911.12**	**911.12**	**937.04**	**937.04**	**789.69**	**789.69**	**650.86**	**650.86**
Financial liabilities								
Non current borrowings	956.93	956.93	356.65	356.65	176.25	176.25	266.88	266.88
Short term borrowings	262.73	262.73	165.59	165.59	191.83	191.83	90.81	90.81
Trade payables	375.87	375.87	356.47	356.47	245.57	245.57	263.21	263.21
Other current financial liabilities	295.65	295.65	118.68	118.68	132.38	132.38	112.88	112.88
Total financial liabilities	**1,891.18**	**1,891.18**	**997.39**	**997.39**	**746.03**	**746.03**	**733.78**	**733.78**

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, and security deposits represents approximate to the fair values. Accordingly, the same has not been discounted.

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

(All amounts are in Rupees millions, unless otherwise stated)

49. Financial instruments – Fair values and risk management (continued)

II. Risk management framework

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

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

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

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

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, derivative financial instruments, loans and advances, cash and cash equivalents and deposits with banks.

Trade receivables

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

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

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

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

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

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

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

Particulars	**As at 31 March 2018**	**As at 31 March 2017**	**As at 31 March 2016**	**As at 31 March 2015**	**As at 31 March 2014**
Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses					
Trade Receivable	682.81	571.48	444.87	431.26	321.82

The ageing analysis of trade receivable as of the reporting date is as follows:

Particulars					
0 - 30 days	607.56	448.77	365.40	325.57	308.95
30 - 60 days	34.47	65.22	50.14	64.01	8.94
60 - 90 days	5.44	10.24	15.01	22.98	2.82
More than 90 days	35.33	47.25	14.32	18.69	1.11
Total	**682.81**	**571.48**	**444.87**	**431.26**	**321.82**

Recociliation of loss allowance provision

Particulars	**Amount**
Loss allowance on 1 April 2013	-
Changes in loss allowance	(4.08)
Loss allowance on 31 March 2014	**(4.08)**
Changes in loss allowance	4.08
Loss allowance on 31 March 2015	**-**
Changes in loss allowance	(0.56)
Loss allowance on 31 March 2016	**(0.56)**
Changes in loss allowance	(6.44)
Loss allowance on 31 March 2017	**(7.00)**
Changes in loss allowance	(3.39)
Loss allowance on 31 March 2018	**(10.39)**

(All amounts are in Rupees millions, unless otherwise stated)

49. Financial instruments – Fair values and risk management (continued)
ii. Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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

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

(b) 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 Amounts	Contractual cashflows			
	Amount	Total	upto 1 year	Between 1 and 5 years	More than 5 years
31 March 2018					
Non current borrowings	956.93	956.93	-	686.89	270.04
Short term borrowings	262.73	262.73	262.73	-	-
Trade payables	375.87	375.87	375.87	-	-
Other financial liabilities	295.65	295.65	295.65	-	-
Total	**1,891.18**	**1,891.18**	**934.25**	**686.89**	**270.04**
31 March 2017					
Non current borrowings	356.65	356.65	-	355.92	0.73
Short term borrowings	165.59	165.59	165.59	-	-
Trade payables	356.47	356.47	356.47	-	-
Other financial liabilities	118.68	118.68	118.68	-	-
Total	**997.39**	**997.39**	**640.74**	**355.92**	**0.73**
31 March 2016 - Proforma Ind AS					
Non current borrowings	176.25	176.25	-	176.25	-
Short term borrowings	191.83	191.83	191.83	-	-
Trade payables	245.57	245.57	245.57	-	-
Other financial liabilities	132.38	132.38	132.38	-	-
Total	**746.03**	**746.03**	**569.78**	**176.25**	**-**
31 March 2015 - Proforma Ind AS					
Non current borrowings	266.88	266.88	-	266.88	-
Short term borrowings	90.81	90.81	90.81	-	-
Trade payables	263.21	263.21	263.21	-	-
Other financial liabilities	112.88	112.88	112.88	-	-
Total	**733.78**	**733.78**	**466.90**	**266.88**	**-**
31 March 2014 - Proforma Ind AS					
Non current borrowings	409.11	409.11	-	409.11	-
Short term borrowings	157.44	157.44	157.44	-	-
Trade payables	232.07	232.07	232.07	-	-
Other financial liabilities	163.17	163.17	163.17	-	-
Total	**961.79**	**961.79**	**552.68**	**409.11**	**-**

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.

49. Financial instruments – Fair values and risk management (continued)
(iii) Market risk

Market risk is the risk that changes in market prices – such as commodity risk, foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.
Currency risks related to the cash credit loan have been hedged using forward contracts taken by the Company.

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

(All amounts are in Rupees millions, unless otherwise stated)

Exposure to currency risk

The summary quantitative data about the company's exposure to currency risk as reported to the management of the company is as follows:

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

As at 31 March 2017	**USD**	**Euro**
Financial asset		
Trade receivables	3.35	0.14
Forward contracts receivables	6.25	-
Total	**9.60**	**0.14**
Financial liabilities		
Payable for capital assets	0.01	0.01
Total	**0.01**	**0.01**
Net exposure to foreign currency risk	**9.59**	**0.13**

As at 31 March 2016	**USD**	**Euro**
Financial asset		
Trade receivables	2.23	0.14
Forward contracts receivables	5.00	-
Total	**7.23**	**0.14**
Financial liabilities		
Payable for capital assets	-	-
Total	**-**	**-**
Net exposure to foreign currency risk	**7.23**	**0.14**

As at 31 March 2015	**USD**	**Euro**
Financial asset		
Trade receivables	2.83	0.19
Forward contracts receivables	5.00	-
Total	**7.83**	**0.19**
Financial liabilities		
Payable for capital assets	-	-
Total	**-**	**-**
Net exposure to foreign currency risk	**7.83**	**0.19**

49. Financial instruments – Fair values and risk management (continued)

As at 31 March 2014	**USD**	**Euro**
Financial asset		
Trade receivables	0.24	-
Forward contracts receivables	-	-
Total	0.24	-
Financial liabilities		
Payable for capital assets	-	-
Total	-	-
Net exposure to foreign currency risk	**0.24**	**-**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Rs. against all other currencies at 31 March 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.

(All amounts are in Rupees millions, unless otherwise stated)

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
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
31 March 2017				
USD (1% movement)	6.15	(6.15)	4.02	(4.02)
EUR (1% movement)	0.09	(0.09)	0.06	(0.06)
31 March 2016				
USD (1% movement)	4.77	(4.77)	3.12	(3.12)
EUR (1% movement)	0.10	(0.10)	0.07	(0.07)
31 March 2015				
USD (1% movement)	4.87	(4.87)	3.18	(3.18)
EUR (1% movement)	0.13	(0.13)	0.09	(0.09)
31 March 2014				
USD (1% movement)	0.14	(0.14)	0.09	(0.09)
EUR (1% movement)	-	-	-	-

Interest rate risk

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

Exposure to interest rate risk

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

Particulars	Amount				
	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Fixed-rate instruments					
Financial assets	59.44	65.31	83.86	59.90	28.67
Financial liabilities	(25.12)	(34.64)	(16.41)	(55.10)	(36.51)
	34.32	**30.67**	**67.45**	**4.80**	**(7.84)**

Particulars	Amount				
	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Variable-rate instruments					
Financial assets	-	-	-	-	-
Financial liabilities	(1,312.55)	(562.01)	(398.79)	(402.87)	(663.24)
	(1,312.55)	**(562.01)**	**(398.79)**	**(402.87)**	**(663.24)**

Fair value sensitivity analysis for fixed-rate instruments

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

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.

	Cash flow sensitivity (net)				
Profit or loss (net of tax)	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
100 bp increase	(8.58)	(3.68)	(2.61)	(2.63)	(4.34)
100 bp decrease	8.58	3.68	2.61	2.63	4.34

50. Capital Management

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

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position

The company capital consists of equity attributable to equity holders that includes equity share capital, reserves, retained earnings and long term borrowings

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
Total liabilities	1,347.47	596.65	415.21	457.97	699.75
Less : Cash and cash equivalent	(51.81)	(127.74)	(65.68)	(57.44)	(59.90)
Adjusted net debt (a)	1,295.66	468.91	349.53	400.53	639.85
Total equity (b)	2,552.39	2,274.68	2,060.14	1,700.20	1,414.57
Capital gearing ratio (a/c)	50.76%	20.61%	16.97%	23.56%	45.23%

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

51. Composite Scheme of Amalgamation and Arrangement.

A) Background of the scheme

a) The Composite Scheme of Amalgamation and Arrangement ('the Scheme') has been made effective from April 1, 2013 (Appointed Date) as sanctioned by Hon'ble High Court of Punjab and Haryana vide their Order dated July 4, 2014 and the Scheme came into effect on August 20,2014- the date when it was filed with the Registrar of Companies.

The whole scheme can be divided into following parts:-

(i) Demerger of the Bread business of a group company, Cremica Industries Limited ("CIL")(First Transferor Company) into a newly formed company i.e. Mrs Bectors Cremica Enterprises Limited ("MBCEL") and allotment of shares of MBCEL to the shareholders of CIL in the Share Swap ratio as mentioned in the Court approved Scheme [ratio of 100 shares of MBCEL for 8 shares each in CIL];

(ii) Merger of remaining part of Cremica Industries Limited ("CIL") into MBFSL ('the Company') and allotment of shares of MBFSL ('the Company') to the shareholders of CIL in the Share Swap ratio as mentioned in the Court approved Scheme [ratio of 51,032 shares of MBFSL for 100 shares each in CIL];

(iii) Merger of existing group companies, Bector Food Limited ("BFL")(Second Transferor Company) and Cremica Foods Limited ("CFL")(Third Transferor Company) into MBFSL ('the Company') and allotment of shares of MBFSL ('the Company') to the shareholders of BFL and CFL in the Share Swap ratio as mentioned in the Court approved Scheme [ratio of 4,755 shares of MBFSL for 100 shares each in BFL and ratio of 3,173 shares of MBFSL for 100 shares each in CFL];

(iv) Merger of existing subsidiary, Cremica Milk Specialities Limited ("CMSL")(Fourth Transferor Company) into MBFSL ('the Company') and cancellation of shares of CMSL with the investments held by MBFSL ('the Company'); and

(v) Demerger of Condiments Undertaking/ Sauce Division of MBFSL ("the Company'') from the Company into a newly formed Company i.e. Cremica Foods Industries Limited ("CFIL") and allotment of shares of CFIL to the shareholders of MBFSL ('the Company') in the Share Swap ratio as mentioned in the Court approved Scheme [ratio of 20 shares of CFIL for 100 shares each in MBFSL ('the Company')];

b) Pursuant to the Scheme coming into effect, the entire business and the whole of the undertakings of each of the transferor companies including all their respective assets and properties of whatsoever nature including investments, receivables, licenses, permits, registrations and all other rights, interests, titles, contracts of every kind, nature, description whatsoever have been transferred to and vested in the Company so as to become the assets and properties of the Company without any further application, act, instrument, deed etc. retrospectively with effect from April 1, 2013.

c) Pursuant to the Scheme coming into effect, all equity shares held by the company as investment in the transferor companies shall stand automatically cancelled and remaining shareholders of the transferor companies holding fully paid up equity shares were allotted equity shares of Rs. 10/- each in the company, credited as fully paid up, in share swap ratio as explained above.

The shares were to be alloted of Rs. 10 each fully paid up to all the shareholders of each of the transferor Companies (other than the transferee Company and the other Transferor Companies which are also simultaneously merging into the Transferee Company pursuant to this Scheme) whose names appear in the Register of Members of the Transferor Companies as on the Record Date. The record date has been approved by the board of directors of each of the companies as September 10, 2014.

d) The amalgamation in the nature of merger has been accounted for under the "pooling of interest" method as prescribed by Accounting Standards (AS-14) notified under Section 211(3C) of the Companies Act, 1956. Accordingly, the assets, liabilities and reserves of the transferor companies as at April 1, 2013 have been taken over at their book values and in the same form.

e) As per the Scheme, the excess of net assets of each of Transferor Company acquired by the Company over the amount credited as share capital and after cancellation of cross holdings among the Transferor Companies and Transferee Company shall be credited to General Reserve account. In case of deficit, the same shall be debited first to Securities Premium Account and balance, if any, left thereafter shall be adjusted in the General Reserve Account and balance, if any, left thereafter shall be adjusted against the accumulated credit balance in the profit and loss account.
Accordingly, the Company has received Capital Reserve amounting to Rs. 3.03 mn and Rs. 97.93 mn as Surplus in the Statement of Profit and Loss Account from the transferor Companies as at April 1, 2013. Further, due to cross cancellation, the negative net impact/deficit of Rs. 66.16 mn has been adjusted against Securities Premium Account.

f) Pursuant to Composite scheme of Amalgamation and Arrangement, Condiments Undertaking of the Company is demerged from the Company and merged with Cremica Food Industries Limited (CFIL) (resultant company). Upon coming into effect of the Scheme and with effect from April 1, 2013, all assets, investments, debts, liabilities, contingent liabilities, loans, duties and obligations of every kind, nature and description pertaining to Condiments Undertaking has been vested or transferred to Cremica Food Industries Limited as a going concern. As per the approved Court Scheme,the difference between the value of assets and liabilities pertaining to the Condiments Undertaking transferred pursuant to the Scheme is to be adjusted in General Reserve Account to the extent available and balance is to be adjusted in Statement of Profit and Loss Account.
Accordingly Rs. 1,20,98,288 has been adjusted to General Reserve(to the extent available) and balance Rs. 48,90,11,502 has been adjusted to Surplus of Statement of Profit and Loss Account.

(All amounts are in Rupees millions, unless otherwise stated)

51. Composite Scheme of Amalgamation and Arrangement.
B. Statement of Assets and Liabilities merged in the company

Particulars	Amalgamation of CIL, BFL, CFL and CMSL in the Company
Assets	
Fixed Assets	
-Tangible Assets	30.26
Non Current Investments	105.39
Long Term Loans And Advances	0.04
Cash And Bank Balances	32.23
Current Investments	4.80
Short Term Loans And Advances	1.10
Other Current Assets	0.47
Total Assets	**174.29**
Liabilities	
Deferred Tax Liabilities (Net)	0.22
Trade Payables	0.01
Other Current Liabilities	37.23
Short Term Provisions	1.36
Total Liabilities	**38.82**
Net Assets acquired	**135.47**
Against the same	
a) Reserve & Surplus of Transferor companies Acquired	
- Capital Reserve	3.04
- Surplus in the statement of Profit and Loss Account	97.93
Total Reserve & Surplus Acquired	**100.97**
b) Adjustment of Share Capital	
a) Issue of Share Capital as per share entitlement ratio in accordance with the Composite scheme of Amalgamation and Arrangement (with effect from April 1, 2013)	212.88
b) Cancellations of share capital at par value of Mrs. Bectors Food Specialities Limited held by the Transferor companies (with effect from April 1, 2013)	(224.69)
Net Adjustment to Share Capital	**(11.81)**
c) Cancellation of Investments held by the Company / Transferor Companies	
Cancellation of Intercompany Investments held by transferor companies in Mrs Bectors Food Specialities Limited at book value	(83.15)
Cancellation of Intercompany Investments held by Mrs Bectors Food Specialities Limited in the Subsidiary, CMSL and BFL on account of Scheme of Amalgamation and Arrangement	(29.33)
Net Adjustment to Investment	**(112.48)**
Net Adjustment to Securities Premium Account	**66.16**

51. Composite Scheme of Amalgamation and Arrangement.
C. Statement of Assets and Liabilities demerged of Condiment undertaking

Particulars	**Demerger of Condiment undertaking of the Company in CFIL**
Assets	
Fixed Assets	
-Tangible Assets	548.63
-Intangible Assets	0.29
-Capital Work-In-Progress	5.89
Non Current Investments	16.00
Long Term Loans And Advances	86.40
Other Non Current Assets	31.73
Inventories	249.67
Trade Receivables	167.16
Cash And Bank Balances	12.65
Current Investments	2.91
Short Term Loans And Advances	78.08
Other Current Assets	-
Total Assets	**1,199.42**
Liabilities	
Long Term Borrowings	26.77
Deferred Tax Liabilities (Net)	30.36
Long Term Provisions	3.96
Short Term Borrowings	375.82
Trade Payables	121.95
Other Current Liabilities	136.53
Short Term Provisions	2.92
Total Liabilities	**698.31**
Net Impact (Transfer of Reserves)	**501.11**
Adjusted to General Reserve (to the extent available)	**12.10**
Adjustment to the Surplus of Statement of Profit and Loss	**489.01**
	501.11

D. Current Investments of the Company includes investment of Rs 0.22 mn (2200 shares) of Cremica Industries Limited and Rs 0.74 mn (74,000 shares) in Cremica Foods Limited, which the Company sold subsequent to balance sheet date for a consideration of Rs 6.47 mn and Rs 4.06 mn respectively. These shares have been sold and realized on June 30, 2014. Since these shares have been sold before the record date of September 10, 2014 under Composite scheme of Amalgamation and Arrangement, therefore these have not been considered for cancellation on account of merger of these companies with Mrs Bectors Food Specialities Limited.

E. As per clause 26.1 of approved Court Scheme, upon the scheme becoming effective, the authorized share capital of the transferee Company and the Clause V of the Memorandum of Association of the Transferee Company (relating to Authorized Share Capital) shall, without any further application, act, instrument or deed, without any obligation to pay any further registration fee, filling fee or other charges be and stand altered, modified , reclassified and C96amended pursuant to section 16, 94,95,97 and 394 and other applicable provision of the Act, as the case may be, in the manner set out below and be substituted by the following clauses:

Clause V of the Memorandum of Association:

" The Authorized Share Capital of the Company is INR 341.5 mn /- (Indian Rupees Thirty Four Crores Fifteen Lacs only) divided into 3,41,50,000 (Three Crores Forty One Lac Fifty Thousand) equity shares of INR 10/- each with the power to increase or reduce the same in accordance with the provisions of the Companies Act 1956."

Accordingly, the Company has given effect of such increase in Authorized capital in the financial statements for the year ended March 31,2014.

F. Pursuant to the said scheme, the Company is required to cancel 2,24,69,418 shares and allot 2,12,87,939 shares, considering the record date of September 10, 2014. Accordingly the impact of share cancellation has been taken into account in the financial statements for the year ended March 31, 2014 and as the allotment of shares is yet to be made as at the balance sheet date, the disclosure thereof has been made under 'Share capital Suspense account (to be issued)' on the face of Balance Sheet.

G. Based on expert inputs, the management believes that there are no corporate law, income tax or other regulatory implications arising out of the said Composite Scheme of Amalgamation and Arrangement on the Company or its shareholders.

H. The opening balances as at Appointed Date of April 1, 2013 of the Transferor companies merged with the Company are those audited by other firm of chartered accountants, other than BSR & Co. LLP.

Note 52: Reconciliation between previous GAAP and Ind AS

A. First time adoption of Ind AS

The accounting policies set out in Annexure V have been applied in preparing the Restated Financial statements for the year ended 31 March, 2018, 2017, 2016, 2015 and 2014. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April, 2016 while preparing Restated Financial Information for the years ended 31 March, 2016, 2015 and 2014. Accordingly, suitable restatement adjustments are made in the financial statements as of and for the years ended 31 March, 2018, 2017, 2016, 2015, 2014, and 1 April, 2013 An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's Restated Financial Information is set out in the following tables and notes.

A.1 Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, as at the transition date, i.e. 1 April, 2016.

Ind AS optional exemptions

A.1.1 Business combination

Ind AS 101, provides the option to apply Ind AS 103, Business Combinations ("Ind AS 103") prospectively from the transition date or from a specific date prior to the transition date. The Group has elected to apply Ind AS 103 from transition date. Business combinations occurring prior to the transition date have not been restated.

A.1.2 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilitities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.1.3 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts/arrangements.

A.1.4 Investments in Subsidiaries and Associates

Ind AS 101 permits a first-time adopter to choose the previous GAAP carrying amount at the entity's date of transition to Ind AS to measure the investment in the subsidiary and associate as the deemed cost.
Accordingly, the Company has opted to measure its investment in subsidiary and associate at deemed cost i.e. previous GAAP carrying amount.

A 2. Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

The Company made estimates for Investment in instruments carried at fair value through profit and loss (FVTPL) and impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.
The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

B. Reconciliation of Cash Flows

Financial Year ended 31 March 2017	**Previous GAAP**	**Restated Ind AS**	**Adjustments**
Net cash inflow from operating activities	478.86	486.94	(8.08)
Net cash outflow from investing activities	(497.21)	(512.06)	14.85
Net cash outflow from financing activities	80.39	87.18	(6.79)
Net increase/(decrease) in cash and cash equivalents	62.04	62.06	(0.02)
Cash and cash equivalents as at 31 March 2016	65.68	65.68	-
Cash and cash equivalents as at 31 March 2017	**127.72**	**127.74**	**(0.02)**
Financial Year ended 31 March 2016			
Net cash inflow from operating activities	415.60	424.86	(9.26)
Net cash outflow from investing activities	(309.64)	(322.00)	12.36
Net cash outflow from financing activities	(97.72)	(94.62)	(3.10)
Net increase/(decrease) in cash and cash equivalents	8.24	8.24	(0.00)
Cash and cash equivalents as at 31 March 2015	57.44	57.44	-
Cash and cash equivalents as at 31 March 2016	**65.68**	**65.68**	**(0.00)**
Financial Year ended 31 March 2015			
Net cash inflow from operating activities	453.80	499.77	(45.97)
Net cash outflow from investing activities	(146.97)	(189.87)	42.90
Net cash outflow from financing activities	(309.30)	(312.31)	3.01
Net increase/(decrease) in cash and cash equivalents	(2.47)	(2.41)	(0.06)
Cash and cash equivalents as at 31 March 2014	59.90	59.90	-
Cash and cash equivalents as at 31 March 2015	**57.43**	**57.49**	**(0.06)**
Financial Year ended 31 March 2014			
Net cash inflow from operating activities	571.41	460.56	110.85
Net cash outflow from investing activities	(518.82)	(401.94)	(116.88)
Net cash outflow from financing activities	(127.50)	(129.54)	2.04
Net increase/(decrease) in cash and cash equivalents	(74.91)	(70.91)	(4.00)
Cash and cash equivalents as at March 31, 2013	115.23	111.23	4.00
Cash and cash equivalents acquired pursuant to Composite Scheme of Arrangement	19.58	19.58	(0.00)
Cash and cash equivalents as at 31 March 2014	**59.90**	**59.90**	**0.00**

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Financial Information
(All amounts are in Rupees millions, unless otherwise stated)

B. Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations of equity from previous GAAP to Ind AS.

Reconciliation of equity as at 31 March 2014

Particulars	Note	As at 31 March 2014				
		Previous GAAP*	Transitional adjustments	Ind AS	Restatement adjustments	Restated Ind AS
		(1)	(2)		(3)	
ASSETS						
Non-current assets						
Property, plant and equipment	4	1,530.24	43.67	1,573.91	(4.59)	1,569.32
Capital work-in-progress		13.40	-	13.40	0.00	13.40
Intangible assets		-	-	-	-	-
Intangible assets under development		-	-	-	-	-
Investments in subsidiaries		182.00	-	182.00	-	182.00
Investments accounted for using the equity method		6.96	-	6.96	-	6.96
Financial assets		-		-		-
(i) Investments		0.12	-	0.12	-	0.12
(ii) Loans		18.05	-	18.05	-	18.05
(iii) Other financial assets		21.55	-	21.55	-	21.55
Non-current tax assets		9.40	-	9.40	(6.22)	3.18
Other non-current assets		26.56	-	26.56	-	26.56
		1,808.28	**43.67**	**1,851.95**	**(10.81)**	**1,841.14**
Current assets						
Inventories		253.85	-	253.85	(0.72)	253.13
Financial assets						
(i) Investments	3	68.35	10.87	79.22	-	79.22
(ii) Trade receivables	9	317.15	6.35	323.50	(5.76)	317.74
(iii) Cash and cash equivalents		59.90	-	59.90	-	59.90
(iv) Bank balances other than iii above		-	-	-	-	-
(v) Loans		7.12	-	7.12	-	7.12
(vii) Other current financial assets	2	100.02	(10.23)	89.79	(23.71)	66.08
Other current assets		33.34	-	33.34	-	33.34
		839.73	**6.99**	**846.72**	**(30.19)**	**816.53**
TOTAL ASSETS		**2,648.01**	**50.66**	**2,698.67**	**(41.00)**	**2,657.67**
EQUITY AND LIABILITIES						
Equity						
Equity share capital		73.48	-	73.48	(0.02)	73.46
Other equity		1,353.22	10.48	1,363.70	(22.59)	1,341.11
		1,426.70	**10.48**	**1,437.18**	**(22.61)**	**1,414.57**
Non-current liabilities						
Financial liabilities						
(i) Borrowings		409.11	-	409.11	-	409.11
Provisions		13.98	-	13.98	-	13.98
Deferred tax liabilities (net)	6	66.39	5.58	71.97	(18.39)	53.58
Other non-current liabilities	4	-	37.00	37.00	-	37.00
		489.48	**42.58**	**532.06**	**(18.39)**	**513.67**
Current liabilities						
Financial liabilities						
(i) Borrowings		157.44	-	157.44	-	157.44
(ii) Trade payables		232.07	-	232.07	-	232.07
(iii) Other financial liabilities	2	161.89	0.64	162.53	-	162.53
Other current liabilities	2, 4, 5	122.34	(9.39)	112.95	-	112.95
Provisions	9	42.51	6.34	48.85	-	48.85
Current tax liabilities (net)		15.59	-	15.59	-	15.59
		731.84	**(2.41)**	**729.43**	**-**	**729.43**
TOTAL EQUITY AND LIABILITIES		**2,648.02**	**50.65**	**2,698.67**	**(41.00)**	**2,657.67**

Column (1) represents financial information prepared under Previous GAAP framework, which has been reclassified to conform to Ind AS presentation requirements for the purpose of
Column (2) represents adjustments on account of transition from previous GAAP to proforma Ind AS, as explained in notes below.
Column (3) represents restatement adjustments (as explained in Annexure VII) made to the proforma standalone financial statements prepared under Ind AS framework.

(All amounts are in Rupees millions, unless otherwise stated)

B. Reconciliation between previous GAAP and Ind AS

Reconciliation of equity as at 31 March 2015

Particulars	Note	As at 31 March 2015				
		Previous GAAP*	**Transitional adjustments**	**Ind AS**	**Restatement adjustments**	**Restated Ind AS**
		(1)	**(2)**		**(3)**	
ASSETS						
Non-current assets						
Property, plant and equipment	4	1,491.21	40.91	1,532.12	-	1,532.12
Capital work-in-progress		15.72	-	15.72	0.02	15.74
Intangible assets		-	-	-	-	-
Intangible assets under development		-	-	-	-	-
Investments in subsidiaries		182.00	-	182.00	-	182.00
Investments accounted for using the equity method		17.48	-	17.48	-	17.48
Financial assets				-	-	-
(i) Investments		0.12	-	0.12	-	0.12
(ii) Loans		21.21	-	21.21	-	21.21
(iii) Other financial assets		7.16	-	7.16	-	7.16
Non-current tax assets		15.48	-	15.48	2.61	18.09
Other non-current assets		48.90	-	48.90	-	48.90
		1,799.28	**40.91**	**1,840.19**	**2.63**	**1,842.82**
Current assets						
Inventories		257.71	-	257.71	5.99	263.70
Financial assets					-	
(i) Investments	3	50.08	0.27	50.35	-	50.35
(ii) Trade receivables	9	419.65	6.64	426.29	4.97	431.26
(iii) Cash and cash equivalents		57.44	-	57.44	-	57.44
(iv) Bank balances other than iii above		35.99	-	35.99	-	35.99
(v) Loans		16.68	-	16.68	-	16.68
(vii) Other current financial assets	2	45.77	(15.12)	30.65	-	30.65
Other current assets		33.40	-	33.40	-	33.40
		916.72	**(8.21)**	**908.51**	**10.96**	**919.47**
TOTAL ASSETS		**2,716.00**	**32.70**	**2,748.70**	**13.59**	**2,762.29**
EQUITY AND LIABILITIES						
Equity						
Equity share capital		286.38	-	286.38	(0.04)	286.34
Other equity		1,406.61	(2.59)	1,404.02	9.84	1,413.86
		1,692.99	**(2.59)**	**1,690.40**	**9.80**	**1,700.20**
Non-current liabilities						
Financial liabilities						
(i) Borrowings		266.88	-	266.88	-	266.88
Provisions		18.97	-	18.97	-	18.97
Deferred tax liabilities (net)	6	64.02	(1.37)	62.65	3.79	66.44
Other non-current liabilities	4	-	33.68	33.68	-	33.68
		349.87	**32.31**	**382.18**	**3.79**	**385.97**
Current liabilities						
Financial liabilities						
(i) Borrowings		90.81	-	90.81	-	90.81
(ii) Trade payables		263.21	-	263.21	-	263.21
(iii) Other financial liabilities	2	112.65	0.12	112.77	-	112.77
Other current liabilities	2, 4, 5	129.15	(3.78)	125.37	-	125.37
Provisions	9	62.38	6.64	69.02	-	69.02
Current tax liabilities (net)		14.94	-	14.94	-	14.94
		673.14	**2.98**	**676.12**	**-**	**676.12**
TOTAL EQUITY AND LIABILITIES		**2,716.00**	**32.70**	**2,748.70**	**13.59**	**2,762.29**

Column (1) represents financial information prepared under Previous GAAP framework, which has been reclassified to conform to Ind AS presentation requirements for the purpose of
Column (2) represents adjustments on account of transition from previous GAAP to proforma Ind AS, as explained in notes below.
Column (3) represents restatement adjustments (as explained in Annexure VII) made to the proforma standalone financial statements prepared under Ind AS framework.

(All amounts are in Rupees millions, unless otherwise stated)

B. Reconciliation between previous GAAP and Ind AS

Reconciliation of equity as at 31 March 2016

Particulars	Note	As at 31 March 2016				
		Previous GAAP*	Transitional adjustments	Ind AS	Restatement adjustments	Restated Ind AS
		(1)	(2)		(3)	
ASSETS						
Non-current assets						
Property, plant and equipment	4, 10	1,437.85	43.68	1,481.53	-	1,481.53
Capital work-in-progress	10	189.64	4.31	193.95	0.02	193.97
Intangible assets		18.94	-	18.94	-	18.94
Intangible assets under development		-		-		
Investments in subsidiaries		182.00	-	182.00	-	182.00
Investments accounted for using the equity method		17.48	-	17.48	-	17.48
Financial assets						
(ii) Loans		24.15	-	24.15	-	24.15
(iii) Other financial assets		3.22	-	3.22	-	3.22
Non-current tax assets		15.77	-	15.77	1.41	17.18
Other non-current assets		86.97	-	86.97	-	86.97
		1,976.02	**47.99**	**2,024.01**	**1.43**	**2,025.44**
Current assets						
Inventories		314.21	-	314.21	(0.29)	313.92
Financial assets						
(i) Investments	3	95.72	6.98	102.70	-	102.70
(ii) Trade receivables	9	434.71	6.60	441.31	3.00	444.31
(iii) Cash and cash equivalents		65.68	-	65.68	-	65.68
(iv) Bank balances other than iii above		44.56	-	44.56	-	44.56
(v) Loans		36.08	-	36.08	-	36.08
(vii) Other current financial assets	2	75.05	(5.72)	69.33	(0.34)	68.99
Other current assets		66.27	-	66.27	-	66.27
		1,132.28	**7.86**	**1,140.14**	**2.37**	**1,142.51**
TOTAL ASSETS		**3,108.30**	**55.85**	**3,164.15**	**3.80**	**3,167.95**
EQUITY AND LIABILITIES						
Equity						
Equity share capital		286.38	-	286.38	(0.04)	286.34
Other equity		1,759.34	11.45	1,770.79	3.01	1,773.80
		2,045.72	**11.45**	**2,057.17**	**2.97**	**2,060.14**
Non-current liabilities						
Financial liabilities						
(i) Borrowings		176.25	-	176.25	-	176.25
Provisions		20.28	-	20.28	-	20.28
Deferred tax liabilities (net)	6	48.42	6.07	54.49	0.82	55.31
Other non-current liabilities	4	-	35.04	35.04	-	35.04
		244.95	**41.11**	**286.06**	**0.82**	**286.88**
Current liabilities						
Financial liabilities						
(i) Borrowings		191.83	-	191.83	-	191.83
(ii) Trade payables		245.57	-	245.57	-	245.57
(iii) Other financial liabilities		132.38	-	132.38	-	132.38
Other current liabilities	2, 4, 5	131.84	(3.29)	128.55	-	128.55
Provisions	9	87.64	6.61	94.25	-	94.25
Current tax liabilities (net)		28.35	-	28.35	-	28.35
		817.61	**3.32**	**820.93**	**-**	**820.93**
TOTAL EQUITY AND LIABILITIES		**3,108.28**	**55.88**	**3,164.16**	**3.79**	**3,167.95**

Column (1) represents financial information prepared under Previous GAAP framework, which has been reclassified to conform to Ind AS presentation requirements for the purpose of
Column (2) represents adjustments on account of transition from previous GAAP to proforma Ind AS, as explained in notes below.
Column (3) represents restatement adjustments (as explained in Annexure VII) made to the proforma standalone financial statements prepared under Ind AS framework.

(All amounts are in Rupees millions, unless otherwise stated)

B. Reconciliation between previous GAAP and Ind AS

Reconciliation of equity as at 31 March 2017

		As at 31 March 2017				
Particulars	**Note**	**Previous GAAP***	**Transitional adjustments**	**Ind AS**	**Restatement adjustments**	**Restated Ind AS**
		(1)	**(2)**		**(3)**	
ASSETS						
Non-current assets						
Property, plant and equipment	4, 10	1,845.86	51.67	1,897.53	-	1,897.53
Capital work-in-progress	10	115.65	2.19	117.84	0.02	117.86
Intangible assets		17.13	-	17.13	-	17.13
Intangible assets under development		5.55	-	5.55	-	5.55
Investments in subsidiaries		182.00	-	182.00	-	182.00
Investments accounted for using the equity method		17.48	-	17.48	-	17.48
Financial assets						
(ii) Loans		32.66	-	32.66	-	32.66
(iii) Other financial assets		0.21	-	0.21	-	0.21
Non-current tax assets		25.72	-	25.72	1.27	26.99
Other non-current assets		108.21	-	108.21	0.01	108.22
		2,350.47	**53.86**	**2,404.33**	**1.30**	**2,405.63**
Current assets						
Inventories		262.74	-	262.74	-	262.74
Financial assets						
(i) Investments		41.86	6.40	48.26	-	48.26
(ii) Trade receivables	3	559.87	6.10	565.97	(1.49)	564.48
(iii) Cash and cash equivalents	9	127.74	-	127.74	-	127.74
(iv) Bank balances other than iii above		58.91	-	58.91	-	58.91
(v) Loans		4.37	-	4.37	-	4.37
(vii) Other current financial assets	2	92.63	7.78	100.41	-	100.41
Other current assets		62.68	-	62.68	-	62.68
		1,210.80	**20.28**	**1,231.08**	**(1.49)**	**1,229.59**
TOTAL ASSETS		**3,561.27**	**74.14**	**3,635.41**	**(0.19)**	**3,635.22**
EQUITY AND LIABILITIES						
Equity						
Equity share capital		286.38	-	286.38	(0.04)	286.34
Other equity		1,970.14	17.84	1,987.99	0.35	1,988.34
		2,256.52	**17.84**	**2,274.37**	**0.31**	**2,274.68**
Non-current liabilities						
Financial liabilities						
(i) Borrowings		356.65	-	356.65	-	356.65
Provisions		30.63	-	30.63	-	30.63
Deferred tax liabilities (net)		45.01	9.45	54.46	(0.51)	53.95
Other non-current liabilities	6	-	34.38	34.38	(0.25)	34.13
	4	**432.29**	**43.83**	**476.12**	**(0.76)**	**475.36**
Current liabilities						
Financial liabilities						
(i) Borrowings		165.59	-	165.59	-	165.59
(ii) Trade payables		356.47	-	356.47	-	356.47
(iii) Other financial liabilities		118.68	-	118.68	-	118.68
Other current liabilities		112.22	6.36	118.58	0.26	118.84
Provisions	2, 4, 5	106.86	6.10	112.96	-	112.96
Current tax liabilities (net)	9	12.64	-	12.64	-	12.64
		872.46	**12.46**	**884.92**	**0.26**	**885.18**
TOTAL EQUITY AND LIABILITIES		**3,561.27**	**74.13**	**3,635.41**	**(0.19)**	**3,635.22**

Column (1) represents financial information prepared under Previous GAAP framework, which has been reclassified to conform to Ind AS presentation requirements for the purpose of
Column (2) represents adjustments on account of transition from previous GAAP to proforma Ind AS, as explained in notes below.
Column (3) represents restatement adjustments (as explained in Annexure VII) made to the proforma standalone financial statements prepared under Ind AS framework.

(All amounts are in Rupees millions, unless otherwise stated)

D. Reconciliation between previous GAAP and Ind AS

Reconciliation of total comprehensive income for the year ended 31 March 2014

Particulars	Notes to first time adoption	Previous GAAP	Ind AS adjustments	Ind AS	Restatement adjustments	Restated Ind AS
		(1)	(2)		(3)	
Income						
Revenue from operations	7, 8, 9	5,313.37	110.89	5,424.26	(21.68)	5,402.58
Other income	2, 3, 4, 8	12.12	15.45	27.57	-	27.57
Total income		**5,325.49**	**126.34**	**5,451.83**	**(21.68)**	**5,430.15**
Expenses						
Cost of materials consumed	9	2,783.38	(57.21)	2,726.17	0.72	2,726.89
Excise duty	7		34.57	34.57	-	34.57
Purchase of stock-in-trade		499.86	-	499.86	-	499.86
Changes in inventories of finished goods, stock-in- trade and work-in-progress		(24.47)	-	(24.47)	(0.39)	(24.86)
Employee benefit expenses	1	503.09	1.49	504.58	-	504.58
Depreciation and amortisation expense	4	173.07	4.58	177.65	1.29	178.94
Finance costs		71.03	-	71.03	-	71.03
Other expenses	5	952.85	120.26	1,073.11	1.01	1,074.12
Total expenses		**4,958.81**	**103.69**	**5,062.50**	**2.63**	**5,065.13**
Profit before tax		**366.68**	**22.65**	**389.33**	**(24.31)**	**365.02**
Income tax expense						
-Current tax		105.66	-	105.66	0.86	106.52
-Deferred tax	6	0.25	7.84	8.09	(8.42)	(0.33)
Total tax expense		**105.91**	**7.84**	**113.75**	**(7.56)**	**106.19**
Net profit after tax as restated (A)		**260.77**	**14.81**	**275.58**	**(16.75)**	**258.83**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit plans	1	-	1.49	1.49	-	1.49
Income tax relateing to remeasurement of defined benefit plans		-	(0.52)	(0.52)	-	(0.52)
Total other comprehensive income for the year (B)		**-**	**0.97**	**0.97**	**-**	**0.97**
Total comprehensive income for the year as restated (A+B)		**260.77**	**15.78**	**276.55**	**(16.75)**	**259.80**

Column (1) represents financial information prepared under Previous GAAP framework, which has been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Column (2) represents adjustments on account of transition from previous GAAP to proforma Ind AS, as explained in notes below.
Column (3) represents restatement adjustments (as explained in Annexure VII) made to the proforma standalone financial statements prepared under Ind AS framework.

Reconciliation of total comprehensive income for the year ended 31 March 2015 **0**

Particulars	Notes to First time adoption	Previous GAAP	Ind AS adjustments	Ind AS	Restatement adjustments	Restated Ind AS
		(1)	(2)		(3)	
Income						
Revenue from operations	7, 8, 9	5,585.39	182.98	5,768.37	-	5,768.37
Other income	2, 3, 4, 8	20.56	(3.73)	16.83	-	16.83
Total income		**5,605.95**	**179.25**	**5,785.20**	**-**	**5,785.20**
Expenses						
Cost of materials consumed	9	3,227.58	(57.20)	3,170.38	(6.69)	3,163.69
Excise duty	7		92.72	92.72	-	92.72
Purchase of stock-in-trade		32.67	-	32.67	-	32.67
Changes in inventories of finished goods, stock-in- trade and work-in-progress		7.35	-	7.35	(4.10)	3.25
Employee benefit expenses	1	660.90	1.32	662.22	(0.01)	662.21
Depreciation and amortisation expense	4	182.93	6.82	189.75	1.72	191.47
Finance costs		67.37	-	67.37	-	67.37
Other expenses	5	1,008.23	156.93	1,165.16	(30.40)	1,134.76
Total expenses		**5,187.03**	**200.59**	**5,387.62**	**(39.48)**	**5,348.14**
Profit before tax		**418.92**	**(21.34)**	**397.58**	**39.48**	**437.06**
Income tax expense						
-Current tax		148.72	-	148.72	(8.84)	139.88
-Deferred tax	6	(0.21)	(7.40)	(7.61)	20.02	12.41
Total tax expense		**148.51**	**(7.40)**	**141.11**	**11.18**	**152.29**
Net profit after tax as restated (A)		**270.41**	**(13.94)**	**256.47**	**28.30**	**284.77**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit plans	1	-	1.32	1.32	-	1.32
Income tax relateing to remeasurement of defined benefit plans		-	(0.46)	(0.46)	-	(0.46)
Total other comprehensive income for the year (B)		**-**	**0.86**	**0.86**	**-**	**0.86**
Total comprehensive income for the year as restated (A+B)		**270.41**	**(13.08)**	**257.33**	**28.30**	**285.63**

Column (1) represents financial information prepared under Previous GAAP framework, which has been reclassified to conform to Ind AS representation requirements for the purpose of this note.
Column (2) represents adjustments on account of transition from previous GAAP to proforma Ind AS, as explained in notes below.
Column (3) represents restatement adjustments (as explained in Annexure VII) made to the proforma standalone financial statements prepared under Ind AS framework.

(All amounts are in Rupees millions, unless otherwise stated)

D. Reconciliation between previous GAAP and Ind AS

Reconciliation of total comprehensive income for the year ended 31 March 2016

Particulars	Notes to first time adoption	Previous GAAP	Ind AS adjustments	Ind AS	Restatement adjustments	Restated Ind AS
		(1)	(2)		(3)	
Income						
Revenue from operations	7, 8, 9	5,553.89	168.07	5,721.96	(0.34)	5,721.62
Other income	2, 3, 4, 8	95.70	14.78	110.48	-	110.48
Total income		**5,649.59**	**182.85**	**5,832.44**	**(0.34)**	**5,832.10**
Expenses						
Cost of materials consumed	9	3,108.07	(56.13)	3,051.94	6.28	3,058.22
Purchase of stock-in-trade	7	4.22	-	4.22	-	4.22
Changes in inventories of finished goods, stock-in- trade and work-in-progress		(3.76)	-	(3.76)	4.88	1.12
Excise duty			139.58	139.58	-	139.58
Employee benefit expenses	1	764.80	(0.17)	764.63	-	764.63
Depreciation and amortisation expense	4, 10	189.66	8.09	197.75	-	197.75
Finance costs	10	43.73	(4.32)	39.41	-	39.41
Other expenses	5	993.24	74.17	1,067.41	(2.60)	1,064.81
Total expenses		**5,099.96**	**161.22**	**5,261.18**	**8.56**	**5,269.74**
Profit before tax		**549.63**	**21.63**	**571.26**	**(8.90)**	**562.36**
Income tax expense						
-Current tax		177.72	-	177.72	1.21	178.93
-Deferred tax	6	(15.60)	7.49	(8.11)	(2.97)	(11.08)
Total tax expense		**162.12**	**7.49**	**169.61**	**(1.76)**	**167.85**
Net profit after tax as restated (A)		**387.51**	**14.14**	**401.65**	**(7.14)**	**394.51**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit plans	1	-	(0.17)	(0.17)	-	(0.17)
Income tax relateing to remeasurement of defined benefit plans		-	0.06	0.06	-	0.06
Total other comprehensive income for the year (B)		**-**	**(0.11)**	**(0.11)**	**-**	**(0.11)**
Total comprehensive income for the year as restated (A+B)		**387.51**	**14.03**	**401.54**	**(7.14)**	**394.40**

Column (1) represents financial information prepared under Previous GAAP framework, which has been reclassified to conform to Ind AS representation requirements for the purpose of this note.
Column (2) represents adjustments on account of transition from previous GAAP to proforma Ind AS, as explained in notes below.
Column (3) represents restatement adjustments (as explained in Annexure VII) made to the proforma standalone financial statements prepared under Ind AS framework.

Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Notes to first time adoption	Previous GAAP	Ind AS adjustments	Ind AS	Restatement adjustments	Restated Ind AS
		(1)	(2)			
Income						
Revenue from operations	7, 8, 9	5,875.53	139.58	6,015.11	-	6,015.11
Other income	2, 3, 4, 8	15.04	8.49	23.53	-	23.53
Total income		**5,890.57**	**148.07**	**6,038.64**	**-**	**6,038.64**
Expenses						
Cost of materials consumed	9	3,305.29	(4.71)	3,300.58	(0.29)	3,300.29
Purchase of stock-in-trade	7	105.72	-	105.72	-	105.72
Changes in inventories of finished goods, stock-in- trade and work-in-progress		23.36	-	23.36	(0.29)	23.07
Excise duty		-	139.68	139.68	-	139.68
Employee benefit expenses	1	771.07	(2.38)	768.69	(0.01)	768.68
Depreciation and amortisation expense	4, 10	211.08	9.33	220.41	-	220.41
Finance costs	10	44.28	(5.64)	38.64	-	38.64
Other expenses	5	1,073.37	(0.39)	1,072.98	4.45	1,077.43
Total expenses		**5,534.17**	**135.89**	**5,670.06**	**3.86**	**5,673.92**
Profit before tax		**356.40**	**12.18**	**368.58**	**(3.86)**	**364.72**
Income tax expense						
-Current tax		114.55	-	114.55	0.14	114.69
-Deferred tax	6	(3.41)	4.22	0.81	(1.34)	(0.53)
Total tax expense		**111.14**	**4.22**	**115.36**	**(1.20)**	**114.16**
Net profit after tax as restated (A)		**245.26**	**7.96**	**253.22**	**(2.66)**	**250.56**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit plans	1	-	(2.39)	(2.39)	-	(2.39)
Income tax relateing to remeasurement of defined benefit plans		-	0.83	0.83	-	0.83
Total other comprehensive income for the year (B)		**-**	**(1.56)**	**(1.56)**	**-**	**(1.56)**
Total comprehensive income for the year as restated (A+B)		**245.26**	**6.40**	**251.66**	**(2.66)**	**249.00**

Column (1) represents financial information prepared under Previous GAAP framework, which has been reclassified to conform to Ind AS representation requirements for the purpose of this note.
Column (2) represents adjustments on account of transition from previous GAAP to proforma Ind AS, as explained in notes below.
Column (3) represents restatement adjustments (as explained in Annexure VII) made to the proforma standalone financial statements prepared under Ind AS framework.

(All amounts are in Rupees millions, unless otherwise stated)

Reconciliation of total equity

	Note to first time adoption	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	31 March 2014 Proforma Ind AS	31 March 2013 Proforma Ind AS
Total equity (shareholder's fund) as per previous GAAP		**2,256.52**	**2,045.72**	**1,692.99**	**1,426.63**	**1,643.99**
Adjustments:						
Cumulative Ind AS adjustments from previous year		11.47	(2.58)	10.53	(5.26)	-
Fair value of forward contracts	2	4.63	10.53	(9.09)	12.54	(8.04)
Measurement of investment in equity shares at fair value	3	(0.59)	6.70	(10.58)	10.87	-
Rent equalisation reserve	5	0.36	(0.07)	(0.38)	0.74	-
Capitalisation of general borrowing cost	10	5.39	4.32	-	-	-
Tax effects of adjustments		(3.39)	(7.43)	6.94	(8.36)	2.78
Total adjustments		**17.87**	**11.47**	**(2.58)**	**10.53**	**(5.26)**
Total equity as per Ind AS before restatement adjustment		**2,274.39**	**2,057.19**	**1,690.41**	**1,437.16**	**1,638.73**
Restatement adjustment		0.31	2.97	9.80	(22.61)	(5.63)
Total equity as restated		**2,274.70**	**2,060.16**	**1,700.21**	**1,414.55**	**1,633.10**

Reconciliation of total comprehensive income

	Note to first time adoption	31 March 2017 Proforma	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma
Profit after tax as per previous GAAP		**245.26**	**387.51**	**270.41**	**260.77**
Adjustments:					
Re-measurement of the defined benefit obligation	1	2.39	0.17	(1.32)	(1.49)
Fair value of forward contracts	2	4.63	10.53	(9.09)	12.54
Measurement of investment in equity shares at fair value	3	(0.59)	6.70	(10.58)	10.87
Rent equalisation reserve	5	0.36	(0.07)	(0.38)	0.74
Capitalisation of general borrowing cost	10	5.39	4.32	-	-
Tax effects of adjustments		(4.22)	(7.49)	7.40	(7.84)
Total adjustments		**7.96**	**14.16**	**(13.97)**	**14.82**
Profit after tax as per Ind AS		**253.22**	**401.67**	**256.44**	**275.59**
Other comprehensive income					
Total other comprehensive income, net of tax	12	(1.56)	(0.11)	0.86	0.97
Total comprehensive income as per Ind AS before restatement adjustment		**251.66**	**401.56**	**257.30**	**276.56**
Restatement adjustment		(2.66)	(7.14)	28.30	(16.75)
Total comprehensive income as restated		**249.00**	**394.42**	**285.60**	**259.81**

Notes to first time adoption

1 **Remeasurements of post-employment benefit obligations**
Under Ind AS, all actuarial gains and losses on defined benefit obligations are recognised in other comprehensive income. Under previous GAAP the Company recognised actuarial gains and losses in Statement of Profit and Loss. However, this has no impact on the total comprehensive income and total equity as at March 31, 2017, 2016, 2015 and 2014.

2 **Fair valuation of derivatives**
Under the previous GAAP, unrealised net loss on foreign exchange forward contracts, if any, as at each Balance Sheet date was provided for. Under Ind AS, foreign exchange forward contracts are mark-to-market as at Balance Sheet date and unrealised net gain or loss is recognised in the statement of profit and loss.

3 **Investment in equity shares and mutual funds at fair value**
Under previous GAAP, investments in mutual funds were measured at cost or market value, whichever is lower. However, under Ind AS, the Company has designated these investments at fair value through profit or loss (FVTPL). Accordingly, these investments are required to be measured at fair value. The difference between the fair value of the instruments and the carrying value under previous GAAP has been recognised in the Statement of Profit and Loss. As a result, the value of investments has increased with a corresponding increase in other income.

4 **Property, plant and equipment - capital subsidy**
Under previous GAAP, grant received from government for acquisition of capital assets was reduced from the cost of specific capital assets acquired. However, under Ind AS, government grant is recognised initially as deferred income at fair value and subsequently, recognised in profit or loss as other operating revenue on a systematic basis. Accordingly, the Company has recognized deferred income with an increase in the value of property, plant and equipment. Consequent to this change, the Company has recognised additional depreciation expense and other income. Accordingly there is no impact on the total comprehensive income and total equity as at March 31, 2017, 2016, 2015 and 2014.

5 **Rent equalisation reserve**
Under previous GAAP, operating lease rentals were straight lined over the lease term as at and during the financial year ended March 31, 2017. Under Ind AS, if the payments by the lessee are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost, rental expense is not required to be recognised on straight-lined basis. Accordingly, the liability recognised due to straight line of lease rentals, which are associated with increase in lease rentals on account of general inflation to compensate for the lessor's expected inflation cost, as recognised in the previous GAAP during the year ended March 31, 2017 has been reversed with the corresponding adjustment to the Statement of Profit and Loss for respective financial years.

6 **Deferred tax liabilities (net)**
Under the previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to reversal/creation of previously recognised deferred tax assets.

7 Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. However, under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses. There is no impact on the total equity and profit.

8 Arrangement containing leases

Under previous GAAP, arrangements that did not take the legal form of lease were accounted for based on the legal form of such arrangements e.g. job work arrangement. Under Ind AS, any arrangement (even if not legally structured as lease) which convey right to use an asset in return for a payment or series of payments are identified as leases provided certain conditions are met. In case such arrangements are determined to be in the nature of leases, such arrangements are required to be classified into finance or operating leases as per the requirements of Ind AS 17, Leases

The Company has identified certain job-work arrangements to be in the nature of operating lease and accordingly these have been classified as operating lease arrangement. As a result, revenue has decreased with a corresponding increase in other income. There is no impact on total equity and profit.

9 Provision for sales return

Under previous GAAP, provision for expected sales return was accounted for by reducing margin from the revenue with a corresponding reduction in accounts receivable. Under Ind AS the same is grossed up by creating a provision for sales return. Accordingly, revenue for the respective years got reduced with a corresponding reduction in cost of goods sold. Further, trade receivable for respective years got increased with a corresponding increase in provision for sales return.

10 Capitalisation of general borrowing cost

Under previous GAAP, the Company capitailises the borrowing cost only for specific borrowings with the cost of the respective fixed assets. Under Ind AS, the Company is required to capitalise borrowing cost on general borrowings along with specific borrowings in respect of qualifying assets. Accordingly, interest cost to the extent related to utilisation of general purpose borrowing for qualifying assets during period ended on 31 March 2017, 31 March 2016 have been capitalised to the respective cost of the assets and correspondingly finance cost to such extent got reduced. There was no qualifying asset during the period ended on 31 March 2015 and 31 March 2014.

11 Retained earnings

Retained earnings as at 31 March 2016 , 31 March 2015 and 31 March 2014 has been adjusted consequent to the above Ind AS transition adjustments.

12 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as ‘other comprehensive income’ includes remeasurements of defined benefit plans.
The concept of other comprehensive income did not exist under previous GAAP

Mrs. Bectors Food Specialities Limited
Annexure VII - Restated statement of adjustments to audited financial statements
(All amounts are in Rupees millions, unless otherwise stated)

Summarized below are the restatement adjustments made to the audited financial statements for the years ended 31 March 2018, 2017, 2016, 2015 and 2014 and their impact on the profit of the Company

	Particulars	Notes /Annexure	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
(A)	**Net profit after tax as per audited financial statements prepared under Previous GAAP**		NA	**245.26**	**387.51**	**270.41**	**260.77**
(B)	**Ind AS Adjustments**						
	Re-measurement of the defined benefit obligation	51 of Annexure VI	NA	2.39	0.17	(1.32)	(1.49)
	Fair value of forward contracts	51 of Annexure VI	NA	4.63	10.53	(9.09)	12.54
	Measurement of investment in equity shares at fair value	51 of Annexure VI	NA	(0.59)	6.70	(10.58)	10.87
	Rent equalisation reserve	51 of Annexure VI	NA	0.36	(0.07)	(0.38)	0.74
	Capitalisation of general borrowing cost	51 of Annexure VI	NA	5.39	4.32	-	-
	Tax effects of adjustments	51 of Annexure VI	NA	(4.22)	(7.49)	7.40	(7.84)
	Total Ind AS adjustments		**-**	**7.96**	**14.16**	**(13.97)**	**14.82**
(C)	**Net profit after tax as per Ind AS (A+B)**		**320.52**	**253.22**	**401.67**	**256.44**	**275.59**
(D)	**Adjustments:**						
	Material Restatement Adjustments						
	(i) Audit Qualifications	Note (1)	-	-	-	23.72	(23.72)
	Total		-	-	-	23.72	(23.72)
	(ii) Other material adjustments						
	Export incentives written off	Note 2(a)	-	0.34	(0.34)	-	6.84
	Change in accounting policy for valuation of inventory	Note 2(b)	-	0.29	(6.27)	6.70	(0.72)
	Change in useful life of asset	Note 2(c)	-	-	-	(1.71)	(1.29)
	Income tax adjustment related to earlier years	Note 2(d)	(1.27)	(0.13)	(1.21)	8.83	(0.86)
	Deferred tax adjustment for earlier years	Note 2(e)	-	-	-	(6.36)	-
	Total		**(1.27)**	**0.49**	**(7.82)**	**7.46**	**3.97**
	(iii) Adjustments on account of incorrect accounting policies	Note 3(b)	-	-	-	-	-
	Total		**-**	**-**	**-**	**-**	**-**
	(iv) Deferred tax on restatement adjustments	Note 2(f)	-	(0.22)	2.29	(9.94)	6.54
	Total		**-**	**(0.22)**	**2.29**	**(9.94)**	**6.54**
(E)	**Total impact of restatement adjustments (i)+(ii)+(iii)+(iv)**		**(1.27)**	**0.28**	**(5.53)**	**21.25**	**(13.22)**
	Net profit as restated (C+E)		**319.25**	**253.50**	**396.14**	**277.69**	**262.37**

There were no Ind AS adjustment for the year ended March 31, 2018 as the financial statements has been prepared under Ind AS

Mrs. Bectors Food Specialities Limited
Annexure VII - Restated statement of adjustments to audited financial statements
(All amounts are in Rupees millions, unless otherwise stated)

Notes to Adjustments

1 Adjustments for Audit Qualifications:

Auditor has given a qualification on export incentive licenses for which the Company, was under negotiations with a party for sale thereof. The Company has written off such export incentives during the financial years ended 31 March 2015 as the same were no longer expected to be recovered. Such write offs have been restated in the respective years, in which such incentives were originally accounted for.

2 Other material adjustments:

(a) **Export incentives written off** - The Company has written off export incentives during the financial years ended 31 March 2015, 31 March 2014 which were no longer expected to be recovered. Such write offs have been restated in the respective years, in which such incentives were originally accounted for.

(b) **Change in accounting policy for valuation of inventory** - During the financial year ended 31 March 2017, the Company had changed its accounting policy for valuation of inventory of raw materials, components, stores and spares from FIFO basis to weighted average cost basis. Accordingly, valuation of inventory for the period ended on 31 March 2016, 31 March 2015, and 31 March 2014 has been restated to weighted average cost basis to reflect the uniformity in accounting policy in these restated financial statements.

(c) **Change in useful life of asset** - The carrying amount of fixed assets whose useful life as on 1 April 2014 had been completed as per Schedule II to the Companies Act 2013 was adjusted in the Statement of Profit and Loss for the year ended 31 March 2015. Depreciation as per the transitional provision, has been adjusted to the respective years to effect the difference in the useful life.

(d) **Income tax adjustment for earlier years** - In standalone financial statements for the years ended31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014, tax adjustment was accounted pertaining to earlier years based on revision of income tax returns for financial years 2006 - 2007, 2008 - 2009, 2014 - 2015, 2015 - 2016 and 2016 - 2017. For the purpose of the Restated Standalone Financial Information, such tax adjustment has been appropriately adjusted in the respective financial years to which they relate.

(e) **Deferred tax adjustment for earlier years** - These adjustments include the rectification of calculations of deferred tax as at 31 March 2015 and impact of restatement adjustments made as detailed above. For the purpose of the Restated Consolidated Financial Information, deferred taxes have been appropriately adjusted in the restated profits and losses to the respective years to which they relate.

(f) **Deferred tax on restatement adjustments** - The tax rate applicable for the respective years has been used to calculate the deferred tax impact on the restatementent adjustments.

(g) **Provision for doubtful debts and advances** - During the financial years ended March 31, 2017, March 31, 2016 and March 31, 2014, the Company had made certain provision for doubtful debts and advances which pertained to the earlier years. For the purpose of Restated Financial Information, adjustment has been made in the respective years in which the debtors and advances was initially recorded.

(h) **Bad debts written off -** The Company has written off debtors during the financial years ended March 31, 2017 which were no longer expected to be recovered. Such write offs have been restated in the respective years, in which such debtors were originally accounted for.

3 Adjustments on account of incorrect accounting policies : None

4 Deferred tax on restatement adjustments:
The tax rate applicable for the respective years has been used to calculate the deferred tax impact on the adjustments.

5 Reconciliation of total equity as at 1 April 2013

	Notes /Annexure	1 April 2013 Proforma Ind AS
(A) Total equity (shareholder's fund) as per previous GAAP		**1,643.99**
(B) Ind AS Adjustments		
Fair value of forward contracts	51 of Annexure VI	(8.04)
Tax effects of adjustments	51 of Annexure VI	2.78
Total Ind AS adjustments		**(5.25)**
(C) Total equity as per Ind AS (A+B)		**1,638.73**

(D) Material Restatement Adjustments

(All amounts are in Rupees millions, unless otherwise stated)

(i) Audit Qualifications	Note (1)	-
Total		-
(ii) Other material adjustments		
Export incentives written off	Note 2(a)	(6.84)
Change in useful life of asset	Note 2(c)	(3.29)
Income tax adjustment related to earlier years	Note 2(d)	(5.35)
Deferred tax adjustment for earlier years	Note 2(e)	6.35
Total		**(9.13)**
(iii) Adjustments on account of incorrect accounting policies	Note 3(b)	-
Total		**-**
(iv) Deferred tax on restatement adjustments	Note 2(f)	3.50
Total		**3.50**
(E) Total impact of restatement adjustments (i)+(ii)+(iii)+(iv)		**(5.63)**
Total equity as restated (C+E)		**1,633.10**

6 Material regrouping

Appropriate adjustments have been made in the Restated Standalone Statement of Assets and Liabilities, Restated Standalone Statement of Profit and Loss, Restated Standalone Statement of Cash Flows and Restated Standalone Statement of Changes in Equity, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the standalone audited financials of the Company as at and for the period ended 31 March 2018.

The material regroupings made in the Restated Standalone Statement of Assets and Liabilities are as under:

- Payable to employees of the company as at 31 March 2014 which was grouped under 'Trade Payables' in the audited standalone financial statements of the Company, have been regrouped as under 'Other current liabilities' in the Restated Standalone Statement of Assets and Liabilities.

7 Non-adjusting items

In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2003 ("the CARO 2003 Order") issued by the Central Government of India under sub-section (4A) of Section 227 of Companies Act, 1956 on the standalone financial statements as at and for the financial years ended 31 March 2014, Companies (Auditor's Report) Order, 2015 ("the CARO 2015 Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 on the standalone and consolidated financial statements as at and for the financial year ended 31 March 2015 and the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 on the standalone financial statements as at and for the financial years ended 31 March 2016 and 31 March 2017 respectively. Certain statements/comments included in the CARO in the consolidated and standalone financial statements, which do not require any adjustments in the Restated Standalone Financial Information are reproduced below in respect of the financial statements presented.

Mrs. Bectors Food Specialities Limited

<u>Financial year 2013-14</u>

Clause (ii) (a) of CARO 2003 Order

The management has conducted physical verification of inventory at reasonable intervals during the year, however the scope and coverage of physical verification needs to be enhanced to make it commensurate with the size and nature of the business of the Company.

Clause (ii) (c) of CARO 2003 Order

The Company is maintaining proper records of inventory except records related to batch wise inputoutput (yield) analysis of consumption of raw materials and packing materials and allocation of overheads needs to befurther strengthened to be commensurate with the size and nature of business of the Company. However, we have noted no material discrepancies were noticed on physical verification.

Clause (iv) of CARO 2003 Order

In our opinion and according to the information and explanations given to us and having regard to explanation that some of the items of raw material, traded goods and fixed assets are of special/proprietary nature for which alternative sources are not available to obtain comparable quotations, special/proprietary nature for which alternative sources are not available to obtain comparable quotations,there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services except for (i) the transaction related to sale of biscuits where cash has been directly deposited by the customers in Company's bank accounts which is not a part of system of internal control laid down by the Company; (ii) sale of certainfixed assets without comparative quotations; and (iii) detailed records not being maintainedfor generation and realization of scrap of inventories andfixed assets. Also, internal controls system needs to befurther strengthened in respect of attendance and payment of wages, sale of material from depots and confirmation/reconciliations for trade receivables/trade payables to make them commensurate with the size and nature of the business.

Clause (v) (b) of CARO 2003 Order

In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the fmancial year at prices which are reasonable having regard to the prevailing market prices at the relevant time except for the following items where we are unable to comment whether the transactions were made at prevailing market prices at the relevant time: (a) item of the traded goods because of the unique and proprietary nature of the items involved and absence of any comparable prices, as informed by the management; and (b) sale of residential apartment to one of the directors 'relative during the year.

Clause (vii) of CARO 2003 Order

The Company has an internal audit system, the scope and coverage of which. in our opinion, requires to be enlarged to be commensurate with the size and nature of its business more particularly in areas relating to salaries and wages, sale of material from depots, purchase and consumption of raw material and review/analysis of trade receivables and trade payables.

Clause (ix) (a) of CARO 2003 Order

Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, wealth-tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in afew cases, except in case of service tax, income tax and sales tax where dues have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious.

Clause (ix) (c) of CARO 2003 Order

According to the records of the Company, the dues outstanding of income-tax, sales tax and entry tax on account of any dispute are as follows:

Nature of Statue	**Nature of Dues**	**Amount**	**Period to which amount relates**	**Forum where dispute is pending**
Punjab VAT Act, 2005	Sales Tax	2.37	2008-09	VAT Tribunal, Chandigarh
Punjab VAT Act, 2005	Sales Tax	3.75	2009-10	VAT Tribunal, Chandigarh
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	2011-12	Punjab and Haryana High Court
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	1.24	2011-12	High Court of Himachal Pradesh
	Entry Tax	12.10	2012-13	High Court of Himachal Pradesh
	Entry Tax	7.84	2013-14	High Court of Himachal Pradesh
Income Tax Act 1961	Additions/ amount disallowed	5.73	2007-08 (AY)	Income Tax Appellate Tribunal, Chandigarh
Income Tax Act 1961		0.03	2010-11 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
		1.07	2011-12 (AY)	Commissioner of Income Tax (Appeals), Ludhiana

According to the records of the Company, there are no dues outstanding of provident fund, investor education and protection fund, employees' state insurance, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues on account of any dispute

(All amounts are in Rupees millions, unless otherwise stated)

Financial year 2014-15

Clause (ii) (a) of CARO 2015 Order

According to the information and explanations given to us, tbe inventories, except for stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at year end, written confinnations have been obtained.

Clause (ii) (c) of CARO 2015 Order

The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account.

Clause (vii) (a) of CARO 2015 Order

According to the information ru1d explanations given to us and on the basis of our examjnation of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Sales Tax, Wealth Tax, Duty of Custom, Duty of Excise, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities however there have been some delays in deposit offncome-Tax, Service Tax, Value Added Tax, and Employee State Insurance in few cases though not serious.
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' Stale Insurance, Income-Tax, Wealth-Tax, Sales-Tax, Service Tax, Excise Duty, Customs Duty, Value Added Tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

Clause (vii) (b) of CARO 2015 Order

According to the information and explanations given to us, there are no dues of Wealth Tax, Service Tax, Duty of Custom, Value Added TAX and Cess which have not been deposited with the appropriate authorities on account of any dispute. The details of disputed excise duty, sales tax and income-tax dues that have not been deposited by the Company as at 31 March 2015 are as follows:

Nature of Statue	Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending
Punjab VAT Act, 2005	Sales tax	2.37	2008-09	Punjab & Haryana High Court, Chandigarh
Punjab VAT Act, 2005	Sales tax	3.75	2009-10	Punjab & Haryana High Court,
Punjab Tax on Entry of Goods into Local Area Act, 2000	Entry Tax	1.69	2011-12	Punjab & Haryana High Court,
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	1.24	2011-12	High Court of Himachal Pradesh
		12.10	2012-13	
		7.84	2013-14	
		14.87	2014-15	
Income tax Act,1961	Additions/ Amounts disallowed	0.03	2010-11 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
Income tax Act,1961		0.31	2011-12 (AY)	
Income tax Act,1961		5.17	2012-13 (AY)	

Mrs. Bectors Food Specialities Limited
Annexure VII - Restated statement of adjustments to audited financial statements
(All amounts are in Rupees millions, unless otherwise stated)

Financial year 2015-16

Clause (i) (c) of CARO 2016 Order

The title of deed of the immovable properties 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 2016	Net block of property as on 31 March 2016
Freehold land	Tahliwal, Himachal Pradesh	3.07	3.07

Clause (ii) of CARO 2016 Order

According to information and explanation given to us, the inventories, except for goods in transit and stock lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stock lying with the third parties at year - end, written confirmations have been obtained.

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, value added tax and the employee state insurance in few cases though not serious.
According to the information and explanation 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 2016 for a period of more than six months from the date they became payable.

Clause (vii) (b) of CARO 2016 Order

According to the records of the Company, 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, excise duty and income tax dues have not been deposited by the Company as at 31 March 2016 are as follows:

Nature of Statue	Nature of Dues	Amount*	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
Punjab VAT Act, 2005	Sales Tax	3.75	2009-10	Deputy Excise and Taxation Commissioner, Ludhiana
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	1.24	2011-12	High Court of Himachal Pradesh
	Entry Tax	12.10	2012-13	High Court of Himachal Pradesh
	Entry Tax	7.84	2013-14	High Court of Himachal Pradesh
	Entry Tax	14.87	2014-15	High Court of Himachal Pradesh
	Entry Tax	16.06	2015-16	High Court of Himachal Pradesh
Himachal Pradesh Value Added Tax Act, 2005	Sales Tax	3.01	2005-06	Deputy Excise and Taxation Commissioner, Palampur
Income Tax Act 1961	Additions/ amount disallowed	0.03	2010-11 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
		0.31	2011-12 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
		5.69	2013-14 (AY)	Commissioner of Income Tax (Appeals), Ludhiana

*an amount as per demand order including interest and penalty, whichever indicated in order

(All amounts are in Rupees millions, unless otherwise stated)

Financial year 2016-17

Clause (i) (c) of CARO 2016 Order

The title of deed of the immovable properties 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 2017	Net block of property as on 31 March 2017
Freehold land	Tahliwal, Himachal Pradesh	3.07	3.07
Building (flat)	Noida, Uttar Pradesh	4.82	4.67

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, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited with the appropriate authorities, however there are some 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 2017 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 Company as at 31 March 2017 are as follow:

Nature of Statue	Nature of Dues	Amount	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
Punjab VAT Act, 2005	Sales Tax	3.75	2009-10	Deputy Excise and Taxation Commissioner, Ludhiana
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	0.54	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	12.31	2015-16	
	Entry Tax	7.60	2016-17	
Himachal Pradesh Value Added Tax Act, 2005	Sales Tax	3.01	2005-06	Deputy Excise and Taxation Commissioner, Palampur
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	1.91	2013-14	Deputy Excise and Taxation Commissioner,
Income Tax Act,1961	Additions/ Amounts disallowed	5.73	2007-08 (AY)	Income Tax Appellate Tribunal, Chandigarh
		0.03	2010-11 (AY)	
		0.13	2011-12 (AY)	
		1.83	2013-14 (AY)	
Income Tax Act,1961	Additions/ Amounts disallowed	0.89	2014-15 (AY)	Commissioner of Income Tax (Appeals), ludhiana

Financial year 2017-18

(All amounts are in Rupees millions, unless otherwise stated)

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 2016	Net block of property as on 31 March 2016
Freehold land	Tahliwal, Himachal Pradesh	3.07	3.07
Building (flat)	Noida, Uttar Pradesh	4.82	4.67

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

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

Nature of Statue	Nature of Dues	Amount	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
Punjab VAT Act, 2005	Sales Tax	3.75	2009-10	Deputy Excise and Taxation Commissioner, Ludhiana
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	0.54	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	7.02	2016-17	
	Entry Tax	1.10	2017-18	
Himachal Pradesh Value Added Tax Act, 2005	Sales Tax	3.01	2005-06	Deputy Excise and Taxation Commissioner, Palampur
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	1.91	2013-14	Deputy Excise and Taxation Commissioner,
Income Tax Act,1961	Additions/ Amounts 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/ Amounts 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

Mrs. Bectors Food Specialities Limited
Annexure VIII - Restated statement of Other Income

	Nature (Recurring/ Non-recurring)	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Interest income on financial assets measured at amortised cos	Recurring	4.14	4.76	-	-	-
Interest income from others	Non-recurring	1.80	3.65	6.99	7.18	3.87
Gain on sale of investments (net)	Non-recurring	0.67	2.26	5.26	1.64	7.42
Net gain on disposal of property, plant and equipment and intangible assets	Non-recurring	-	-	82.44	0.06	-
Net change in fair value of financial assets measured at fair value through profit and loss	Non-recurring	-	3.30	6.72	-	10.87
Government grants (Refer note 16)	Recurring	9.97	9.08	8.09	6.83	4.59
Dividend income	Non-recurring	18.15	-	0.01	-	0.03
Miscellaneous income	Non-recurring	1.18	0.48	0.97	1.12	0.79
		35.91	**23.53**	**110.48**	**16.83**	**27.57**

Other income arising out of business activities other than the normal business activities is less than 10% of the profit before tax.

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Mrs. Bectors Food Specialities Limited
Annexure IX- Restated statement of accounting ratios
(All amounts are in Rupees millions, unless otherwise stated)

Table 1 - Restated Statement of Accounting Ratios

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Earnings per equity share (Face Value of Rs. 10/- each)					
Basic and Diluted EPS (in Rs.) *	5.59	4.38	6.89	4.97	4.52
Return on Net Worth % *	12.54%	11.02%	19.15%	16.75%	18.30%
Net asset value per equity share (Rs.) *	44.57	79.44	71.95	59.38	192.56
Weighted average number of equity shares for Basic and Diluted Earnings Per Equity Share (Refer note 18(b))	57.33	57.27	57.27	57.27	57.27
Net Profit after tax attributable to Owners (Rs. in Million)	320.18	250.56	394.51	284.77	258.83
Share Capital (Rs. in Million)	572.68	286.34	286.34	286.34	73.46
Reserves (Other equity), as restated (Rs. in Million)	1,979.71	1,988.34	1,773.80	1,413.86	1,341.11
Net worth, as restated (Rs. in Million)	2,552.39	2,274.68	2,060.14	1,700.20	1,414.57

* presented in two decimals

1. The ratios on the basis of Restated financial information have been computed as below:

$$\text{Basic Earnings per share (INR)} = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares}}$$

$$\text{Diluted Earnings per share (INR)} = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Net profit after tax, as restated}}{\text{Net worth at the end of the year}}$$

$$\text{Net Asset Value (NAV) per equity share (INR)} = \frac{\text{Net worth as restated at the end of the year}}{\text{Number of equity shares outstanding at the end of the year}}$$

2. 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 the balance sheet date. (Refer note 18(b))

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 Financial Information - Annexure I to Annexure IV.

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Mrs. Bectors Food Specialities Limited
Annexure X - Restated statement of capitalisation
(All amounts are in Rupees millions, unless otherwise stated)

Particulars	Pre offer for the year ended 31 March 2018
Debt:	
Long term borrowings	956.93
Short term borrowings	262.73
Current maturities of long-term debt	121.17
Total debt (A)	**1,340.83**
Shareholder's funds:	
Equity share capital	572.68
Reserves (Other equity), as restated	1,979.74
Total shareholders' fund (B)	**2,552.41**
Total debt/ shareholder's fund (A/B)	53%

Notes:
i) The above has been computed on the basis of the Restated Financial Information - Annexure I to Annexure IV.
ii) The Corresponding post IPO capitalisation data in the above table is not determinable at this stage pending the completion of the Book Building Process and hence the same has not been provided in the above statement.

Annexure XI - Restated statement of dividend declaired/ paid

Particulars	For the year ended 31 March 2018*	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Number of equity shares outstanding (in million)	57.27	28.63	28.63	28.63	7.35
Face value per share	10.00	10.00	10.00	10.00	10.00
Interim dividend	42.95	28.63	28.63	-	-
Dividend tax	5.21	5.83	5.83	-	-
Rate of Dividend (%)	7.5%	10.0%	10.0%	0.0%	0.0%
Dividend tax rate	12.1%	20.4%	20.4%	0.0%	0.0%
Dividend per equity share (in Rs.)	0.75	1.00	1.00	-	-

*During the year Company has received dividend from its subsidiary and has taken credit of Dividend Distribution Tax (DDT) paid by the subsidiary company.

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Mrs. Bectors Food Specialities Limited
Annexure XII - Restated statement of tax shelter
(All amounts are in Rupees millions, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Profit before tax- as restated (A)	474.21	364.72	562.36	437.06	365.02
Company's domestic tax rate (B)	34.608%	34.608%	34.608%	34.608%	33.990%
Tax using the Company's domestic tax rate (C)	164.11	126.22	194.62	151.26	124.07
Adjustments					
Tax impact of permanent differences	(10.08)	(12.06)	(26.77)	1.03	(17.88)
Total Tax impact on Permanent Difference (D)	**(10.08)**	**(12.06)**	**(26.77)**	**1.03**	**(17.88)**
Tax impact on Timing Difference due to:					
Property, plant and equipment	(19.22)	(9.12)	0.52	(5.23)	(21.78)
Investments in mutual funds at fair value through profit and loss	2.18	0.21	(2.32)	3.59	(3.69)
Forward exchange contracts used for hedging	6.50	(4.44)	(3.64)	3.12	(4.14)
Other items	(2.63)	0.73	0.58	(2.31)	0.24
Provisions - employee benefits	2.27	2.96	5.47	(3.52)	1.90
Allowances on doubtful receivables	1.14	2.59	(0.05)	(3.12)	1.44
Others	5.96	7.60	10.52	(4.93)	26.36
Total Tax impact of Timing Difference (E)	**(3.80)**	**0.53**	**11.08**	**(12.41)**	**0.33**
Adjustments for current tax of prior periods (G)					
Additional tax recorded in the books (H)					
Net Adjustment I= (D+E+F+G+H)	**(13.89)**	**(11.53)**	**(15.69)**	**(11.38)**	**(17.55)**
Tax Liability I = (C+I)	**150.23**	**114.69**	**178.93**	**139.88**	**106.52**

EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS

To
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 "Holding Company" or the "Company"), and its subsidiaries (collectively referred to as the "Group") and of its associate, which comprise of the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 and the Significant Accounting Policies, read together with the annexures and notes thereto and other restated consolidated financial information as appearing in paragraph 7 below (collectively, together with the notes and annexures thereto, the "Restated Consolidated Financial Information"), for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed initial public offer of equity shares ("IPO"), as approved by the Board of Directors of the Company prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act"), as amended; and

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date (the "ICDR Regulations") in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 on clarification regarding applicability of Indian Accounting Standards to disclosures in offer documents under the ICDR Regulations issued by the Securities and Exchange Board of India.

2) The preparation of the Restated Consolidated Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 11 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act and ICDR Regulations.

3) We have examined such Restated Consolidated Financial Information after taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 25 June 2018 in connection with the proposed issue of equity shares of the Company; and

b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI ("The Guidance Note").

4) The Restated Consolidated Financial Information have been compiled by the management as follows:

(a) As at and for the years ended 31 March 2018 and 31 March 2017: From the audited consolidated financial statements of the Group and its associate as at and for the years ended 31 March 2018 and 31 March 2017, being the comparative period for the year ended 31 March 2018, prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act, other relevant provisions of the Act, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 10 July 2018. The audited consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2017, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, other relevant provisions of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 5 September 2017. These audited consolidated financial statements of the Group and its associate have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on 1 April 2016 ('transition date') and are disclosed as the comparative figures for the year ended 31 March 2018;

(b) As at and for the years ended 31 March 2016 and 31 March 2015: From the audited consolidated financial statements of the Group and its associate as at and for the years ended 31 March 2016 and 31 March 2015, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as amended, which have been approved by the Board of Directors at their Board meeting held on 23 September 2016 and 26 October 2015 respectively and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group and its associate on its first time adoption of Ind AS as on the transition date; and

(c) As at and for the year ended 31 March 2014: From the audited consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2014, prepared in accordance with Accounting Standards prescribed under section 211(3C) of the Companies Act, 1956 read with Companies (Accounting Standards) Rules, 2006, which have been approved by the Board of Directors at their Board meeting held on 1 August 2018 and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on the transition date.

The Restated Consolidated Financial Information mentioned in the 4(b) and 4(c) above, as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 are referred to as "the Proforma Ind AS Restated Consolidated Financial Information" as per the Guidance Note.

5) a) We did not audit the financial statements of two subsidiaries as listed in Appendix 1, whose share of total assets, total revenues and net cash flows and Group's share of net profit/loss, included in the Restated Consolidated Financial Information, for each of the financial year is tabulated below:

(Amounts in Rs. Million)

Particulars	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Total Assets	299.65	323.33	339.85	341.43	358.86

Revenues	413.13	371.48	266.27	248.61	199.76
Net Cash Inflows / (outflows)	(1.39)	6.88	(0.69)	0.11	1.72

b) We did not audit the financial statements of an associate as listed in Appendix 1, whose financial statements reflect group share of net profit of the following amounts tabulated below:

(Amounts in Rs. Million)

Particulars	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Group's share of net profit / (loss)	0.17	0.31	0.29	0.25	1.43

All the above financial statements mentioned in para 5(a) and (b) above, have been audited by another firm of Chartered Accountants: Kumar Sunil and Associates, whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in these Restated Consolidated Financial Information are based solely on the report of other auditors.

These other auditors have confirmed that the restated consolidated financial information in relation to the financial statements of two subsidiaries and an associate as listed in Appendix 1:

a) has been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

b) has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

c) do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.

6) Based on our examination in accordance with the requirements of Section 26 of Part I of Chapter III of the Act, the ICDR Regulations and the Guidance Note and terms of our engagement agreed with you, read together with paragraph 3 above (including reliance placed on the reports of the other auditors as referred to in paragraph 5 above), we report that:

a) The Restated Consolidated Statement of Assets and Liabilities of the Group and its associate as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/reclassifications as, in our opinion, were appropriate and more fully described in Annexure VII – Restated Statement of Adjustments to Audited Financial Statements and Notes to Restated Statement of Adjustments to Audited Financial Statements. As a result of these adjustments, the amounts reported in the above mentioned Statement are not necessarily the same as those appearing in the audited Consolidated Financial Statements of the Group and its associate as at and for each of the relevant financial years.

b) The Restated Consolidated Statement of Profit and Loss and Other Comprehensive Income of the Group and its associate for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII – Restated Statement of Adjustments to Audited Financial Statements and Notes to Restated Statement of Adjustments to Audited Financial Statements. As a result of these adjustments, the amounts reported in the above mentioned Statement are not necessarily the same as those appearing in the audited Consolidated Financial Statements of the Group and its associate as at and for each of the relevant financial years.

c) The Restated Consolidated Statement of Cash Flows of the Group and its associate for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure IV to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII – Restated Statement of Adjustments to Audited Financial Statements and Notes to Restated Statement of Adjustments to Audited Financial Statements. As a result of these adjustments, the amounts reported in the above mentioned Statement are not necessarily the same as those appearing in the audited Consolidated Financial Statements of the Group and its associate as at and for each of the relevant financial years.

d) The Restated Consolidated Statement of Changes in Equity of the Group and its associate for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/reclassifications as, in our opinion were, appropriate and more fully described in Annexure VII – Restated Statement of Adjustments to Audited Financial Statements and Notes to Restated Statement of Adjustments to Audited Financial Statements. As a result of these adjustments, the amounts reported in the above mentioned Statement are not necessarily the same as those appearing in the audited Consolidated Financial Statements of the Group and its associate as at and for each of the relevant financial years.

e) Based on the above, and according to the information and explanations given to us, we further report that:

   i) As explained in Annexure VII to the Restated Consolidated Financial Information, the Restated Consolidated Financial Information has been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

   ii) As explained in Annexure VII to the Restated Consolidated Financial Information, the Restated Consolidated Financial Information has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

   iii) The Restated Consolidated Financial Information do not contain any extra-ordinary item that need to be disclosed separately in the Restated Financial Information and have been adjusted for qualifications, if any, in the auditor's report in the respective financial years to which they relate.

7) We have also examined the following Restated Consolidated Financial Information of the Group and its associate as set out in the Annexures prepared by the management and approved by the Board of Directors on 01 August 2018 for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014:

   (i) Basis of preparation and significant accounting policies as enclosed in Annexure V;
   (ii) Notes to Restated Consolidated Financial Information as enclosed in Annexure VI
   (iii) Restated statement of adjustments to audited financial statements as enclosed in Annexure VII;
   (iv) Consolidated restated Statement of other income as enclosed in Annexure VIII;

(v) Consolidated restated statement of accounting ratios as enclosed in Annexure IX;
(vi) Restated statement of capitalisation as enclosed in Annexure X;
(vii) Restated statement of dividend paid as enclosed in Annexure XI;
(viii) Restated statement of tax shelter as enclosed in Annexure XII and
(ix) Additional information pursuant to the Companies Act, 2013 as enclosed in Annexure XIII.

8) According to the information and explanations given to us, in our opinion, the Restated Consolidated Financial Information and the above mentioned Other Restated Consolidated Financial Information contained in Annexures VI to XIII accompanying this report, read with the Consolidated Statement of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate as and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, ICDR Regulations and the Guidance Note.

9) 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.

10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11) Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, stock exchanges where the equity shares are proposed to be listed and the relevant Registrar of Companies in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **B S R & Co. LLP**

Chartered Accountants

ICAI firm registration number: 101248W/W-100022

Rajiv Goyal

Partner

Membership No.: 094549

Place: Gurugram

Date: 1 August 2018

Appendix 1

List of Subsidiaries and an Associate of Mrs Bectors Food Specialities Limited as at 31 March 2018

Particulars	Nature of relation	Year Ended	Name of the Auditor
Bakebest Foods Private Limited	Subsidiary	31 March 2018 31 March 2017 31 March 2016 31 March 2015 31 March 2014	Kumar Sunil & Associates, Chartered Accountants
Mrs Bectors English Oven Limited	Subsidiary	31 March 2018 31 March 2017 31 March 2016 31 March 2015 31 March 2014	Kumar Sunil & Associates, Chartered Accountants
Cremica Agro Foods Limited	Associate	31 March 2018 31 March 2017 31 March 2016 31 March 2015 31 March 2014	Kumar Sunil & Associates, Chartered Accountants

Mrs. Bectors Food Specialities Limited
Annexure I - Restated Consolidated Statement of Assets and Liabilities
(All amounts are in Rupees million, unless otherwise stated)

Particulars	Note	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment	1	2,545.78	2,173.73	1,780.13	1,829.40	1,887.52
Capital work-in-progress	1	920.79	117.84	193.95	15.74	13.56
Goodwill	2	7.27	7.27	7.27	7.27	7.27
Other intangible assets	2	17.81	17.13	18.94	-	-
Intangible assets under development		-	5.55	-	-	-
Investments accounted for using the equity method	3	38.82	38.65	38.34	38.05	27.77
Financial assets						
(i) Investments	4	-	-	-	0.12	0.12
(ii) Loans	5	33.56	34.81	26.21	24.08	21.10
(iii) Other financial assets	6	9.68	0.21	3.22	7.16	21.55
Non-current tax assets (net)	7	29.33	26.99	17.18	18.09	3.18
Other non-current assets	8	66.22	110.02	87.92	52.56	30.15
Total non-current assets		**3,669.26**	**2,532.20**	**2,173.16**	**1,992.47**	**2,012.22**
Current assets						
Inventories	9	353.49	276.09	325.24	273.72	259.07
Financial assets						
(i) Investments	10	0.18	48.26	102.70	50.35	79.22
(ii) Trade receivables	11	693.83	584.58	466.14	450.32	337.34
(iii) Cash and cash equivalents	12	58.76	136.08	67.14	59.58	61.94
(iv) Bank balances other than (iii) above	13	48.51	59.32	45.06	36.46	4.37
(v) Loans	14	-	-	-	-	7.12
(vi) Other financial assets	15	97.34	100.41	69.00	30.65	66.08
Other current assets	16	148.87	63.40	66.65	33.89	33.85
Total current assets		**1,400.98**	**1,268.14**	**1,141.93**	**934.97**	**848.99**
Total assets		**5,070.24**	**3,800.34**	**3,315.09**	**2,927.44**	**2,861.21**
EQUITY AND LIABILITIES						
Equity						
Equity share capital	17	572.68	286.34	286.34	286.34	73.46
Other equity	18	2,098.33	2,070.44	1,818.39	1,444.44	1,363.92
Total equity		**2,671.01**	**2,356.78**	**2,104.73**	**1,730.78**	**1,437.38**
LIABILITIES						
Non-current liabilities						
Financial liabilities						
(i) Borrowings	19	956.93	373.71	230.98	362.86	524.03
Provisions	20	32.54	31.87	20.91	19.46	13.98
Deferred tax liabilities (net)	21	65.57	58.33	52.61	61.04	52.17
Other non-current liabilities	22	137.48	34.38	35.04	33.68	37.00
Total non-current liabilities		**1,192.52**	**498.29**	**339.54**	**477.04**	**627.18**
Current liabilities						
Financial liabilities						
(i) Borrowings	23	262.73	165.59	191.83	90.81	157.44
(ii) Trade payables	24					
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		389.70	377.85	259.37	270.85	269.67
(iii) Other financial liabilities	25	297.63	154.44	165.56	137.47	186.39
Other current liabilities	26	103.79	121.47	131.26	129.94	118.60
Provisions	27	126.86	112.99	94.27	69.03	48.96
Current tax liabilities (net)	28	26.00	12.93	28.53	21.52	15.59
Total current liabilities		**1,206.71**	**945.27**	**870.82**	**719.62**	**796.65**
Total liabilities		**2,399.23**	**1,443.56**	**1,210.36**	**1,196.66**	**1,423.83**
Total equity and liabilities		**5,070.24**	**3,800.34**	**3,315.09**	**2,927.44**	**2,861.21**

The above statement 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 on adjustments to Audited Financial Statements 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

Place: Gurugram
Date: 1 August 2018

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

Anoop Bector
Managing Director
DIN:-00108589

Ishaan Bector
Director
DIN:-02906180

Atul Sud
Group Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place : Ludhiana
Date: 1 August 2018

Mrs. Bectors Food Specialities Limited
Annexure II - Restated Consolidated Statement of Profit and Loss
(All amounts are in Rupees million, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Income						
Revenue from operations	29	6,939.65	6,386.52	5,987.81	6,016.60	5,600.09
Other income	30	17.90	21.54	108.58	13.59	25.20
Total income		**6,957.55**	**6,408.06**	**6,096.39**	**6,030.19**	**5,625.29**
Expenses						
Cost of materials consumed	31	3,778.86	3,486.48	3,182.31	3,284.98	2,835.86
Purchase of stock-in-trade	32	119.68	105.72	4.22	32.67	499.86
Changes in inventories of finished goods, stock-in- trade and work-in-progress	33	(70.65)	22.64	1.05	3.62	(25.23)
Excise duty		33.30	139.68	139.58	92.72	34.57
Employee benefit expenses	34	913.07	809.43	794.61	687.06	527.61
Finance costs	35	57.78	45.02	50.41	83.18	86.37
Depreciation and amortisation expense	36	272.93	249.67	225.09	218.66	191.43
Other expenses	37	1,320.49	1,128.74	1,115.43	1,179.55	1,116.50
Total expenses		**6,425.46**	**5,987.38**	**5,512.70**	**5,582.44**	**5,266.97**
Profit before share of equity accounted investees and tax						
Share of net profit of associates accounted for using the equity method		0.17	0.31	0.29	0.25	1.43
Profit before tax		**532.26**	**420.99**	**583.98**	**448.00**	**359.75**
Tax expense	21					
Current tax		165.77	126.23	183.91	146.54	106.52
Deferred tax		6.31	6.60	(8.40)	8.42	(1.75)
		172.08	132.83	175.51	154.96	104.77
Profit after tax as restated (A)		**360.18**	**288.16**	**408.47**	**293.04**	**254.98**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit liability / (asset)		2.67	(2.52)	(0.09)	1.32	1.49
Income tax relating to abopve mentioned item		(0.92)	0.87	0.03	(0.46)	(0.52)
Total other comprehensive income / (loss) for the year (B)		**1.75**	**(1.65)**	**(0.06)**	**0.86**	**0.97**
Total comprehensive income for the year as restated (A+B)		**361.93**	**286.51**	**408.41**	**293.90**	**255.95**
Earnings per equity share [nominal value of Rs. 10 (previous year Rs.10)]	39					
Basic		6.29	5.03	7.13	5.12	4.45
Diluted		6.28	5.03	7.13	5.12	4.45

The above statement 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 on adjustments to Audited Financial Statements 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
Group Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 1 August 2018

Place : Ludhiana
Date: 1 August 2018

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	Note	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Balance as at the beginning of the year		286.34	286.34	286.34	73.46	73.46
Add: Shares issued on account of scheme of Amalgamation and Arrangement during the year	17	-	-	-	212.88	-
Add: Bonus shares issued		286.34	-	-	-	-
Balance at the end of the reporting period		**572.68**	**286.34**	**286.34**	**286.34**	**73.46**

B. Other equity

Particulars	Note	Reserves and surplus: Share application on money pending allotment	Share options outstanding account	Capital reserve	General reserve	Securities premium	Retained earnings	Remeasurement of defined benefit plans	Total other equity
Balance as at 1 April 1 2013 - Proforma Ind AS		-	-	11.33	12.10	596.34	722.24	-	1,342.01
Profit for the year		-	-	-	-	-	254.98	-	254.98
Other comprehensive income for the year		-	-	-	-	-	-	0.97	0.97
Add:- Gain on account of share in associate Group on account of transitional provision		-	-	19.38	-	-	-	-	19.38
Add:-Adjustment on account of merger under Composite scheme of Amalgamation and Arrangement		212.88	-	3.04	-	-	97.93	-	313.85
Less:-Adjustment on account of demerger under Composite scheme of Amalgamation and Arrangement		-	-	-	(12.10)	(66.16)	(489.01)	-	(567.27)
Balance as at 31 March 2014 - Proforma Ind AS		**212.88**	**-**	**33.75**	**-**	**530.18**	**586.14**	**0.97**	**1,363.92**
Balance as at 1 April 1 2014 - Proforma Ind AS		**212.88**		**33.75**	**-**	**530.18**	**586.14**	**0.97**	**1,363.92**
Profit for the year		-	-	-	-	-	293.04	-	293.04
Other comprehensive income for the year		-	-	-	-	-	-	0.86	0.86
Add:- Gain on account of share in associate Group on account of transitional provision		-	-	-	(0.50)	-	-	-	(0.50)
Less:- Equity shares issued during the year		(212.88)	-	-	-	-	-	-	(212.88)
Balance as at 31 March 2015 - Proforma Ind AS		**-**		**33.75**	**(0.50)**	**530.18**	**879.18**	**1.83**	**1,444.44**
Balance as at 1 April 2015 - Proforma Ind AS		**-**	**-**	**33.75**	**(0.50)**	**530.18**	**879.18**	1.83	1,444.44
Profit for the year		-	-	-	-	-	408.47	-	408.47
Other comprehensive income/(loss) for the year		-	-	-	-	-	-	(0.06)	(0.06)
Less: Dividend paid		-	-	-	-	-	(28.63)	-	(28.63)
Less: Dividend distribution tax		-	-	-	-	-	(5.83)	-	(5.83)
Balance as at 31 March 2016 - Proforma Ind AS		**-**	**-**	**33.75**	**(0.50)**	**530.18**	**1,253.19**	**1.77**	**1,818.39**
Balance as at 1 April 2016 - Proforma Ind AS		**-**	**-**	**33.75**	**(0.50)**	**530.18**	**1,253.19**	1.77	1,818.39
Profit for the year		-	-	-	-	-	288.16	-	288.16
Other comprehensive income/(loss) for the year		-	-	-	-	-	-	(1.65)	(1.65)
Less: Dividend paid		-	-	-	-	-	(28.63)	-	(28.63)
Less: Dividend distribution tax		-	-	-	-	-	(5.83)	-	(5.83)
Balance as at 31 March 2017		**-**	**-**	**33.75**	**(0.50)**	**530.18**	**1,506.89**	**0.12**	**2,070.44**
Balance as at 1 April 2017		-	-	33.75	(0.50)	530.18	1,506.89	0.12	2,070.44
Profit for the year		-	-	-	-	-	360.18	-	360.18
Other comprehensive income/(loss) for the year		-	-	-	-	-	-	1.75	1.75
Employee stock option expense		-	3.99	-	-	-	-	-	3.99
Bonus shares issued		-	-	-	-	(286.34)	-	-	(286.34)
Less: Dividend paid		-	-	-	-	-	(42.95)	-	(42.95)
Less: Dividend distribution tax		-	-	-	-	-	(8.74)	-	(8.74)
Balance as at 31 March 2018		**-**	**3.99**	**33.75**	**(0.50)**	**243.84**	**1,815.38**	**1.87**	**2,098.33**

The above statement 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 on adjustments to Audited Financial Statements 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

Anoop Bector
Managing Director
DIN:-00108589

Ishaan Bector
Director
DIN:-02906180

Atul Sud
Group Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 1 August 2018

Place : Ludhiana
Date: 1 August 2018

Mrs. Bectors Food Specialities Limited
Annexure IV - Restated Consolidated Statement of Cash Flows
(All amounts are in Rupees million, unless otherwise stated)

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
A.	**Cash flows from operating activities**					
	Profit before income tax (as restated)	532.26	420.99	583.98	448.00	379.11
	Adjustments for:					
	Depreciation and amortisation expense	272.93	249.67	225.09	218.66	191.43
	Provision for doubtful debts	4.64	7.56	0.52	(0.52)	7.53
	Net (gain)/loss on disposal of property, plant and equipment and intangible assets	2.44	1.79	(82.44)	(0.06)	6.02
	Loans written off (refer note 45)	-	-	-	7.12	-
	Net gain on sale of investments	(0.67)	(2.26)	(5.26)	(1.64)	(7.42)
	Bad debts written off	1.91	5.32	10.05	0.11	0.10
	Dividend income on investments	-	-	0.01	-	0.03
	Share of profit of associates	(0.17)	(0.31)	(0.29)	(0.25)	(1.43)
	Interest income	(6.08)	(6.42)	(4.87)	(6.07)	(4.14)
	Changes in fair value of financial assets at fair value through profit or loss	0.06	-	-	0.03	-
	Finance costs	57.78	45.02	50.41	83.18	86.37
	Employee share based payements	3.99	-	-	-	-
	Operating profit before working capital changes (as restated)	**869.09**	**721.36**	**777.20**	**748.56**	**657.59**
	Changes in operating assets and liabilities					
	(Increase)/Decrease in loans	1.25	(8.60)	(2.13)	(2.98)	(2.88)
	(Increase)/ Decrease in other financial assets	3.12	(31.21)	(34.49)	35.43	(150.78)
	(Increase)/ Decrease in other assets	(85.47)	3.25	(32.76)	0.29	51.38
	(Increase)/Decrease in inventories	(77.40)	49.15	(51.52)	(14.65)	(52.06)
	(Increase)/Decrease in trade receivables	(115.80)	(131.32)	(26.39)	(112.57)	21.84
	Increase/(Decrease) in provisions	17.21	27.16	26.60	26.87	20.50
	Increase / (Decrease) in other liabilities	(18.04)	(5.09)	(5.94)	10.78	65.15
	Increase/(Decrease) in trade payables	11.85	118.48	(11.48)	1.18	13.14
	Increase/ (Decrease) in other financial liabilities	12.75	(44.74)	43.82	(0.17)	(43.95)
	Cash generated from operations	**618.56**	**698.44**	**682.91**	**692.74**	**579.94**
	Direct taxes (paid)/ received (net of refunds)	(155.04)	(151.64)	(175.99)	(155.52)	(99.72)
	Net cash inflow from operating activities - Total (A)	**463.52**	**546.80**	**506.92**	**537.22**	**480.21**
B.	**Cash flows from investing activities**					
	Purchase of fixed assets (including capital work in progress and capital advances)	(1,189.19)	(575.82)	(424.91)	(200.43)	(447.88)
	Purchase of intangible assets (including intangible assets under development)	(0.81)	(7.81)	(18.94)	-	(0.29)
	Proceeds from sale of property, plant and equipment and intangibles	3.62	8.00	134.21	0.59	69.24
	Net proceeds of investments	48.69	56.70	(46.97)	30.48	(65.09)
	Purchase of investment in associates	0.00	0.00	0.00	(10.53)	(29.93)
	Net redemption/(investments) in bank deposits (having original maturity of more than three months)	1.34	(11.25)	(4.66)	(17.70)	34.31
	Dividends received from subsidiaries	-	-	(0.01)	-	(0.03)
	Interest received	6.03	6.22	1.01	6.07	4.14
	Net cash outflow from investing activities - Total (B)	**(1,130.32)**	**(523.96)**	**(360.27)**	**(191.52)**	**(435.52)**
C.	**Cash flows from financing activities ***					
	Proceeds/(repayments) from/to non-current borrowings	592.15	171.01	(174.58)	(196.36)	67.74
	Proceeds/(repayments) from/to current borrowings	97.14	(26.24)	101.02	(66.63)	(95.15)
	Interest paid	(57.32)	(44.08)	(51.21)	(85.07)	(86.47)
	Dividend paid on equity shares (including dividend distribution tax)	(42.49)	(54.59)	(14.33)	-	-
	Net cash outflow from financing activities - Total (C)	**589.48**	**46.10**	**(139.10)**	**(348.06)**	**(113.88)**
D.	**Net increase/ (decrease) in cash and cash equivalents (A)+(B)+('C)**	**(77.32)**	**68.94**	**7.56**	**(2.36)**	**(69.19)**
E.	**Cash and cash equivalents at the beginning of the year**	**136.08**	**67.14**	**59.58**	**61.94**	**111.55**
	Add : Cash and cash equivalents acquired pursuant to Composite Scheme of Arrangement					**19.58**
F.	**Cash and cash equivalents at the end of the year (D)+(E)**	**58.76**	**136.08**	**67.14**	**59.58**	**61.94**
	Reconciliation of cash and cash equivalents as per the cash flow statement					
	Cash and cash equivalents as per above comprise of the following					
	Cash and cash equivalents	58.76	136.08	67.14	59.58	61.94
	Balances per statement of cash flows	**58.76**	**136.08**	**67.14**	**59.58**	**61.94**

* Refer note 19 ('c) for reconciliation of liabilities from financing activities.

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

The above statement should be read with the Basis of preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII.

As per our report 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
Group Secretary

Parveen Kumar Goel
Executive Director and CFO
DIN:- 00007297

Place: Gurugram
Date: 1 August 2018

Place : Ludhiana
Date: 1 August 2018

Annexure V: Basis of preparation and Significant Accounting Policies

1. Reporting entity

Mrs. Bectors Food Specialities Limited referred to as "the Company" is domiciled in India. The Company's registered office is at Theing Road, Phillaur-144410, Punjab, India. These consolidated financial statements comprise 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 and its associate 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

The Restated Consolidated Statement of Assets and Liabilities of Mrs. Bectors Food Specialities Limited as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 and Restated Other Consolidated Financial Information (together referred as '**Restated Consolidated Financial Information**') has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 ("the Act") to the extent applicable. The Restated Consolidated Financial Information has been compiled by the Group and its associate from:

1) The audited consolidated financial statements of the Group and its associate as at and for the years ended 31 March 2018 and 31 March 2017, being the comparative period for the year ended 31 March 2018, prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act, as amended, other relevant provisions of the Act, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 10 July 2018. The audited consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2017, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, other relevant provisions of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 5 September 2017. These audited consolidated financial statements of the Group and its associate have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group and its associate on its first time adoption of Ind AS as on 1 April 2016 ('transition date') and are disclosed as the comparative figures for the year ended 31 March 2018;

2) From the audited consolidated financial statements of the Group and its associate as at and for the years ended 31 March 2016 and 31 March 2015, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as amended, which have been approved by the Board of Directors at their Board meeting held on 23 September 2016 and 26 October 2015 respectively and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group and its associate on its first time adoption of Ind AS as on the transition date; and

3) From the audited consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2014, prepared in accordance with Accounting Standards prescribed under section 211(3C) of the Companies Act, 1956 read with Companies (Accounting Standards) Rules,

2006, as amended, which have been approved by the Board of Directors at their Board meeting held on 1 August 2018 and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group and its associate on its first time adoption of Ind AS as on the transition date.

The Restated Consolidated Financial Information mentioned in sub paragraph 2 and 3 above, as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 are referred to as "the Proforma Ind AS Restated Consolidated Financial Information" as per the Guidance Note on Reports in Company Prospectus (Revised 2016), issued by Institute of Chartered Accountants of India.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group and its associate has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer Note 51 of Annexure VI).

The Restated Consolidated Financial Information for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 were authorised and approved for issue by the Board of Directors of the Group on 1 August 2018.

The Restated Consolidated Financial Information has been prepared by the management for the purpose of inclusion in the offer document prepared by the Group and its associate in connection with its proposed Initial Public Offer (the "IPO") of equity shares, to be filed by the Group and its associate with the Securities and Exchange Board of India, relevant Registrar of Companies and the concerned Stock Exchange in accordance with 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, 2009, as amended to date (the "ICDR Regulations") in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 on clarification regarding applicability of Indian Accounting Standards to disclosures in offer documents under the ICDR Regulations issued by the Securities and Exchange Board of India.

c) Guidance note on reports in Group prospectuses (revised 2016) issued by the Institute of Chartered Accountants of India.

This Restated Consolidated Financial Information has been compiled by the Group and its associate (as explained above) and:

- As explained in Annexure VII to the Restated Consolidated Financial Information, the Restated Consolidated Financial Information has been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

- As explained in Annexure VII to the Restated Consolidated Financial Information, the Restated Consolidated Financial Information has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

- The Restated Consolidated Financial Information do not contain any extra-ordinary item that need to be disclosed separately in the Restated Financial Information and have been adjusted for qualifications, if any, in the auditor's report in the respective financial years to which they relate;

- 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 Information of the Group and its associate as at and for the period ended 31 March 2018 prepared under Ind AS and the requirements of the SEBI Regulations have been appropriately adjusted, and

- The resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective periods to which they relate.

i) 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 millions, upto two places of decimal, unless otherwise stated.

ii) Historical cost convention

The Restated Consolidated Financial Information has been prepared under historical cost convention except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

iii) 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
- Share-based payments: measured at fair value of share based payments

Fair value measurement

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

iv) 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 42 - classification of leases into finance and operating lease;
- Note 42 - leases: whether an arrangement contains lease

Assumptions and estimation uncertainties

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

- Note 2c & 2d - 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 40 - recognition and measurement of provisions and contingencies;
- Note 48 - impairment of financial assets;
- Note 48 - Fair value measurement of financial instruments.
- Note 9 – write down of inventories
- Note 2m, 7 and 21 – recognition of tax expense including deferred tax, availability of future taxable profits against which tax losses carried forward can be used

v) Current versus non-current classification

A number of the Group and its associate's accounting policies and liabilities as current and non-current

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

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

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

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

b) **Basis of consolidation**

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 companies 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 Consolidated statement of Profit and Loss, Consolidated statement of changes in Equity and Consolidated Balance sheet respectively.

Equity accounted investees

Investments in associates are carried at cost less accumulated impairment losses, if any. Interests in an associate are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence ceases. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Restated Consolidated Statement of Profit and Loss.

Upon first-time adoption of Ind AS, the Group has elected to measure its investments in associates at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1 April 2016.

Transactions eliminated on consolidation

Intra group balances and transactions, and any unrealized income and expenses arising from intra – group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Business Combinations

Business combinations (other than common control business combinations) on or after 1 April 2016:
As part of transition to Ind AS, the Group and its associate has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred after 1 April 2016. In accordance with Ind AS 103, the Group accounts for these 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 bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exist clear evidence of the underlying reason for classifying the business combination as resulting in bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction cost are expensed as incurred, except to the extent related to 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 and 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 and loss.

If business combination is achieved in stages, any previous held equity interest in the acquiree is remeasured to its acquisition date fair value and any resulting gain or loss is recognised in profit and loss or OCI, as appropriate.

c) **Property, plant and equipment (PPE)**

i. Recognition and measurement

Items of property, plant and equipment 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 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.

Advances paid towards acquisition of PPE 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 capital work-in- progress.

ii. Transition to Ind AS

On transition to Ind AS, the Group and its associate has elected to continue with the carrying value of all of its property, plant and equipment 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 (Refer note 51).

iii. Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and its associate.

iv. Depreciation

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

Leasehold improvements are amortised over the period of lease.

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

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

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

d) **Intangible assets**

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

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

The estimated useful life of the software is considered as 5 years.

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

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

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 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 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 Restated 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 's gratuity benefit scheme is a defined benefit plan.

Gratuity

The Group’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Plan is funded with Insurance Group in form of insurance policy. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, 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 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 Restated 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 Restated Consolidated Balance Sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Restated Consolidated Balance Sheet date. Actuarial gains and losses are recognised in the Restated Consolidated Statement of Profit and Loss in the period in which they occur.

h) **Revenue**

a) Sale of goods

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

Revenues includes excise duty and are shown net of sales tax, value added tax and goods and services tax (with effect from 1 July 2017).

b) Rendering of services

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

c) Interest income

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

d) Dividend income

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

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 will comply with the conditions associated with the grant; they are then recognised in Restated Standalone Statement of Profit and Loss as other operating revenue on a systematic basis.

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

j) **Inventories**

Raw materials, components, stores and spares are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

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

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

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

k) **Provisions, contingent liabilities and contingent assets**

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

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

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

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

l) **Financial instruments**

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

1) Financial assets

i) Initial recognition and measurement

The Group initially recognises financial assets on the date on which they are originated. The Group recognises the financial assets on the trade date, which is the date on which the Group 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 classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Group 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 considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instrument at amortised cost

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

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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

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 decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group 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 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 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 of similar financial assets) is primarily derecognised (i.e. removed from the Group's Restated Consolidated Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or

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

v) Impairment of financial assets

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

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

vi) Impairment of non-financial assets

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

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

The Group's corporate assets (e.g., office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss is recognised in the Restated Standalone Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

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 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 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 enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/ (losses).

m) **Income taxes**

Income tax comprises current and deferred tax. It is recognised in the 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 in the Restated Consolidated Balance Sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Restated Consolidated Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group 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 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.

Minimum alternate tax ('MAT') under the provisions of Income-tax Act, 1961 is recognized as current tax in statement of profit and 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 recognized adjusted from deferred tax liability is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

n) **Leases**

Determining whether an arrangement contains a lease:

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

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

Where the Group is the Lessee:

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

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

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

Where the Group is the lessor:

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group 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 Restated Consolidated Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Restated Consolidated Statement of Profit and Loss.

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

o) **Segment reporting**

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

The Board of Directors of the Group have been identified as being the Chief operating decision maker by the management of the Group. Refer note 49 for segment information presented.

p) **Standards issued but not yet effective**

Ind AS 115- Revenue from contracts with customers

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group and its associate will adopt the standard from 1 April 2018 and is in the process of identifying the impact if any.

Ind AS 21, The Effects of Changes in Foreign Exchange Rates

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Group and its associate has evaluated the effect of this on the financial statements and the impact is not material

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Note 1: Property, plant and equipment and capital work-in-progress

	Freehold land	Leasehold Land *	Lease hold Improvements	Buildings	Plant and equipment	Vehicles	Office equipment	Computers	Furniture and fixtures	Total	Capital work-in-progress
Year ended 31 March 2014 - Proforma Ind AS											
Gross carrying amount											
Deemed cost as at 1 April 2013	220.80	86.54	0.16	478.79	964.00	73.03	13.08	5.87	22.38	1,864.65	37.25
Additions during the year	-	27.23	8.73	192.02	508.88	28.23	1.43	2.28	16.81	785.61	317.79
Additions due to Composite scheme of Amalgamation and Arrangement (Refer Note 51)	29.87	-	-	0.59	-	1.24	-	-	-	31.70	-
Transfer due to Composite scheme of Amalgamation and Arrangement (Refer Note 51)	(103.78)	(68.30)	-	(95.17)	(241.33)	(23.32)	(6.35)	(1.58)	(8.79)	(548.62)	(5.89)
Disposals/adjustments during the year	(29.72)	-	(6.00)	(6.40)	(22.42)	(9.82)	(0.18)	(0.43)	(0.55)	(75.52)	(335.59)
Closing gross carrying amount	117.17	45.47	2.89	569.83	1,209.13	69.36	7.98	6.14	29.85	2,057.82	13.56
Accumulated depreciation											
Additions due to Composite scheme of Amalgamation and Arrangement (Refer Note 51)	-	-	-	0.36	-	1.24	-	-	-	1.60	-
Charge during the year	-	0.56	0.90	18.83	153.21	13.95	1.14	1.41	1.43	191.43	-
Disposals/adjustments during the year	-	-	(6.00)	(1.23)	(9.20)	(5.76)	(0.04)	(0.31)	(0.19)	(22.73)	-
Closing accumulated depreciation	-	0.56	(5.10)	17.96	144.01	9.43	1.10	1.10	1.24	170.30	-
Net carrying amount as at 31 March 2014 - Proforma Ind AS	**117.17**	**44.91**	**7.99**	**551.87**	**1,065.12**	**59.93**	**6.88**	**5.04**	**28.61**	**1,887.52**	**13.56**
Year ended 31 March 2015 - Proforma Ind AS											
Gross carrying amount											
Opening gross carrying amount	117.17	45.47	2.89	569.83	1,209.13	69.35	7.98	6.14	29.85	2,057.81	13.40
Additions during the year	-	-	2.17	82.33	70.65	-	6.21	1.53	4.51	167.40	127.39
Disposals/adjustments during the year	-	-	-	0.03	(1.01)	(1.03)	9.82	-	(9.37)	(1.56)	(125.05)
Closing gross carrying amount	117.17	45.47	5.06	652.19	1,278.77	68.32	24.01	7.67	24.99	2,223.65	15.74
Accumulated depreciation											
Opening accumulated depreciation	-	0.56	(5.10)	17.95	144.01	9.43	1.11	1.10	1.24	170.30	-
Charge during the year	-	0.58	3.58	19.92	169.70	12.87	6.08	2.73	3.21	218.67	-
Disposals/adjustments during the year	-	-	-	1.24	(0.07)	(0.53)	6.77	0.46	(2.59)	5.28	-
Closing accumulated depreciation	-	1.14	(1.52)	39.11	313.64	21.77	13.96	4.29	1.86	394.25	-
Net carrying amount as at 31 March 2015 - Proforma Ind AS	**117.17**	**44.33**	**6.58**	**613.08**	**965.13**	**46.55**	**10.05**	**3.38**	**23.13**	**1,829.40**	**15.74**

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

Note 1: Property, plant and equipment and capital work-in-progress

	Freehold land	Leasehold Land *	Lease hold Improvements	Buildings	Plant and equipment	Vehicles	Office equipment	Computers	Furniture and fixtures	Total	Capital work-in-progress
Year ended 31 March 2016 - Proforma Ind AS											
Gross carrying amount											
Opening gross carrying amount	117.16	45.47	5.05	652.19	1,278.77	68.32	24.01	7.67	24.98	2,223.62	15.74
Additions during the year	11.16	0.85	0.70	27.39	164.35	16.04	1.45	4.74	1.53	228.21	323.24
Capitalisation of general borrowing cost	-	-	-	-	-	-	-	-	-	-	4.32
Disposals/adjustments during the year	(42.02)	-	-	-	(10.91)	(17.93)	0.82	(0.48)	0.67	(69.85)	(149.35)
Closing gross carrying amount	86.30	46.32	5.75	679.58	1,432.21	66.43	26.28	11.93	27.18	2,381.98	193.95
Accumulated depreciation											
Opening accumulated depreciation	-	1.14	(1.52)	39.11	313.64	21.77	13.96	4.29	1.86	394.25	-
Charge during the year	-	0.59	4.84	22.17	176.20	11.21	4.30	2.04	3.61	224.96	-
Disposals/adjustments during the year	-	-	-	-	(7.82)	(9.04)	(0.03)	(0.46)	(0.01)	(17.36)	-
Transfer during the year	-	-	-	-	(0.21)	-	0.13	-	0.08	-	-
Closing accumulated depreciation	-	1.73	3.32	61.28	481.81	23.94	18.36	5.87	5.54	601.85	-
Net carrying amount as at 31 March 2016 - Proforma Ind AS	**86.30**	**44.59**	**2.43**	**618.30**	**950.40**	**42.49**	**7.92**	**6.06**	**21.64**	**1,780.13**	**193.95**
Year ended 31 March 2017											
Gross carrying amount											
Opening gross carrying amount	86.30	46.32	5.75	679.58	1,432.21	66.43	26.28	11.93	27.18	2,381.98	193.95
Additions during the year	85.62	-	-	188.47	332.52	25.66	3.17	2.33	6.42	644.19	395.10
Disposals/adjustments during the year	-	-	-	-	(14.55)	(6.20)	-	-	-	(20.75)	(471.21)
Closing gross carrying amount	171.92	46.32	5.75	868.05	1,750.18	85.89	29.45	14.26	33.60	3,005.42	117.84
Accumulated depreciation											
Opening accumulated depreciation	-	1.73	3.32	61.28	481.80	23.93	18.36	5.87	5.54	601.83	-
Charge during the year	-	0.59	1.45	25.19	199.30	10.50	3.17	2.16	3.23	245.59	-
Disposals/adjustments during the year	-	-	-	-	(10.54)	(5.19)	-	-	-	(15.73)	-
Closing accumulated depreciation	-	2.32	4.77	86.47	670.56	29.24	21.53	8.03	8.77	831.69	-
Net carrying amount as at 31 March 2017	**171.92**	**44.00**	**0.98**	**781.58**	**1,079.62**	**56.65**	**7.92**	**6.23**	**24.83**	**2,173.73**	**117.84**
Year ended 31 March 2018											
Opening gross carrying amount	171.92	46.32	5.75	868.05	1,750.18	85.89	29.45	14.26	33.60	3,005.42	117.84
Additions during the year	4.58	96.84	-	165.99	368.53	3.83	1.59	2.51	1.48	645.35	1,251.54
Disposals/adjustments during the year	-	-	(9.78)	-	(24.11)	(0.90)	(0.04)	(0.50)	(0.14)	(35.47)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	(448.59)
Closing gross carrying amount	176.50	143.16	(4.03)	1,034.04	2,094.60	88.82	31.00	16.27	34.94	3,615.30	920.79
Accumulated depreciation											
Opening accumulated depreciation	-	2.33	4.76	86.47	670.57	29.24	21.53	8.03	8.77	831.70	-
Charge during the year	-	0.72	0.89	29.55	216.10	11.49	2.72	2.32	3.45	267.24	-
Disposals/adjustments during the year	-	-	(9.78)	-	(18.44)	(0.62)	(0.04)	(0.47)	(0.07)	(29.42)	-
Closing accumulated depreciation	-	3.05	(4.13)	116.02	868.23	40.11	24.21	9.88	12.15	1,069.52	-
Net carrying amount as at 31 March 2018	**176.50**	**140.11**	**0.10**	**918.02**	**1,226.37**	**48.71**	**6.79**	**6.39**	**22.79**	**2,545.78**	**920.79**

Notes:

a) On transiton to Ind AS, the Group has elected to continue the carrying value of all its property, plant and equipment as at 1 April 2016 measured as per Previous GAAP and to use that carrying value as the deemed cost of the property, plant and equipment. The Group has followed the same accounting policy choice as initially adopted on transition date, i.e. 1 April 2016 while preparing Restated financial information for the years ended March 31, 2016, 2015 and 2014.

b) Refer note 19 for charge created on property, plant and equipment.

c) Freehold land includes land having gross block amounting to Rs. 3.07 (31 March 2017 Rs. 3.07; 31 March 2016 Rs. 3.07; 31 March 2015 Rs. 3.07; 1 April 2014 Rs. 3.07) in the state of Himachal Pradesh, pending to be registered in the name of Group.

d) Building includes Flat at Noida having gross block amounting to Rs. 4.82 (31 March 2017 Rs. 4.82; 31 March 2016 Rs Nil; 31 March 2015 Rs. Nil; 1 April 2014 Rs. Nil) and written down value amounting to Rs. 4.52 (31 March 2017 Rs. 4.66 and 31 March 2016 Rs Nil; 31 March 2015 Rs. Nil; 1 April 2014 Rs. Nil) pending to be registered in the name of the Group.

e) Vehicles includes motor cars having gross block amounting to Rs. 0.03 (31 March 2017 Rs. 0.03; 31 March 2016 Rs 0.03; 31 March 2015 Rs. 0.03 and 1 April 2014 Rs 0.08) and written down value amounting to Rs. 0.03 (31 March 2017 Rs. 0.03, 31 March 2016 Rs 0.03, 31 March 2015 Rs. 0.03 and 1 April 2014 Rs 0.08) are pending to be registered in the name of the Group.

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

g) Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation rate relating to general borrowings was ranging approximately between 8.39% to 10.43%.

* Refer Note 19(b).

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Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Note 2: Other intangible assets

	Computer software	Total	Goodwill
Year ended 31 March 2014 - Proforma Ind AS			
Gross carrying amount			
Deemed cost as at 1 April 2013	0.29	0.29	7.27
Transfer due to Demerger under the composite scheme of Amalgamation and Arrangement	(0.29)	(0.29)	-
Additions during the year	-	-	-
Disposals/adjustments during the year	-	-	-
Closing gross carrying amount	-	-	7.27
Accumulated amortisation			
Opening accumulated amortisation	-	-	-
Transfer due to Demerger under the composite scheme of Amalgamation and Arrangement	-	-	-
Charge for the year	-	-	-
Disposals/adjustments during the year	-	-	-
Closing accumulated amortisation	-	-	-
Net carrying amount as at 31 March 2014 - Proforma Ind AS	**-**	**-**	**7.27**
Year ended 31 March 2015 - Proforma Ind AS			
Gross carrying amount			
Opening gross carrying amount	-	-	7.27
Additions during the year	-	-	-
Disposals/adjustments during the year	-	-	-
Closing gross carrying amount	-	-	7.27
Accumulated amortisation			
Opening accumulated amortisation	-	-	-
Charge for the year	-	-	-
Disposals/adjustments during the year	-	-	-
Closing accumulated amortisation	-	-	-
Net carrying amount as at 31 March 2015 - Proforma Ind AS	**-**	**-**	**7.27**
Year ended 31 March 2016 - Proforma Ind AS			
Gross carrying amount			
Opening gross carrying amount	-	-	7.27
Additions during the year	19.05	19.05	-
Disposals/adjustments during the year	-	-	-
Closing gross carrying amount	19.05	19.05	7.27
Accumulated amortisation			
Opening accumulated depreciation	-	-	-
Charge for the year	0.11	0.11	-
Disposals/adjustments during the year	-	-	-
Closing accumulated amortisation	0.11	0.11	-
Net carrying amount as at 31 March 2016 - Proforma Ind AS	**18.94**	**18.94**	**7.27**
Year ended 31 March 2017			
Gross carrying amount			
Opening gross carrying amount	19.05	19.05	7.27
Additions during the year	2.26	2.26	-
Disposals/adjustments during the year	-	-	-
Closing gross carrying amount	21.31	21.31	7.27
Accumulated amortisation			
Opening accumulated amortisation	0.11	0.11	-
Charge for the year	4.07	4.07	-
Disposals/adjustments during the year	-	-	-
Closing accumulated amortisation	4.18	4.18	-
Net carrying amount as at 31 March 2017	**17.13**	**17.13**	**7.27**

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

Year ended 31 March 2018			
Opening gross carrying amount	21.31	21.31	7.27
Gross carrying amount			
Opening gross carrying amount	-	-	-
Additions during the year	6.36	6.36	-
Disposals/adjustments during the year	-	-	-
Closing gross carrying amount	27.67	27.67	7.27
Accumulated amortisation			
Opening accumulated amortisation	4.18	4.18	-
Charge for the year	5.68	5.68	-
Disposals/adjustments during the year	-	-	-
Closing accumulated amortisation	9.86	9.86	-
Net carrying amount as at 31 March 2018	**17.81**	**17.81**	**7.27**

1) On transiton to Ind AS, the Group has elected to continue the carrying value of all its intangible assets as at 1 April 2016 measured as per Previous GAAP and to use that carrying value as the deemed cost of the intangible assets. The Group has followed the same accounting policy choice as initially adopted on transition date, i.e. 1 April 2016 while preparing Restated financial information for the years ended 31 March 2016, 2015 and 2014.

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. 7.27 has been allocated to the purchase of business of Bakebest Foods Private Limited. The recoverable amount of this CGU is based on fair value less costs to sell, estimated using discounted cash flows. The fair value measurement has been categorised as Level 3 fair value based on the inputs to the valuation technique used.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been assigned based on historical data both from external and internal sources.

Particulars	**As At 31 March 2018**	**As At 31 March 2017**	**As At 31 March 2016 Proforma Ind AS**	**As At 31 March 2015 Proforma Ind AS**	**As At 31 March 2014 Proforma Ind AS**
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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(All amounts are in Rupees million, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Note 3: Investments accounted for using the equity method					
Investment in associates at cost					
Unquoted investment in equity share at cost					
673,506 (31 March 2017: 673,506 , 31 March 2016: 673,506 , 31 March 2015: 673,506 and 31 March 2014: 497,100) equity shares of Rs.10/- each fully paid up of Cremica Agro Foods Limited *	38.82	38.65	38.34	38.05	27.77
	38.82	**38.65**	**38.34**	**38.05**	**27.77**

* Considered as unquoted since the stock exchange on which the investment was listed is closed.

Aggregate value of unquoted investments	38.82	38.65	38.34	38.05	27.77
Aggregate amount of impairment in the value of investments	Nil	Nil	Nil	Nil	Nil

Interests in associate (equity accounted)

Cremica Agro Foods Limited ('CAFL') is an associate of the Group and has a 44.95% ownership interest. The CAFL is principally engaged in food processing. The said Group was incorporated in India on 6 September 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	1.14	1.14	1.14	1.14	-

Summarised financial information for associate

The following table summarises the financial information of CAFL as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in CAFL.

Percentage ownership interest	**44.95%**	**44.95%**	**44.95%**	**44.95%**	**33.17%**
Non-current assets	48.74	48.83	27.15	24.94	3.27
Current assets	58.86	57.05	76.27	78.18	136.18
Current liabilities	(21.24)	(19.89)	(18.13)	(18.49)	(55.54)
Net assets (100%)	**86.36**	**85.99**	**85.29**	**84.63**	**83.91**
Group's share of net assets	38.82	38.65	38.34	38.04	27.84
Carrying amount of interest in associate	38.82	38.65	38.34	38.04	27.84

The bank accounts of the associate Group i.e Cremica Agro Foods Limited had been freezed by the Board of Directors due to dispute among some of the Directors of the Group w.e.f 6 January 2016.Balance with banks as at 31 March 2018 11.95, (31 March 2017 9.83 and 31 March 2016 8.19).

Carrying amount of the interest in associate

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
Revenue	-	0.73	-	7.54	480.03
Gain on additional interest acquired	-	-	-	(0.50)	19.38
Pre acquisition profit	0.38	0.69	0.65	1.22	4.32
Post acquisition profits	-	-	-	(0.34)	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income	**0.38**	**0.69**	**0.65**	**0.88**	**4.32**
Group's share of profit	**0.17**	**0.31**	**0.29**	**0.25**	**1.43**
Group's share of other comprehensive income	**-**	**-**			
Group's share of total comprehensive income	**0.17**	**0.31**	**0.29**	**0.25**	**1.43**

No dividend has been received from the associate for the year ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014

During the year ended 31 March 2015 the Group acquired additional interest in associate and accordingly proportionate share of profit in associate has been computed.

Note 4: Financial assets - Investments	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Investment in equity instruments carried at fair value through profit or loss					
Nil (31 March 2017: Nil , 31 March 2016: Nil , 31 March 2015: 12,000 and 31 March 2014: 12,000) equity shares of Rs.10/- each fully paid up of Cremica Food Specialities Limited	-	-	-	0.12	0.12
	-	-	-	0.12	0.12
Aggregate value of unquoted investments	-	-	-	0.12	0.12
Aggregate amount of impairment in the value of investments	-	-	-	-	-

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Note 5: Non current loans					
(Unsecured, considered good)					
Security deposits	33.56	34.81	26.21	24.08	21.10
	33.56	**34.81**	**26.21**	**24.08**	**21.10**

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Note 6: Other non-current financial assets					
Margin money deposit*	9.68	0.21	3.22	7.16	21.55
	9.68	**0.21**	**3.22**	**7.16**	**21.55**

*Margin money deposits with carrying amount of Rs. 9.68 (31 March 2017 Rs. 0.21, 31 March 2016 Rs. 3.22 , 31 March 2015 Rs. 7.16 and 31 March 2014 Rs. 21.55) are subject to first charge to secure the Group's inland letter of credit and bank guarantees.

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Note 7: Non - current tax assets (net)					
Advance income tax (net of provision for tax)	29.33	26.99	17.18	18.09	3.18
	29.33	**26.99**	**17.18**	**18.09**	**3.18**

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Note 8: Other non - current assets					
Capital advances	66.22	110.02	87.92	52.56	29.82
Advances recoverable in cash or kind	-	-	-	-	0.33
	66.22	**110.02**	**87.92**	**52.56**	**30.15**

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Note 9: Inventories					
(valued at lower of cost and net realisable value)					
Raw material and packing material	146.34	138.96	163.32	120.21	101.45
Work-in-progress	1.59	1.70	1.37	0.64	8.29
Finished goods - Manufactured goods (including stock in transit Rs. 85.20 (31 March 2017 Rs. 40.87; 31 March 2016 Rs.65.02; 31 March 2015 Rs.54.57 and 31 March 2014 Rs.74.41))	174.97	115.36	139.39	136.29	135.64
Stock in trade (including stock in transit Rs. 11.88 (31 March 2017 Rs. Nil, 31 March 2016 Rs.Nil , 31 March 2015 Rs Nil, 31 March 2014 Rs Nil))	11.88	0.73	-	-	0.72
Stores and spares	18.71	19.34	21.16	16.58	12.97
	353.49	**276.09**	**325.24**	**273.72**	**259.07**

The write-down of inventories to net realisable value during the year amounted to Rs 1.47 (31 March 2017 Rs.1.32; 31 March 2016 Rs.0.10; 31 March 2015 Rs. Nil and 31 March 2014 Rs. Nil). The write-down and reversal are included in changes in inventories of finished goods, stock in trade and work-in-progress

During the year inventories amounting to Rs. 0.29 (31 March 2017 Rs. 0.30; 31 March 2016 Rs.0.10; 31 March 2015 Rs. Nil and 31 March 2014 Rs. Nil) were provided as free samples were recognised as expense in the statement of profit and loss.

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

Note 10: Current financial assets - Investments	**As at 31 March 2018**	**As at 31 March 2017**	**As at 31 March 2016 Proforma Ind AS**	**As at 31 March 2015 Proforma Ind AS**	**As at 31 March 2014 Proforma Ind AS**
Investments in equity instruments and mutual fund at fair value through profit and loss					
Quoted *					
1,700 (31 March 2017 1,700; 31 March 2016 1,700; 31 March 2015 1,700; 31 March 2014 1,700) equity shares of Bank of India	0.18	0.24	0.16	0.33	0.39
Unquoted **					
Nil (31 March 2017 Rs. Nil, 31 March 2016 Rs. Nil , 31 March 2015 Rs. Nil and 31 March 2014 974,200 funds of SBI Dynamic Bond Fund Regular Plan	-	-	-	-	14.71
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 164,078) equity shares of SBI Magnum Income Fund Regular Plan	-	-	-	-	4.91
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 2,000,000) equity shares of SBI Debt Fund Series	-	-	-	-	20.64
Nil (31 March 2017 18,813, 31 March 2016 43,066 , 31 March 2015 22,783 and 31 March 2014 Nil) equity shares of SBI Premier Liquid Fund	-	48.02	102.54	50.02	-
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 2,770,000) equity shares of IDFC Fixed Term Plan 73 Regular Plan	-	-	-	-	28.05
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 74,000) equity shares of Rs.10 each fully paid up of Cremica Foods Limited (Refer Note 46)	-	-	-	-	10.30
Nil (31 March 2017 Nil, 31 March 2016 Nil, 31 March 2015 Nil and 31 March 2014 2,200) equity shares of Rs.100 each fully paid up of Cremica Industries Limited (Refer Note 46)	-	-	-	-	0.22
	0.18	**48.26**	**102.70**	**50.35**	**79.22**
Aggregate amount of impairment in the value of investments	Nil	Nil	Nil	Nil	Nil
***Quoted**					
Aggregate book value/ market value	0.18	0.24	0.16	0.33	0.39
****Unquoted**					
Aggregate book value/ market value	-	48.02	102.54	50.02	78.83

Note 11: Trade receivables	**As at 31 March 2018**	**As at 31 March 2017**	**As at 31 March 2016 Proforma Ind AS**	**As at 31 March 2015 Proforma Ind AS**	**As at 31 March 2014 Proforma Ind AS**
Unsecured, considered good	693.83	584.58	466.14	450.32	337.34
Doubtful	10.39	7.00	0.56	-	4.08
	704.22	**591.58**	**466.70**	**450.32**	**341.42**
Less : Loss Allowance for doubtful debts *	(10.39)	(7.00)	(0.56)	-	(4.08)
	693.83	**584.58**	**466.14**	**450.32**	**337.34**

* The loss allowance on receivables has been computed on the basis of Ind AS 109, Financial Instruments. The Group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 48.

Note 12: Cash and cash equivalents	**As at 31 March 2018**	**As at 31 March 2017**	**As at 31 March 2016 Proforma Ind AS**	**As at 31 March 2015 Proforma Ind AS**	**As at 31 March 2014 Proforma Ind AS**
Balance with banks					
- in current accounts#	56.30	134.76	65.96	56.33	59.18
Cash on hand	2.46	1.32	1.18	3.25	2.76
	58.76	**136.08**	**67.14**	**59.58**	**61.94**

#Includes debit balance of working capital facility availed from HDFC Bank Ltd & State Bank of India amounting to Rs. Nil (31 March 2017 23.64; 31 March 2016 Rs. Nil ; 31 March 2015 Rs. Nil and 1 April 2014 Rs. Nil) & Rs. 977 respectively (31 March 2017 Rs. 329; 31 March 2016 Rs. Nil , 31 March 2015 Rs. Nil and 31 March 2014 Rs. Nil) respectively.

There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior years.

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Note 13: Bank balances other than cash and cash equivalents above	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Deposits due to be matured within 12 months of the reporting date	0.45	0.42	0.50	1.18	4.37
Margin money deposit**	48.06	58.90	44.56	35.28	-
	48.51	**59.32**	**45.06**	**36.46**	**4.37**

**Margin money deposits with carrying amount of Rs. 48.06 (31 March 2017 55.90; 31 March 2016 Rs. 44.56; 31 March 2015 Rs. 42.44 and 1 April 2014 Rs. 21.06) are subject to first charge to secure the Group's inland letter of credit and bank guarantees.

Note 14: Loans *(unsecured, considered good)*	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Loans to related parties*	-	-	-	-	7.12
	-	**-**	**-**	**-**	**7.12**

* refer note 45 on transactions with related parties.

Movement of loans to related parties	
Name of Borrower	Mrs. Bectors Cremica Enterprises Limited** (Formerly Cremica Industries Limited) (Ceased to be related party w.e.f. 8 December 2015).
Rate of Interest	-
Terms of loan	-
Secured or unsecured	Unsecured
Purpose	Business utilisation
At the beginning of the year	7.12
Additions during the year	-
Interest accrued during the year (net of TDS)	-
At the end of the year	7.12

**Cremica Industries Limited was the owner of certain equity shares of a listed Group which was held by CIL as investments as on 1 April 2013. As per the Composite Scheme submitted to the Hon'ble High Court, after the Amalgamation and Arrangement (involving Demerger of bread undertaking of CIL into Mrs. Bectors Cremica Enterprise Limited and Merger of rest of undertaking into Mrs. Bectors Food Specialities Limited), these shares held by Cremica Industries Limited were to be transferred to the Mrs.Bectors Food Specialities Limited. However Cremica Industries Limited has sold these shares through Stock Exchange from time to time between 25 October 2013 and 8 January 2014 and received the payment of Rs.7.12 Million as consideration thereto. Thus the same took place before the presenation of Composition Scheme before the Hon'ble High Court for its sanction and the composite scheme was duly sanctioned vide order dated 04 July 2014 w.e.f 1 April 2013. In the composite scheme Hon'ble High Court ordered that all the property, rights and power relating to "Bread Undertaking" of the Cremica Industries Limited were required to be transferred to Mrs. Bectors Cremica Enterprise Limited and the rest shall be transferred to Mrs. Bectors Foods Specialities Limited. All the cash and bank balances of Cremica Industries Limited stood transferred to Mrs.Bectors Cremica Enterprises Limited including Rs.7.12 Million of sale consideration of the said shares. During the year management decided to write off the balance considering the non recoverablity of the amount.As per legal opinion obtained by the Group, this cannot be considered as a loan/advance under section 185 of the Companies Act 2013, also refer note 50.

Note 15: Other current financial assets *(unsecured, considered good)*	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Forward exchange contracts used for hedging	6.52	24.16	11.11	4.19	9.26
Export incentive receivable *	85.01	70.37	54.03	26.39	56.82
Interest accrued but not due on fixed deposits with banks	1.70	1.82	-	0.07	-
Other advances	4.11	4.06	3.86	-	-
	97.34	**100.41**	**69.00**	**30.65**	**66.08**

* The Group has accrued following export incentives of Rs. 156.33 (31 March, 2017 Rs. 110.00; 31 March 2016 Rs. 83.78; 31 March 2015 Rs. 85.73; 31 March 2014 Rs. 93.41) and has also written off incentives of Rs. Nil (31 March 2017 Rs.0.34;31 March 2016 Rs. Nil; 31 March 2015 Rs. 23.72; 31 March 2014 Rs. 4.81).

a) Incentive under Vishesh Krishi Gram Upaj Yojna of Rs. Nil (31 March 2017 Rs. Nil; 31 March 2016 Rs. 0.75; 31 March 2015 Rs.65.38; 31 March 2014 Rs. 58.55).
b) Incentive under Merchandise Exports from India Scheme of Rs. 107.95 (31 March, 2017 Rs 72.13; 31 March 2016 Rs. 62.61; 31 March 2015 Rs. Nil; 31 March 2014 Rs. Nil).
c) Incentive under Duty Drawback of Rs. 0.21 (31 March, 2017 Rs 0.55; 31 March 2016 Rs. 9.00; 31 March 2015 Rs. 16.73; 31 March 2014 Rs. 5.50).
d) Duty Free Import Authorization of Rs. 48.17 (31 March, 2017 Rs 37.32; 31 March 2016 Rs. 11.42; 31 March 2015 Rs. Nil; 31 March 2014 Rs. 21.79).
e) Refund of excise duty paid on machinery purchased under EPCG (Export Promotion Capital Goods)Rs. Nil (31 March 2017 Rs. Nil; 31 March 2016 Rs. Nil; 31 March 2015 Rs.0.72; 31 March 2014 Rs.8.86).
f) Freight subsidy on exports from APEDA (Agricultural Processed Food Products Export Development Authority) Rs. Nil (31 March 2017 Rs. Nil; 31 March 2016 Rs. Nil; 31 March 2015 Rs. 3.61; 31 March 2014 Rs. 6.05).

Note 16: Other current assets	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Advances recoverable in cash or kind	44.50	27.39	22.63	22.15	26.50
Less: provision for doubtful advances recoverable in cash or kind	(0.94)	(1.14)	(0.09)	(0.81)	(5.92)
Balances with statutory/government authorities	105.31	37.15	44.11	12.55	13.27
	148.87	**63.40**	**66.65**	**33.89**	**33.85**

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Note17 : Equity share capital					
Authorised					
57,600,000 (as at 31 March 2017: 57,267,622; as at 31 March 2016: 34,150,000; as at 31 March 2015:34,150,00 and as at 31 March 2014 : 34,150,00) equity shares of Rs. 10/- each	576.00	572.68	341.50	341.50	341.50
	576.00	**572.68**	**341.50**	**341.50**	**341.50**
Issued, subscribed and paid up					
57,267,622 (as at 31 March 2017: 28,633,811 and as at 1 April 2016: 28,633,811; ; as at 31 March 2015: 28,633,811 and as at 31 March 2014 : 7,345,872) equity shares of Rs. 10/- each	572.68	286.34	286.34	286.34	73.46
	572.68	**286.34**	**286.34**	**286.34**	**73.46**

(b) Reconciliation of number of shares outstanding at the beginning and end of the year :

	Number of shares	Amount
Outstanding as at 1st April 2013	29,815,290	298.15
Less: Shares cancelled on account of scheme of Amalgamation and Arrangement during the year	(22,469,418)	(224.69)
Outstanding as at 31 March 2014	**7,345,872**	**73.46**
Add: Shares issued during the year #	21,287,939	212.88
Outstanding as at 31 March 2015	**28,633,811**	**286.34**
Add: Shares issued during the year	-	-
Outstanding as at 31 March 2016	**28,633,811**	**286.34**
Add: Shares issued during the year	-	-
Outstanding as at 31 March 2017	**28,633,811**	**286.34**
Add: Bonus Shares issued during the year	28,633,811	286.34
Outstanding as at 31 March 2018	**57,267,622**	**572.68**

Terms and rights attached to equity shares

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

(c) Details of shareholders holding more than 5% shares in the Group

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS #
Number of equity shares held					
Anoop Bector	22,848,674	11,424,337	10,743,105	4,666,224	-
GW Crown Pte Limited	11,170,496	5,585,248	5,585,248	-	-
Linus Private Limited	13,120,790	6,560,395	6,560,395	-	-
India Business Excellence Fund-I	-	-	-	4,348,860	4,348,860
IL&FS Trust Co. Limited	-	-	-	2,341,680	2,341,680
Dharamvir Bector	-	-	-	4,476,568	-
Ajay Bector	-	-	-	4,968,333	-
% holding in equity shares					
Anoop Bector	39.90%	39.90%	37.52%	16.30%	-
GW Crown Pte Limited	19.51%	19.51%	19.51%	0.00%	-
Linus Private Limited	22.91%	22.91%	22.91%	0.00%	-
India Business Excellence Fund-I	-	-	-	15.19%	59.20%
IL&FS Trust Co. Limited	-	-	-	8.18%	31.88%
Dharamvir Bector	-	-	-	15.63%	-
Ajay Bector	-	-	-	17.35%	-

Investors India Business Excellence fund and IL&FS trust had invested in the Group in earlier years. The investor were issued same class of equity shares, however such class of shareholders have a right to appoint a nominee director on the Board of the Group and certain other reserved matters as per the terms of Share Subscription Agreement (SSA).

\# Detail of shareholder holding more than 5% at year end in the Group considering issue of shares lying under suspense account in FY 2013-14 (issued in FY 2014-15 on record date i.e September 10, 2014).

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

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014

	31 March 2015		31 March 2014	
	Numbers	% holding in the class	Numbers	% holding in the class
Equity shares of Rs.10 each fully Paid				
India Business Excellence Fund-I	4,348,860	15.19%	4,348,860	15.19%
IL&FS Trust Co. Limited	2,341,680	8.18%	2,341,680	8.18%
Dharamvir Bector	4,476,568	15.63%	4,977,893	17.38%
Ajay Bector	4,968,333	17.35%	2,258,549	7.89%
Anoop Bector	4,666,224	16.30%	1,956,440	6.83%

During the five-year period ended 31 March 2018 , 21,287,939 equity shares of Rs 10 each have been allotted as fully paid as per approved composite scheme of amalgamation and arrangement .

d. **Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date**

During the five-year period ended 31 March 2018 (31 March 2017), 21,287,939 equity shares of Rs 10 each have been allotted as fully paid as per approved composite scheme of amalgamation and arrangement.

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
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 10 September 2014, the Group has cancelled 22,469,418 shares and has issued 21,287,939 shares for consideration other than cash (also refer note 51).

e. **Shares reserved for issue under options**

Information relating to Group's option plan, including details of options issued, exercised, and lapsed during the financial year and options outstanding at the end of the reporting period, is given in note 47.

	Note 18 : Other equity	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
a)	**Capital reserve**					
	Balance at the beginning of the year	14.37	14.37	14.37	14.37	14.37
	Less: Movement during the year	-	-	-	-	-
	Balance at the end of the year	**14.37**	**14.37**	**14.37**	**14.37**	**14.37**
b)	**Securities premium**					
	Balance at the beginning of the year	530.18	530.18	530.18	530.18	596.34
	Less:-Adjustment on account of demerger under Composite scheme of Amalgamation and Arrangement					(66.16)
	Less: Bonus shares issued	(286.34)	-	-	-	-
	Balance at the end of the year	**243.84**	**530.18**	**530.18**	**530.18**	**530.18**
c)	**Surplus/deficit in the statement of profit and loss**					
	Balance at the beginning of the year	1,506.89	1,253.19	879.18	586.14	722.24
	Add:-Adjustment on account of merger under Composite scheme of Amalgamation and Arrangement					97.93
	Less:-Adjustment on account of demerger under Composite scheme of Amalgamation and Arrangement					(489.01)
	Add: Profit for the year	360.18	288.16	408.47	293.04	254.98
	Less: Interim dividend	(42.95)	(28.63)	(28.63)	-	-
	Less: Dividend distribution tax on interim dividend	(8.74)	(5.83)	(5.83)	-	-
	Balance at the end of the year	**1,815.38**	**1,506.89**	**1,253.19**	**879.18**	**586.14**
d)	**Remeasurement of defined benefit plans**					
	Balance at the beginning of the year	0.12	1.77	1.83	0.97	-
	Addition during the year	1.75	(1.65)	(0.06)	0.86	0.97
	Balance at the end of the year	**1.87**	**0.12**	**1.77**	**1.83**	**0.97**
e)	**Share application on money pending allotment**					
	Balance at the beginning of the year	-	-	-	212.88	-
	Add:-Adjustment on account of merger under Composite scheme of Amalgamation and Arrangement	-	-	-	-	212.88
	Less:- Equity shares issued during the year	-	-	-	(212.88)	-
	Balance at the end of the year	**-**	**-**	**-**	**-**	**212.88**
e)	**General reserve**					
	Balance at the beginning of the year	(0.50)	(0.50)	(0.50)	-	12.10
	Add:- Gain on account of share in associate Group on account of transitional provision	-	-	-	(0.50)	-
	Less:-Adjustment on account of demerger under Composite scheme of Amalgamation and Arrangement	-	-	-	-	(12.10)
	Balance at the end of the year	**(0.50)**	**(0.50)**	**(0.50)**	**(0.50)**	**-**

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

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
f) Share options outstanding account					
Balance at the beginning of the year	-	-	-	-	-
Employee stock option expense	3.99	-	-	-	-
Balance at the end of the year	**3.99**	-	-	-	-

Nature and purpose of other reserves

Capital reserve
Capital reserve is on account of the scheme of amalgamation and arrangement transaction as per the court scheme dated 10 September 2014.

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

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

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

Dividends	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
The following dividends were declared by the Group during the year:					
Re. 0.75 per equity share (31 March 2017: Re. 1, 31 March 2016 : Re. 1, 31 March 2015 : Nil , 31 March 2014: Nil)	42.95	28.63	28.63	-	-
Dividend distribution tax on dividend to equity shareholders	(8.74)	(5.83)	(5.83)	-	-
Balance at the end of the year	**34.21**	**22.80**	**22.80**	-	-

Note 19: Non - Current Borrowings

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Term loans (Refer Note (a))					
From banks (Secured)	1,035.14	426.47	279.40	407.06	616.34
Vehicle loans (Refer Note (a))					
From banks (Secured)	5.90	9.04	6.86	5.03	12.00
From Others (Secured)	5.11	8.27	-	0.59	1.08
Loans from related parties (Unsecured)*****	25.12	34.99	20.68	70.21	46.66
Long term maturities of finance lease obligations (secured) (Refer note (b))	9.80	-	-	-	-
Total non-current borrowings	**1,081.07**	**478.77**	**306.94**	**482.89**	**676.08**
Less: Current maturities of long term debt	(121.17)	(102.44)	(74.16)	(116.86)	(152.05)
Less: Interest accrued but not due on borrowings	(2.97)	(2.62)	(1.80)	(3.17)	-
Non current borrowings as per balance sheet	**956.93**	**373.71**	**230.98**	**362.86**	**524.03**

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

Notes:

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

	HDFC Bank***	ICICI Bank*	State Bank of India**	HDFC Bank***	Vehicle loans****
Principal amount (Rs.)					
(as at 31 March 2018)	-	501.65	25.98	504.60	10.95
(as at 31 March 2017)	16.71	-	52.55	321.35	17.21
(as at 31 March 2016)	50.47	-	131.22	65.81	6.81
(as at 31 March 2015)	80.87	-	300.15	-	5.58
(as at 31 March 2014)	22.91	-	487.66	-	13.08
Year of maturity	2017-18	2025-26	2018-19	2025-26	2021-22
Term of repayment	monthly basis	monthly basis	monthly/quarterly basis	monthly basis	monthly basis
Nominal Interest rate	8.95% - 9.35%	8.25% - 8.35%	9.20% - 10.80%	8.25% - 9.15%	8.51% - 9.66%

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

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

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

*****Unsecured loans from directors and their relatives carry interest @ 8.00% p.a. These loans are subordinate to the term loans from banks and are permitted to be repaid only with the prior approval of the banks. Refer note 46 on transactions with related parties.

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

b) **Finance lease obligations ***

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

	31 March 2018		
	Future minimum lease payments	Interest element of MLP	Present value of mimimum lease payments
Within less than one year	0.81	0.81	0.26
Between one and five years	3.24	3.23	0.87
After more than five years	64.75	54.96	99.17

* 'Present value of finance lease obligations other than above are equivalent to its carrying value as at the respective balance sheet date and are therefore not discounted. Accordingly, the Group had no obligation under finance lease as at 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014.

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

c) Net debt reconciliation

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

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Cash and cash equivalents	58.76	136.08	67.14	59.58	61.94
Current borrowings	(262.73)	(165.59)	(191.83)	(90.81)	(157.44)
Non-current borrowings	(1,078.10)	(476.15)	(305.14)	(479.72)	(676.08)
Interest on borrowings	(3.67)	(3.31)	(2.37)	(3.17)	(5.06)
Net debt	**(1,285.74)**	**(508.97)**	**(432.20)**	**(514.12)**	**(776.64)**

	Other assets	Liabilities from financing activities				
	Cash and cash equivalents	Finance lease obligations	Non-Current borrowings	Current borrowings	Interest on borrowings	Total
Net debt as at 1 April 2013	111.55	-	(512.28)	(628.41)	(5.17)	(1,034.31)
Cash flows	**(49.61)**	-	(163.80)	470.97	-	257.56
Foreign exchange investments	-	-	-	-	-	-
Interest expense	-	-	-	-	(86.37)	(86.37)
Interest paid	-	-	-	-	86.47	86.47
Net debt as at 31 March 2014	**61.94**	**-**	**(676.08)**	**(157.44)**	**(5.07)**	**(776.65)**
Cash flows	(2.36)	-	196.36	66.63	-	260.63
Interest expense	-	-	-	-	(83.18)	(83.18)
Interest paid	-	-	-	-	85.07	85.07
Net debt as at 31 March 2015	**59.58**	**-**	**(479.72)**	**(90.81)**	**(3.18)**	**(514.13)**
Net debt as at 31 March 2015	59.58	-	(479.72)	(90.81)	(3.17)	(514.12)
Cash flows	7.56	-	174.57	(101.01)	-	81.12
Interest expense	-	-	-	-	(50.41)	(50.41)
Interest paid	-	-	-	-	51.21	51.21
Net debt as at 31 March 2016	**67.14**	**-**	**(305.15)**	**(191.82)**	**(2.37)**	**(432.20)**
Net debt as at 31 March 2016	67.14	-	(305.14)	(191.83)	(2.37)	(432.20)
Cash flows	68.94	-	(171.01)	26.24	-	(75.83)
Interest expense	-	-	-	-	(45.02)	(45.02)
Interest paid	-	-	-	-	44.08	44.08
Net debt as at 31 March 2017	**136.08**	**-**	**(476.15)**	**(165.59)**	**(3.31)**	**(508.97)**
Net debt as at 31 March 2017	**136.08**	-	**(476.15)**	**(165.59)**	**(3.31)**	**(508.97)**
Cash flows	(77.32)	-	(592.15)	(97.14)	-	(766.61)
Interest expense	-	(0.10)	-	-	(57.78)	(57.88)
Interest paid	-	-	-	-	57.32	57.32
- Fair value adjustments	-	(9.70)	-	-	0.10	(9.60)
Net debt as at 31 March 2018	**58.76**	**(9.80)**	**(1,068.30)**	**(262.73)**	**(3.67)**	**(1,285.74)**

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Note 20: Non - Current Provisions					
Provision for employee benefits					
Compensated absences (refer note 45)	12.03	11.46	8.70	8.44	6.57
Gratuity (refer note 45)	20.51	20.41	12.21	11.02	7.41
	32.54	**31.87**	**20.91**	**19.46**	**13.98**

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Note 21: Income tax

A. Amounts recognised in profit or loss

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Current tax expense					
Current year	165.77	126.23	183.91	146.54	106.52
	165.77	**126.23**	**183.91**	**146.54**	**106.52**
Deferred tax credit					
Changes in recognised temporary differences	6.31	6.60	(8.40)	8.42	(1.75)
Effect of changes in tax rate	-	-	-	-	-
	6.31	**6.60**	**(8.40)**	**8.42**	**(1.75)**
Total Tax Expense	**172.08**	**132.83**	**175.51**	**154.96**	**104.77**

B. Amounts recognised in Other Comprehensive Income

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
Defined benefit plan					
Before tax	2.67	(2.52)	(0.09)	1.32	1.49
Tax(Expense)/Income	(0.92)	0.87	0.03	(0.46)	(0.52)
Net of tax	**1.75**	**(1.65)**	**(0.06)**	**0.86**	**0.97**

C. Reconciliation of effective tax rate

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
Profit before tax from continuing operations	532.26	420.99	583.98	448.00	359.75
Domestic tax rate	34.61%	34.61%	34.61%	34.61%	33.99%
Tax using the Group's domestic tax rate	184.20	145.70	202.10	155.04	122.28
Tax effect of:					
Non-deductible expenses	1.37	1.96	0.27	0.35	0.42
Capital gains (considered profit in tax books)	-	-	-	-	(19.96)
Non-taxable income	-	-	(31.27)	(3.45)	1.26
Tax-exempt income	(6.34)	-	-	-	-
Tax incentives	-	(14.81)	-	-	-
Changes in estimates related to prior years	(7.17)	1.40	2.62	-	0.86
Others	0.01	(1.40)	1.85	3.04	(0.08)
Tax expense	**172.07**	**132.85**	**175.57**	**154.98**	**104.78**

D. Movement in deferred tax balances

	As at 31 March 2017	Recognized in P&L	Recognized in OCI	As at 31 March 2018
Deferred Tax Liability				
Property, plant and equipment	132.86	16.26		149.13
Investments in mutual funds at fair value through profit and loss	2.21	(2.18)		0.03
Forward exchange contracts used for hedging	6.50	(6.50)		-
Other items	0.76	2.63		3.39
Sub- Total (a)	**142.34**	**10.21**	**-**	**152.55**
Deferred Tax Assets				
Provisions - employee benefits	15.70	1.86		17.56
Allowances on doubtful receivables	2.82	1.14		3.96
MAT credit entitlements	13.30	(5.56)		7.74
Others	52.20	6.46		57.73
Sub- Total (b)	**84.01**	**3.91**	**-**	**86.99**
Net Deferred Tax Liabilities (a)-(b)	**58.33**	**6.31**	**-**	**65.57**

	As at 1 April 2016	Recognized in P&L	Recognized in OCI	As at 31 March 2017
Deferred Tax Liability				
Property, plant and equipment	122.42	10.44	-	132.86
Investments in mutual funds at fair value through profit and loss	2.42	(0.21)	-	2.21
Forward exchange contracts used for hedging	2.05	4.45	-	6.50
Other items	1.49	(0.73)	-	0.76
Sub- Total (a)	**128.39**	**13.94**	**-**	**142.34**
Deferred Tax Assets				
Provisions - employee benefits	12.50	3.19	-	15.70
Allowances on doubtful receivables	0.23	2.59	-	2.82
MAT credit entitlements	10.98	2.32		13.30
Others	52.07	(0.76)	-	52.20
Sub- Total (b)	**75.79**	**7.34**	**-**	**84.01**
Net Deferred Tax Liabilities (a)-(b)	**52.61**	**6.60**	**-**	**58.33**

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

Note 21: Income tax

	As at 1 April 2015	Recognized in P&L	Recognized in OCI	As at 31 March 2016
Deferred Tax Liability				
Property, plant and equipment	120.08	2.35	-	122.42
Investments in mutual funds at fair value through profit and loss	0.10	2.32	-	2.42
Forward exchange contracts used for hedging	(1.59)	3.64	-	2.05
Other items	2.07	(0.58)	-	1.49
Sub- Total (a)	**120.66**	**7.73**	**-**	**128.39**
Deferred Tax Assets				
Provisions - employee benefits	6.92	5.59	-	12.50
Allowances on doubtful receivables	0.28	(0.05)	-	0.23
MAT credit entitlements	6.65	4.33		10.98
Others	46.21	6.26	-	52.07
Sub- Total (b)	**60.06**	**16.13**	**-**	**75.79**
Net Deferred Tax Liabilities (a)-(b)	**60.61**	**(8.40)**	**-**	**52.61**

	As at 31 March 2014	Recognized in P&L	Recognized in OCI	As at 31 March 2015
Deferred Tax Liability				
Property, plant and equipment	111.64	8.44	-	120.08
Investments in mutual funds at fair value through profit and loss	3.69	(3.59)	-	0.10
Forward exchange contracts used for hedging	1.53	(3.12)	-	(1.59)
Other items	(0.24)	2.31	-	2.07
Sub- Total (a)	**116.62**	**4.04**	**-**	**120.66**
Deferred Tax Assets				
Provisions - employee benefits	10.20	(3.28)	-	6.92
Allowances on doubtful receivables	3.40	(3.12)	-	0.28
MAT credit entitlements	-	6.65	-	6.65
Others	50.85	(4.65)	-	46.21
Sub- Total (b)	**64.45**	**(4.40)**	**-**	**60.06**
Net Deferred Tax Liabilities (a)-(b)	**52.17**	**8.45**	**-**	**61.04**

	As at 1 April 2013	Recognized in P&L	Recognized in OCI	As at 31 March 2014
Deferred Tax Liability				
Property, plant and equipment	78.99	32.65	-	111.64
Investments in mutual funds at fair value through profit and loss	-	3.69	-	3.69
Forward exchange contracts used for hedging	(2.61)	4.14	-	1.53
Other items	-	(0.24)	-	(0.24)
Sub- Total (a)	**76.38**	**40.24**	**-**	**116.62**
Deferred Tax Assets				
Provisions - employee benefits	8.82	1.38	-	10.20
Allowances on doubtful receivables	1.96	1.44	-	3.40
Others	11.70	39.15	-	50.85
Sub- Total (b)	**22.48**	**41.97**	**-**	**64.45**
Net Deferred Tax Liabilities (a)-(b)	**53.90**	**(1.73)**	**-**	**52.17**

Note 22: Other non-current liabilities	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Deferred income					
Government grants*	137.48	34.38	35.04	33.68	37.00
	137.48	**34.38**	**35.04**	**33.68**	**37.00**

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

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

Note 23: Current borrowings

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Loans from banks repayable on demand (secured)	262.73	165.59	191.83	90.81	157.44
	262.73	**165.59**	**191.83**	**90.81**	**157.44**

The working capital limits of State Bank of India (SBI) are secured against entire current assets (existing and future) of the Group (other than Greater Noida and Rajpura). These loans are further secured by second charge on entire fixed assets (PPE) of the Group (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 facilities availed from SBI carries floating rate of interest @ MCLR +0.25% to 1.25% ranging from 8.15%.to 9.15% per annum (31 March 2017: 8.15%.to 10.30% per annum; 31 March 2016: 10.30% to 11.25% ; 31 March 2015: 11.50% to 12.25%; 31 March 2014: 11.70% to 13.90%)

The Group has also taken the working capital limits from HDFC Bank Ltd. which are secured against pari-passu charge on entire current assets (existing and future) of Noida Unit. The facilities availed from HDFC Bank carries floating rate of interest @ MCLR + 0.10% i.e. 8.25% per annum (31 March 2017: 9.00% to 9.05% per annum; 31 March 2016 : Nil; 31 March 2015: Nil; 31 March 2014: Nil). (Refer Note 12)

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

Note 24:Trade payables

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Trade payables					
-to micro and small enterprises*	-	-	-	-	-
- to others **	389.70	377.85	259.37	270.85	269.67
	389.70	**377.85**	**259.37**	**270.85**	**269.67**

*The Group has during the year, not received any intimation from any of its suppliers regarding their status under the MSMED Act. Based on the above facts, there are no dues to parties registered under MSMED Act. Further, disclosures required under MSMED Act is given in Note 43.

**Includes dues to related parties (refer note 46)

Note 25: Other Financial Liabilities

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Current maturities of long-term debt (Refer Note 19)	121.17	102.44	74.16	116.86	152.05
Interest accrued but not due on borrowings	3.67	3.31	2.37	3.17	5.06
Security and other trade deposits	17.62	9.77	54.51	10.58	10.22
Payables towards capital goods	141.07	38.92	20.22	6.75	18.42
Unpaid dividends	9.20	-	14.30	-	-
Forward exchange contracts used for hedging	4.90	-	-	0.11	0.64
	297.63	**154.44**	**165.56**	**137.47**	**186.39**

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

Note 26 : Other current liabilities

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Deferred income on government grants	10.15	9.79	8.66	7.23	6.67
Statutory dues	15.17	31.79	31.25	33.52	34.68
Advance from customers	15.89	22.52	33.67	29.78	22.11
Dividend distribution tax payable	-	-	5.83	-	-
Other payables	-	-	-	1.67	3.37
Employee payable**	62.58	57.37	51.85	57.74	51.77
	103.79	**121.47**	**131.26**	**129.94**	**118.60**

**Includes dues to related parties (refer note 45)

Note 27 : Current Provisions	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Provision for employee benefits: (refer note 44)					
Compensated absences	1.15	1.35	0.98	0.83	1.25
Gratuity	1.91	1.56	1.29	1.29	2.84
Others:	-	-	-	-	-
Provision for wealth tax (refer note ('c))	-	-	-	0.35	0.32
Provision for Litigation (refer note (a))	117.65	103.98	85.39	59.92	38.21
Provision for Sales return (refer note (b))	6.15	6.10	6.61	6.64	6.34
	126.86	**112.99**	**94.27**	**69.03**	**48.96**
a) Provision for litigation*					
Balance at the commencement of the year	103.98	85.39	59.92	38.21	25.94
Add: Provision made during the year	13.67	23.32	25.47	21.71	12.27
Less: Provision utilised/reversed during the year	-	(4.73)	-	-	-
Balance at the end of the year	**117.65**	**103.98**	**85.39**	**59.92**	**38.21**

*refer note 42A(d) for details of pending litigation

b) Provision for sales return					
Balance at the commencement of the year	6.10	6.61	6.64	6.34	5.57
Add: Provision made during the year	6.15	6.10	6.61	6.64	6.34
Less: Provision utilised/reversed during the year	(6.10)	(6.61)	(6.64)	(6.34)	(5.57)
Balance at the end of the year	**6.15**	**6.10**	**6.61**	**6.64**	**6.34**

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.

c) Provision for wealth tax					
Balance at the commencement of the year	-	-	0.35	0.32	-
Add: Provision made during the year	-	-	-	0.03	0.32
Less: Provision utilised/reversed during the year	-	-	(0.35)	-	-
Balance at the end of the year	**-**	**-**	**-**	**0.35**	**0.32**

This represents amount of wealth tax computed on the net wealth of the assessee under the provisions of the wealth-tax act, 1957.

Note 28 : Current tax liabilities

Income tax (net of advance tax)	26.00	12.93	28.53	21.52	15.59
	26.00	**12.93**	**28.53**	**21.52**	**15.59**

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

Note 29: Revenue from operations	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Sale of products (including excise duty to the extent applicable)	6,248.03	5,746.21	5,394.72	5,386.87	4,962.62
Sale of services					
Job work income	407.54	407.70	414.71	458.01	514.04
Total (A)	**6,655.57**	**6,153.91**	**5,809.43**	**5,844.88**	**5,476.66**
Other operating revenue					
Export incentives	156.33	110.00	83.44	85.73	71.73
Net gain on account of foreign exchange fluctuations	55.23	45.67	28.18	28.17	-
Others	72.52	76.94	66.76	57.82	51.70
Total (B)	**284.08**	**232.61**	**178.38**	**171.72**	**123.43**
Total revenue from operations (A+B)	**6,939.65**	**6,386.52**	**5,987.81**	**6,016.60**	**5,600.09**

Note 30 : Other income	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Interest income on financial assets measured at amortised cost	4.17	4.79	-	0.16	0.27
Interest income from others	1.91	1.63	4.87	5.91	3.87
Gain on sale of investments (net)	0.67	2.26	5.26	1.64	7.42
Net gain on disposal of property, plant and equipment and intangible assets	-	-	82.44	0.06	-
Net change in fair value of financial assets measured at fair value through profit and loss	-	3.30	6.72	-	10.48
Government grants (Refer Note 22)	9.97	9.08	8.09	6.83	4.59
Dividend income	-	-	0.01	-	0.03
Miscellaneous income	1.18	0.48	1.19	(1.01)	(1.46)
	17.90	**21.54**	**108.58**	**13.59**	**25.20**

Note 31 : Cost of materials consumed	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Inventory at the beginning of the year	138.96	163.32	120.21	101.45	251.17
Less:- Inventory Demerged under Composite scheme of Amalgamation and Arrangement (Refer Note 51)	-	-	-	-	177.57
Add: Purchases (net)	3,786.24	3,462.12	3,225.42	3,303.74	2,863.71
Less: Inventory at the end of the year	146.34	138.96	163.32	120.21	101.45
	3,778.86	**3,486.48**	**3,182.31**	**3,284.98**	**2,835.86**

Note 32 : Purchase of stock in trade	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Purchases	119.68	105.72	4.22	32.67	499.86
	119.68	**105.72**	**4.22**	**32.67**	**499.86**

Note 33 : Changes in inventories of finished goods , stock-in-trade and work in progress	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Opening inventories					
Finished goods	115.36	139.39	136.29	135.64	170.00
Less:- Inventory Demerged under Composite scheme of Amalgamation and Arrangement (Refer Note 50)	-	-	-	-	51.90
Stock-in-trade	0.73	-	-	0.72	0.51
Work-in-progress	1.70	1.37	0.64	8.29	12.48
Less:- Inventory Demerged under Composite scheme of Amalgamation and Arrangement (Refer Note 50)	-	-	-	-	11.28
Total (A)	**117.79**	**140.76**	**136.93**	**144.65**	**119.81**
Closing inventories					
Finished goods	174.97	115.36	139.32	136.29	135.26
Work-in-progress	1.59	1.70	1.37	0.64	8.29
Stock-in-trade	11.88	0.73	0.07	-	1.10
Total (B)	**188.44**	**117.79**	**140.76**	**136.93**	**144.65**
Decrease/(Increase) in excise duty on change in inventories of finished goods **('C)**	-	(0.33)	4.88	(4.10)	(0.39)
Total changes in inventories of finished goods , work in progress and stock-in-trade (A + B + C)	**(70.65)**	**22.64**	**1.05**	**3.62**	**(25.23)**

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Note 34: Employee benefits expense	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Salaries, wages and bonus	836.75	750.01	737.26	619.26	475.97
Contribution to provident and other funds (Refer Note 45)	45.78	37.93	35.02	48.48	34.35
Employee share-based payment expense (Refer Note 45)	3.99	-	-	-	-
Staff welfare expenses	26.55	21.49	22.33	19.32	17.29
	913.07	**809.43**	**794.61**	**687.06**	**527.61**

Note 35: Finance costs	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Interest expense on:					
- financial liabilities measured at amortised cost	47.51	36.85	40.54	70.52	76.66
- Others	10.27	8.17	9.87	12.66	9.71
	57.78	**45.02**	**50.41**	**83.18**	**86.37**

Note 36: Depreciation and amortisation expense	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Depreciation of property, plant and equipment (Refer Note 1)	267.25	245.60	225.09	218.66	191.43
Amortisation of intangible assets (Refer Note 2)	5.68	4.07	-	-	-
	272.93	**249.67**	**225.09**	**218.66**	**191.43**

Note 37: Other expense	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Power and fuel	317.40	290.46	308.87	403.93	355.76
Rent (Note 42)	38.06	31.48	41.33	29.48	25.74
Repairs and maintenance					
- Plant and machinery	54.36	40.00	35.93	32.07	43.07
- Building	14.15	11.24	5.18	5.56	8.10
- Others	4.59	4.11	1.72	2.40	2.85
Insurance	8.50	8.48	7.32	4.93	5.30
Rates and taxes	7.64	7.26	5.39	2.76	4.23
Travel and conveyance	79.02	71.32	70.82	63.15	56.80
Director's remuneration and sitting fee	43.83	40.22	39.39	38.29	21.20
Payment to auditor (refer Note 38(a) below)	5.77	4.16	5.20	4.23	2.30
Expenditure on Corporate social responsibility (refer Note 38(b) below)	2.81	2.18	-	-	-
Legal and professional	15.68	21.87	32.38	29.24	25.93
Communication	10.16	8.07	7.82	7.11	7.31
Advertisement and sales promotion	136.34	102.04	116.41	61.38	45.91
Consumption of stores and spare parts	27.06	26.69	23.70	23.10	16.85
Freight and forwarding	510.84	414.36	370.42	415.53	372.70
Net change in fair value of financial assets measured at fair value through profit and loss	0.06	-	-	0.03	-
Commission and brokerage	6.01	6.61	7.89	38.51	36.28
Bank charges	4.27	3.92	3.32	3.42	2.93
Loss on sale of property, plant and equipment	2.44	1.79	-	-	6.02
Loss allowance on trade receivables and advances	4.64	7.56	0.52	(0.52)	7.53
Net loss on account of foreign exchange fluctuations	-	-	-	-	6.15
Printing and stationery	3.76	3.48	2.86	3.44	2.84
Export incentives written off	-	-	-	-	-
Preliminary expenses written off	0.10	0.10	0.10	0.10	0.10
Miscellaneous expenses	23.00	21.34	28.86	11.41	60.60
Total other expenses	**1,320.49**	**1,128.74**	**1,115.43**	**1,179.55**	**1,116.50**

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Note 38 (a) : Payment to Auditors

As auditor					
Statutory audit	5.25	3.66	3.31	3.79	2.30
Certification	0.20	0.20	0.11	0.09	-
Reimbursement of expenses	0.32	0.30	0.22	0.35	-
Other Services	-	-	1.56	-	-
	5.77	4.16	5.20	4.23	2.30

Note 38 (b) : Corporate social responsibility expenditure

Gross amount required to be spent by the Group during the period/year as per Section 135 of the Act	8.85	8.68	7.90	6.28	-
Amount spent during the period/year on:					
(i) Construction/acquisition of an asset	2.81	2.18	-	-	-
(ii) On purposes other than (i) above	-	-	-	-	-
	2.81	**2.18**	**-**	**-**	**-**
Amount yet to be spent	6.04	6.50	7.90	6.28	-

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Note 39: Earning per share					
(a) Basic earning per share					
Attributable to the equity holders of the Group	**6.29**	**5.03**	**7.13**	**5.12**	**4.45**
(b) Diluted earnings per share					
Attributable to the equity holders of the Group	**6.28**	**5.03**	**7.13**	**5.12**	**4.45**
(c) Basis for calculating earnings per share					
Profit from continuing operations attributable to the equity holders of the Group used for Basic and dilluted earnings per share	360.18	288.16	408.47	293.04	254.98
(d) Weighted average number of shares used as the denominator (for Basic)					
Balance at the beginning of the year	28.63	28.63	28.63	28.63	7.35
Share capital suspense account (to be issued)	-	-	-	-	21.29
Effect of issue of bonus shares	28.63	28.63	28.63	28.63	28.63
	57.26	**57.26**	**57.26**	**57.26**	**57.27**
(e) Weighted average number of shares used as the denominator (for Diluted)					
Balance at the beginning of the year	28.63	28.63	28.63	28.63	7.35
Share capital suspense account (to be issued)	-	-	-	-	21.29
Effect of issue of bonus shares	28.63	28.63	28.63	28.63	28.63
Effect of employee stock options	0.06	-	-	-	-
	57.32	**57.26**	**57.26**	**57.26**	**57.27**

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

Note 40: Contingent liabilities

On the basis of current status of above-mentioned individual cases and as per legal advice obtained by the Group, wherever applicable, the Group is confident that the outcome in the above cases would be in the favour of the Group and is of view that no provision is required in respect of these cases.

		As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
a)	**Claims against the Group not acknowledged as debts (The Group expects a favourable outcome against all the cases):**					
	I) Income Tax related matters	**2.14**	**1.99**	**6.03**	**5.51**	**2.34**
	i) Relating to Income tax demand on certain disallowance for AY 2009-10	-	-	-	-	1.24
	ii) Relating to Income tax demand on certain disallowance for AY 2010-11	-	0.03	0.03	0.03	0.03
	iii) Relating to Income tax demand on certain disallowance for AY 2011-12	0.13	0.13	0.31	0.31	1.07
	iv) Relating to Income tax demand on certain disallowance for AY 2012-13	-	-	-	5.17	-
	v) Relating to Income tax demand on certain disallowance for AY 2013-14	1.83	1.83	5.69	-	-
	vi) Relating to Income tax demand on certain disallowance for AY 2015-16	0.18	-	-	-	-
	II) Sales tax related matters	**3.01**	**4.92**	**3.01**	**-**	**-**
	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	-	-
	ii) Sales Tax Demand for assessment year 2013-14 on account of pending C forms and F forms to be deposited with the sales tax department of Uttar Pradesh	-	1.91	-	-	-
	III) Civil matters	**9.10**	**9.10**	**-**	-	-
	i) Stamp duty case for the plot taken on 99 years lease in Noida	9.10	9.10	-	-	-
b)	**In respect of bank guarantees.**					
	Guarantees given by the Group	7.45	3.30	1.66	2.06	4.32
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.	91.07	4.95	11.74	16.61	31.69
	Impact of bonus due to restrospective amendment in the Payment of Bonus Act, 1965 for the financial year 2014-15 since matter is sub-judicious in similar case.	10.47	10.47	10.47	-	-

d) Other pending litigations

(a) The Group had obtained a stay against Himachal Pradesh Government order levying entry tax @ 2% on all goods entering the state. The same was reduced to 1% with effect from 13 July 2011 and then increased to 2% with effect from 1 March 2014. The Hon'ble High Court had stayed the matter. The estimated amount of entry tax upto 31 March 2018 of Rs. 99.87 (31 March 2017 Rs. 89.52; 31 March 2016 Rs. 72.34; 31 March 2015 Rs. 48.28; 31 March 2014 Rs. 27.96) (including interest of Rs. 40.62 (31 March 2017 Rs. 30.19; 31 March 2016 Rs. 20.23; 31 March 2015 Rs. 12.23; 31 March 2014 Rs. 6.79) has been provided in the books of accounts.
The Group had provided a bank guarantee for an amount of Rs. 39.45 (31 March 2017 Rs. 34.45; 31 March 2016 Rs. 29.25; 31 March 2015 Rs. 24.25; 31 March 2014 Rs. Nil) in this regard.

(b) The Group had obtained a stay against Punjab VAT Act levying entry tax on Furnace Oil on the basis of High Court judgment delivered on the same point in an another case which is pending before Supreme Court. The estimated amount of tax and interest thereon upto 31 March 2018 of Rs. 3.61 (31 March 2017 Rs. 3.31; 1 April 2016 Rs. 3.00; 31 March 2015 Rs. 2.70; 31 March 2014 Rs. 23.95) (including interest of Rs. 1.92 (31 March 2017 Rs. 1.60, 31 March 2016 Rs. 1.31; 31 March 2015 Rs. 1.01; 31 March 2014 Rs. 0.71)) has been provided in the books of accounts.

(c) A demand of Rs. 2.37 and Rs. 3.75 related with FY 2008-09 and FY 2009-10 respectively is pending with DETC, Ludhiana. The matter is related with input tax credit claimed by assesse on purchase of HSD. The Group has demanded to start the proceeding without depositing the 25% of amount demanded. The department has rejected the appeal of the Group. The Group filed the writ petition in High Court and the High court had accepted the contention of assesse & remanded the case back to DETC, Ludhiana. The Group has created the provision in books for amount demanded and has also accrued the interest on amount demanded @ 1.5% per month. Therefore the provision for an amount of Rs. 4.49 (31 March 2017 Rs. 4.07; 31 March 2016 Rs. 3.64; 31 March 2015 Rs. 3.22; 31 March 2014 Rs. 2.79) and Rs. 7.75 (31 March 2017 Rs. 7.08; 31 March 2016 Rs. 6.40; 31 March 2015 Rs. 5.73 and 31 March 2014 Rs. 5.05) includes an interest of Rs. 2.13 (31 March 2017 Rs. 1.70; 31 March 2016 Rs. 1.27; 31 March 2015 Rs. 0.85; 31 March 2014 Rs. 0.43) and Rs. 3.99 (31 March 2017 Rs. 3.32; 31 March 2016 Rs. 2.65; 31 March 2015 Rs. 1.97; 31 March 2014 Rs. 1.30) respectively.

(d) A demand of Rs. 1.91 for assessment year 2013-14 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.

B. Contingent Assets

The Group does not have any contingent assets as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014.

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

Note 41: Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 121.98 (as on 31 March 2017; Rs. 288.05; 31 March 2016 Rs. 142.38; 31 March 2015 Rs. 157.04; 31 March 2014 Rs. 71.94).

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

Note 42: Leases

Operating Leases

i. Leases as a lessee

The Group has entered into operating leases for residential and warehouse premises for a period ranging from 1-5 years. Terms of the lease include term for renewal and cancellation. Lease rental amounting to Rs. 12.76 (31 March 2017 Rs. 7.93 , 31 March 2016 Rs. 13.11 , 31 March 2015 Rs. 29.42 and 31 March 2014 Rs. 25.58) have been charged to the Statement of Profit and Loss during the year.

	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	31 March 2014 Proforma Ind AS
Commitments for minimum lease payments excluding service tax in relation to					
Within one year	17.14	8.13	6.76	11.24	5.87
Later than one year but not later than five years	35.37	26.97	1.86	3.55	8.04
Later than five years	-	-	-	-	-
	52.51	**35.10**	**8.62**	**14.79**	**13.91**

ii. Leases as lessor

Under previous GAAP, arrangements that did not take the legal form of lease were accounted for based on the legal form of such arrangements e.g. job work arrangement. Under Ind AS, any arrangement (even if not legally structured as lease) which convey right to use an asset in return for a payment or series of payments are identified as leases provided certain conditions are met. In case such arrangements are determined to be in the nature of leases, such arrangements are required to be classified into finance or operating leases as per the requirements of Ind AS 17, Leases

The Group has identified certain job-work arrangements to be in the nature of operating lease and accordingly these have been classified as operating lease arrangement. As a result of this during the year the Group has booked lease income amounting to Rs. 46.66 (Rs. 45.60 for the year ended 31 March 2017, Rs. 43.59 for the year ended 31 March 2016, Rs. 42.60 for the year ended 31 March 2015, Rs. 44.33 for the year ended 31 March 2014). There is a contingency attached to the future lease income and are therefore can not be ascertained.

Note 43: Micro, small and medium enterprises disclosure

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Group as under:

	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	31 March 2014 Proforma Ind AS
Principal amount remaining unpaid to any supplier as at the end of the	-	-	-	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-	-	-	-
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.	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-	-	-
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.	-	-	-	-	-
	-	-	-	-	-

44. Transfer Pricing

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

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Note 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 year, the Group has recognised the following amounts in the Statement of Profit and Loss (included in note 34-Employee benefits expense):

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Contribution to provident fund	32.36	27.10	24.84	34.94	28.55

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

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

	As at 31 March 31 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Net defined benefit liability					
Liability for Gratuity	22.42	21.97	13.50	12.31	10.25
Total employee benefit liabilities	**22.42**	**21.97**	**13.50**	**12.31**	**10.25**
Non-current	20.51	20.41	12.21	11.02	7.41
Current	1.91	1.56	1.29	1.29	2.84

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:

(a) Defined benefit obligation	As at 31 March 31 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Balance as at 1 April	**53.81**	**42.25**	**36.61**	**30.42**	**25.90**
Included in Profit or loss					
Current service cost	10.40	9.65	8.11	7.51	6.94
Interest cost (income)	4.06	3.38	2.93	2.74	2.25
Past service cost	0.60	-	-	0.12	-
	15.06	**13.03**	**11.04**	**10.37**	**9.19**
Included in OCI					
Remeasurements loss (gain)					
- financial assumptions	(1.35)	3.14	-	4.86	(1.36)
- demographic adjustments	-	-	-	-	-
- experience adjustment	(1.56)	(0.83)	0.08	(6.37)	(0.09)
	(2.91)	**2.31**	**0.08**	**(1.51)**	**(1.45)**
Other					
Expected return					
Contributions paid by the employer	-	-	-	-	-
Benefits paid	(3.49)	(3.77)	(5.49)	(2.67)	(3.23)
	(3.49)	**(3.77)**	**(5.49)**	**(2.67)**	**(3.23)**
Balance as at 31 March	**62.47**	**53.82**	**42.24**	**36.61**	**30.41**

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

Note 45: Employee benefits

(b) Fair value of plan assets

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Balance as at 1 April	**31.83**	**28.74**	**24.30**	**20.17**	**15.76**
Included in Profit or loss					
Current service cost	-	-	-	-	-
Interest cost (income)	2.40	2.30	1.94	1.81	1.37
Past service cost	-	-	-	-	-
	2.40	**2.30**	**1.94**	**1.81**	**1.37**
Included in OCI					
Remeasurements loss (gain)					
- financial assumptions	(0.18)	(0.21)	0.00	(0.18)	0.04
- demographic adjustments	-	-	-	-	-
- experience adjustment	-	-	-	-	-
	(0.18)	**(0.21)**	**0.00**	**(0.18)**	**0.04**
Other					
Expected return					
Contributions paid by the employer	6.00	1.00	2.50	2.50	3.00
Benefits paid	-	-	-	-	-
	6.00	**1.00**	**2.50**	**2.50**	**3.00**
Balance as at the end of the year	**40.05**	**31.83**	**28.74**	**24.30**	**20.17**

(c) Net defined liability

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Balance as at 1 April	**21.98**	**13.51**	**12.31**	**10.25**	**10.14**
Included in Profit or loss					
Current service cost	10.40	9.65	8.11	7.51	6.94
Interest cost (income)	2.40	1.08	2.93	2.74	2.25
Past service cost	(1.80)	-	-	0.12	-
	12.66	**10.73**	**11.04**	**10.37**	**9.19**
Included in OCI					
Remeasurements loss (gain)					
- financial assumptions	(1.17)	3.35	(0.00)	5.04	(1.40)
- demographic adjustments	-	-	-	-	-
- experience adjustment	(1.56)	(0.83)	0.08	(6.37)	(0.09)
	(2.73)	**2.52**	**0.08**	**(1.33)**	**(1.49)**
Other					
Expected return					
Contributions paid by the employer	(6.00)	(1.00)	(2.50)	(2.50)	(3.00)
Benefits paid	(3.49)	(3.77)	(5.49)	(2.67)	(3.23)
	(9.49)	**(4.77)**	**(7.99)**	**(5.17)**	**(6.23)**
Balance as at 31 March	**22.42**	**21.99**	**15.45**	**14.12**	**11.62**

During the current year, the gratuity arrangements were adjusted to reflect new legal requirements in the country regarding gratuity limits. As a result of the plan ammendment, the Group's defined benefit obligation increased by Rs. 0.60. A corresponding past service cost was recognised in the Statement of Profit and Loss during the current year.

C. Plan assets

Plan assets comprise of the following

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Investments with Life insurance corporation and SBI life insurance	100%	100%	100%	100%	100%

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.

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

Note 45: Employee benefits

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 and 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:-

	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Discount rate	7.71%	7.54%	8.00%	7.54%	8.00%
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 and industry, retention policy, demand and 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.

	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
i) Retirement age (years)	60	60	60	60	60
ii) Mortality rates inclusive of provision for disability			100% of 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.

	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	31 March 2014 Proforma Ind AS
Increase					
Discount rate (0.50% movement)	(3.84)	(3.51)	(2.78)	(2.59)	(2.05)
Expected rate of future salary increase (0.50% movement)	4.08	3.88	3.07	2.87	2.26
Decrease					
Discount rate (0.50% movement)	4.22	3.88	3.09	2.88	2.29
Expected rate of future salary increase (0.50% movement)	(3.75)	(3.55)	(2.82)	(2.62)	2.09

Senstivities 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 and life expectancy are not applicable.

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

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Duration of defined benefit payments					
Less than 1 year	1.90	1.58	1.31	0.00	-
Between 1-2 years	1.46	1.91	2.76	0.00	-
Between 2-5 years	7.56	6.62	5.84	0.04	-
Over 5 years	51.55	44.18	33.30	0.29	-
Total	**62.47**	**54.29**	**43.21**	**0.33**	**-**

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 18.05 years.

Expected contribution to post-employement benefit plans in the next year is Rs 15.19 Million.

G. Description of Risk Exposures:

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

(iii) Other long-term employee benefits:

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods 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 period 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 period, the benefit is classified as a long-term employee benefit. During the year ended 31 March 2018, the Group has incurred an expense on compensated absences amounting to Rs. 5.06 (31 March 2017 Rs. 6.31). 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.

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

Note 46: Related party transaction

(a) Names of related parties and nature of relationship

Name of Related Party	Nature of Relationship				
	As at and for the year 31 March 2018	As at and for the year 31 March 2017	As at and for the year 31 March 2016 Proforma Ind AS	As at and for the year 31 March 2015 Proforma Ind AS	As at and for the year 31 March 2014 Proforma Ind AS
Cremica Agro Foods Limited	Associate Group	Associate Group	Associate Group	Associate Group	Associate Group
Anoop Bector , Managing Director	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
Ishaan Bector, (Appointed as director w.e.f. 15 February 2016)	Key Management Personnel	Key Management Personnel	Key Management Personnel	Relatives of KMP	Relatives of KMP
Ajay Bector , (Ceased to be director w.e.f. 8 December 2015)			Key Management Personnel	Key Management Personnel	Key Management Personnel
Parveen Kumar Goel , Executive Director	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
Akhilesh Bector (Ceased to be related party w.e.f. 25 December 2014)				Relatives of KMP	Relatives of KMP
Sana Bector (Ceased to be related party w.e.f. 25 December 2014)				Relatives of KMP	Relatives of KMP
Geeta Bector (Ceased to be related party w.e.f. 25 December 2014)				Relatives of KMP	Relatives of KMP
Dharamvir Bector *	Relatives of KMP	Relatives of KMP	Relatives of KMP	Key Management Personnel	Key Management Personnel
Rajni Bector	Relatives of KMP	Relatives of KMP	Relatives of KMP	Key Management Personnel	Key Management Personnel
Rashmi Bector	Relatives of KMP	Relatives of KMP	Relatives of KMP	Relatives of KMP	Relatives of KMP
Neha Bhatia (Ceased to be related party w.e.f. 8 December 2015)			Relatives of KMP	Relatives of KMP	Relatives of KMP
Neha Gupta	Relatives of KMP	Relatives of KMP			
Suvir Bector	Relatives of KMP	Relatives of KMP	Relatives of KMP	Relatives of KMP	Relatives of KMP
Samira Bector (Ceased to be related party w.e.f. 8 December 2015)			Relatives of KMP	Relatives of KMP	Relatives of KMP
Nikhil Bector (Ceased to be related party w.e.f. 8 December 2015)			Relatives of KMP	Relatives of KMP	Relatives of KMP
Akshay Bector (Ceased to be director w.e.f. 25 December 2014)	Relatives of KMP	Relatives of KMP	Relatives of KMP	Key Management Personnel	Key Management Personnel
Namrata Goel			Relatives of KMP	Relatives of KMP	Relatives of KMP
Sunshine Foods	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Hira Mal Lacchman Das Parlour (Ceased to be related party w.e.f. 8 December 2015)			Related entities of KMP	Related entities of KMP	Related entities of KMP
Him Valley Food Processors - LLP (Ceased to be related party w.e.f. 25 December 2014)				Related entities of KMP	Related entities of KMP
Mrs. Bectors Cremica Dairies Private Limited	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Cremica Frozen Foods Limited (Ceased to be related party w.e.f. 8 December 2015)			Related entities of KMP	Related entities of KMP	Related entities of KMP
Mrs. Bectors Cremica Enterprises Limited (Ceased to be related party w.e.f. 8 December 2015)			Related entities of KMP	Related entities of KMP	Related entities of KMP
Cremica Food Industries Limited (Ceased to be related party w.e.f. 25 December 2014)				Related entities of KMP	Related entities of KMP
Cremica Food Specialities Limited (Ceased to be related party w.e.f. 8 December 2015)			Related entities of KMP	Related entities of KMP	Related entities of KMP
Auro Mira Dairies Limited (Ceased to be related party w.e.f. 8 December 2015)			Related entities of KMP	Related entities of KMP	Related entities of KMP
E.B.I Foods Private Limited (Ceased to be related party w.e.f. 8 December 2015)			Related entities of KMP	Related entities of KMP	Related entities of KMP
Poliyan Food Park Private Limited (Ceased to be related party w.e.f. 25 December 2014)				Related entities of KMP	Related entities of KMP
Bector Core Investments Private Limited (Ceased to be related party w.e.f. 25 December 2014)				Related entities of KMP	Related entities of KMP
Dharamvir and Sons (HUF)	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Anoop Bector (HUF)	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Ajay Bector (HUF) (Ceased to be related party w.e.f. 8 December 2015)			Related entities of KMP	Related entities of KMP	Related entities of KMP
Akshay Bector (HUF) (Ceased to be related party w.e.f. 25 December 2014)				Related entities of KMP	Related entities of KMP
Parveen Goel (HUF)	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP	Related entities of KMP
Nem Chand Jain, Director w.e.f. 17 March 2015	Independent Director	Independent Director	Independent Director	Independent Director	
Archana Bhargava, Director till 15 November 2016		Independent Director	Independent Director	Independent Director	
Sunil Kumar Alagh, Director till 31 March 2016			Independent Director		
Subhash Agarwal, Director w.e.f. 10 February 2017	Independent Director	Independent Director			

* Deceased on 26 December 2017

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

(b) Key management personnel compensation

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
Short-term employee benefits	49.92	46.23	27.38	44.71	36.50
Post-employment defined benefit	4.08	2.76	2.38	1.89	1.68
Director sitting fees	0.18	0.13	0.55	-	-
Employee share based payment	0.56	-	-	-	-
Total compensation	**54.74**	**49.12**	**30.31**	**48.54**	**38.18**

(c) Transactions with related parties during the course of ordinary business :

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 period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis. The aggregate value of the Group's transactions relating to key management personnel and entities over which they have control or significant influence is as follows:

Transactions	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	31 March 2014 Proforma Ind AS
Purchase of finished goods					
- Cremica Agro Foods Limited	-	-	-	7.50	474.12
- Cremica Food Industries Limited	-	-	-	0.04	0.01
Sale of goods					
- Mrs. Bectors Cremica Enterprises Limited	-	-		-	0.30
Purchase of Property plant and equipment					
- Cremica Agro Foods Limited	-	-	-	-	0.50
- Cremica Food Industries Limited	-	-	-	-	2.48
Sale of Property plant and equipment					
- Mrs. Bectors Cremica Enterprises Limited	-	-	3.40	-	-
Unsecured loan taken from					
- Anoop Bector	30.70	27.50	28.00	24.28	9.37
- Ishaan Bector	-	19.95	-	-	2.35
- Dharamvir Bector	-	5.40	0.50	21.60	13.88
- Rajni Bector	-	7.00	0.65	10.96	2.98
- Anoop Bector HUF	-	-	-	-	1.45
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	-	1.59
- Rashmi Bector	-	-	-	-	4.80
- Dharamvir and Sons HUF	-	-	-	-	2.38
Unsecured loan repaid to					
- Anoop Bector	27.73	29.70	31.74	14.27	7.00
- Ishaan Bector	12.13	2.78	-	4.79	1.31
- Dharamvir Bector	0.36	9.50	29.53	2.90	10.10
- Rajni Bector	1.63	5.50	20.50	0.11	3.80
- Anoop Bector HUF	-	-	-	5.03	0.27
- Suvir Bector	-	-	-	0.88	-
- Rashmi Bector	-	-	-	4.66	3.05
- Dharamvir and Sons HUF	-	-	-	5.46	0.46
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	-	1.64
Finance cost on loan taken					
- Anoop Bector	0.49	1.23	1.59	0.81	0.47
- Anoop Bector HUF	-	-	-	0.37	0.39
- Dharamvir Bector	0.03	0.23	1.39	1.63	0.96
- Dharamvir and Sons HUF	-	-	-	0.46	0.35
- Rajni Bector	0.07	0.08	0.44	1.17	0.73
- Rashmi Bector	-	-	-	0.40	0.11
- Ishaan Bector	0.82	0.62	-	0.44	0.34
- Suvir Bector	-	-	-	0.08	0.08
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	-	0.05

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

Transactions	31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	31 March 2014 Proforma Ind AS
Others					
Rent paid					
- Dharamvir Bector	0.09	0.09	0.09	-	-
- Anoop Bector	4.20	4.20	4.20	4.72	4.60
- Anoop Bector HUF	3.00	3.00	2.37	2.16	2.16
- Cremica Foods Specialities Limited	-	-	0.53	1.01	1.01
- Mrs. Bectors Cremica Enterprises Limited	-	-	12.00	-	-
- Dharamvir and Sons HUF	-	-	-	0.09	0.10
Rent received					
- Cremica Agro Foods Limited	0.01	-	-	-	-
Expenses incurred by the Group on behalf of					
- Cremica Food Industries Limited	-	-	-	40.23	53.67
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	0.31	2.19
- Cremica Agro Foods Limited	-	-	-	-	1.23
Expenses incurred on behalf of Group					
- Mrs. Bectors Cremica Enterprises Limited	-	-	0.02	-	1.75
- Cremica Food Industries Limited	-	-	-	37.24	15.85
Interim dividend paid					
- Anoop Bector	17.14	11.42	10.74	-	-
- Anoop Bector HUF	1.50	1.00	1.00	-	-
- Ajay Bector	0.34	0.23	0.23	-	-
- Rashmi Bector	0.91	0.61	0.61	-	-
- Ishaan Bector	1.79	1.19	1.19	-	-
- Suvir Bector	1.19	0.79	0.79	-	-
Contribution to provident and other funds					
- Rashmi Bector	0.73	0.60	0.53	0.52	0.52
- Neha Gupta	0.42	0.10	-	-	-
- Ishaan Bector	-	-	0.69	0.38	0.27
- Nikhil Bector	-	-	0.13	0.23	0.23
- Namrata Goel	-	-	-	0.03	0.07
Salary paid					
- Rashmi Bector	6.54	5.40	4.80	4.75	4.75
- Ishaan Bector	-	-	5.25	3.60	2.59
- Nikhil Bector	-	-	6.83	2.45	2.45
- Namrata Goel	-	-	-	0.26	0.62
- Samira Bector	-	-	7.20	-	-
- Neha Gupta	3.60	0.89	-	-	-
- Rajni Bector	2.52	2.16	1.26		
Consultancy charges paid					
- Dharamvir Bector	-	-	1.50	-	-
- Subhash Agarwal	0.61	0.73	-	-	-
- Rajni Bector	-	-	0.90	-	-
Purchase of shares					
- Anoop Bector	-	-	-	2.49	-
- Ajay Bector	-	-	-	2.49	-
- Dharamvir Bector	-	-	-	5.55	-
Sale of shares					
- Anoop Bector	-	-	-	2.49	-
- Ajay Bector	-	-	-	2.48	-
- Dharamvir Bector	-	-	-	5.56	-
- Mrs. Bectors Cremica Enterprises Limited	-	-	4.56	-	-
Amount written off					
- Mrs. Bectors Cremica Enterprises Limited	-	-	-	7.12	-
Sale of Land/ Apartment					
- Samira Bector	-	-	-	-	9.30

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

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

(d) Details of balances with related parties at year end

Balances as at year end		31 March 2018	31 March 2017	31 March 2016 Proforma Ind AS	31 March 2015 Proforma Ind AS	31 March 2014 Proforma Ind AS
Trade and other payables						
- Anoop Bector		0.41	0.48	0.48	0.70	1.78
- Ishaan Bector		0.62	0.52	0.12	0.14	0.31
- Parveen Kumar Goel		0.30	0.22	0.18	0.19	0.12
- Rashmi Bector		0.50	0.35	0.33	0.60	0.77
- Neha Gupta		0.19	0.14	-	-	-
- Rajni Bector		0.30	0.21	-	0.16	0.30
- Dharamvir Bector		-	0.09	0.08	0.01	0.17
- Ram Sanjeevan Verma		0.18	0.12	0.11	0.11	0.01
- Cremica Food Industries Limited		-	-	-	9.93	14.46
- Cremica Foods Specialities Limited		-	-	-	0.08	0.01
- Nikhil Bector		-	-	-	0.17	0.08
- Cremica Agro Foods Limited		-	-	-	-	20.96
- Ajay Bector					0.66	0.67
- Namrata Goel		-	-	-	-	0.04
Unsecured loans						
- Ishaan Bector		6.34	17.73	-	-	4.40
- Anoop Bector		17.87	14.46	15.56	17.86	7.14
- Rajni Bector		0.91	2.17	0.60	20.05	8.14
- Dharamvir Bector		-	0.63	4.52	32.23	12.13
- Dharamvir and Sons HUF		-	-	-	-	5.05
- Anoop Bector HUF		-	-	-	-	4.70
- Rashmi Bector		-	-	-	-	4.30
- Suvir Bector		-	-	-	-	0.80
Advances and other receivables						
- Cremica Agro Foods Limited		6.07	6.06	6.06	5.56	-
- Mrs. Bectors Cremica Enterprises Limited		-	-	-	-	7.12
Non current investments						
- Cremica Agro Foods Limited		38.82	38.66	38.35	19.17	8.40
- Cremica Foods Specialities Limited		-	-	-	0.12	0.12
- Cremica Foods Limited		-	-	-	-	
- Cremica Industries Limited		-	-	-	-	

(e) Personal Guarantees of Directors and relatives of Directors for loans obtained from the banks
Personal Guarantees of Mr. Anoop Bector are towards outstanding loans obtained from the banks (Refer note 19)

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Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Note 47: Share-based payment arrangements

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)
On 30 June 2017, the Group established share option programme that entitle certain employees of the Group to purchase shares in the Group. 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 Period	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 Group modified share option programme by entitling grant holders of the Group for bonus shares in the Group in the ratio of 1:1.

ESOP schemes	Grant Date	No. of Options	Exercise Price	Vesting Period	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

B. Measurement of fair values

i. Equity-settled share-based payment arrangements

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

	Employees Stock Option Plan - 2017 (Grant 1)	Employees Stock Option Plan - 2017 (Grant 2)
	31-Mar-2018	31-Mar-2018
Fair value of options at grant date	124.01	124.01
Enterprise value per share ar grant date	347.08	347.08
Exercise price at the grant date	349.24	349.24
Exercise price after bonus issue	174.62	174.62
Expected volatility (weighted-average)	34.11%	34.11%
Expected life (weighted-average)	2 years	3 years
Expected dividends	0.27%	0.27%
Risk-free interest rate (based on government bonds)	6.36%	6.36%

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

C. Reconciliation of outstanding share options

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

	Number of options	Weighted average exercise price
	31 March, 2018	31 March, 2018
Employees Stock Option Plan-2017		
Options outstanding as at the beginning of the year	-	-
Add: Options granted during the year	70,871	349.24
Add: Options increased due to bonus share	70,871	(174.62)
Less: Options lapsed during the year	-	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	**141,742**	**174.62**
Exercisable as at 31 March 2018	**-**	**-**

The options outstanding at 31 March 2018 had an exercise price of Rs. 174.62 and a weighted-average contractual life of 3.16 years.

D. Expense recognised in statement of profit and loss

For the details of the related employee benefit expenses see note 34.

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Note 48: Financial instruments – Fair values and risk management

I. Accounting classifications and fair values

A. Fair value measurement

The following table shows the carrying amount and fair value of financial assets and financaial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2018	Carrying amount			Fair value			
	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non - current loans	-	33.56	33.56	-	-	33.56	33.56
Other non-current financial assets	-	9.68	9.68	-	-	9.68	9.68
Investments	0.18	-	0.18	0.18	-	-	0.18
Trade receivables	-	693.83	693.83	-	-	693.83	693.83
Cash and cash equivalents	-	58.76	58.76	-	-	58.76	58.76
Bank balances other than cash and cash equivalents	-	48.51	48.51	-	-	48.51	48.51
Current loans	-	-	-	-	-	-	-
Other current financial assets	6.52	90.82	97.34	-	6.52	90.82	97.34
Total financial assets	**6.70**	**935.16**	**941.86**	**0.18**	**6.52**	**935.16**	**941.86**
Financial liabilities							
Non current borrowings	-	956.93	956.93	-	-	956.93	956.93
Short term borrowings	-	262.73	262.73	-	-	262.73	262.73
Trade payables	-	389.70	389.70	-	-	389.70	389.70
Other financial liabilities	4.90	292.73	297.63	-	4.90	292.73	297.63
Total financial liabilities	**4.90**	**1,902.09**	**1,906.99**	**-**	**4.90**	**1,902.09**	**1,906.99**

As at 31 March 2017	Carrying amount			Fair value			
	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non - current loans	-	34.81	34.81	-	-	34.81	34.81
Other non-current financial assets	-	0.21	0.21	-	-	0.21	0.21
Investments	48.26	-	48.26	48.26	-	-	48.26
Trade receivables	-	584.58	584.58	-	-	584.58	584.58
Cash and cash equivalents	-	136.08	136.08	-	-	136.08	136.08
Bank balances other than cash and cash equivalents	-	59.32	59.32	-	-	59.32	59.32
Current loans	-	-	-	-	-	-	-
Other current financial assets	24.16	76.25	100.41	-	24.16	76.25	100.41
Total financial assets	**72.42**	**891.25**	**963.67**	**48.26**	**24.16**	**891.25**	**963.67**
Financial liabilities							
Non current borrowings	-	373.71	373.71	-	-	373.71	373.71
Short term borrowings	-	165.59	165.59	-	-	165.59	165.59
Trade payables	-	377.85	377.85	-	-	377.85	377.85
Other financial liabilities	-	154.44	154.44	-	-	154.44	154.44
Total financial liabilities	**-**	**1,071.59**	**1,071.59**	**-**	**-**	**1,071.59**	**1,071.59**

As at 31 March 2016	Carrying amount			Fair value			
	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non - current loans	-	26.21	26.21	-	-	26.21	26.21
Other non-current financial assets	-	3.22	3.22	-	-	3.22	3.22
Investments	102.70	-	102.70	102.70	-	-	102.70
Trade receivables	-	466.14	466.14	-	-	466.14	466.14
Cash and cash equivalents	-	67.14	67.14	-	-	67.14	67.14
Bank balances other than cash and cash equivalents	-	45.06	45.06	-	-	45.06	45.06
Current loans	-	-	-	-	-	-	-
Other current financial assets	11.11	57.89	69.00	-	11.11	57.89	69.00
Total financial assets	**113.81**	**665.66**	**779.47**	**102.70**	**11.11**	**665.66**	**779.47**
Financial liabilities							
Non current borrowings	-	230.98	230.98	-	-	230.98	230.98
Short term borrowings	-	191.83	191.83	-	-	191.83	191.83
Trade payables	-	259.37	259.37	-	-	259.37	259.37
Other financial liabilities	-	165.56	165.56	-	-	165.56	165.56
Total financial liabilities	**-**	**847.74**	**847.74**	**-**	**-**	**847.74**	**847.74**

Mrs. Bectors Food Specialities Limited
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As at 31 March 2015

	Carrying amount			Fair value			
	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non - current investments	0.12	-	0.12	-	-	0.12	0.12
Non - current loans	-	24.08	24.08	-	-	24.08	24.08
Other non-current financial assets	-	7.16	7.16	-	-	7.16	7.16
Investments	50.35	-	50.35	50.35	-	-	50.35
Trade receivables	-	450.32	450.32	-	-	450.32	450.32
Cash and cash equivalents	-	59.58	59.58	-	-	59.58	59.58
Bank balances other than cash and cash equivalents	-	36.46	36.46	-	-	36.46	36.46
Current loans	-	-	-	-	-	-	-
Other current financial assets	4.19	26.46	30.65	-	4.19	26.46	30.65
Total financial assets	**54.66**	**604.06**	**658.72**	**50.35**	**4.19**	**604.18**	**658.72**
Financial liabilities							
Non current borrowings	-	362.86	362.86	-	-	362.86	362.86
Short term borrowings	-	90.81	90.81	-	-	90.81	90.81
Trade payables	-	270.85	270.85	-	-	270.85	270.85
Other financial liabilities	0.11	137.36	137.47	-	0.11	137.36	137.47
Total financial liabilities	**0.11**	**861.88**	**861.99**	**-**	**0.11**	**861.88**	**861.99**

As at 31 March 2014

	Carrying amount			Fair value			
	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non - current investments	0.12	-	0.12	-	-	0.12	0.12
Non - current loans	-	21.10	21.10	-	-	21.10	21.10
Other non-current financial assets	-	21.55	21.55	-	-	21.55	21.55
Investments	79.22	-	79.22	79.22	-	-	79.22
Trade receivables	-	337.34	337.34	-	-	337.34	337.34
Cash and cash equivalents	-	61.94	61.94	-	-	61.94	61.94
Bank balances other than cash and cash equivalents	-	4.37	4.37	-	-	4.37	4.37
Current loans	-	7.12	7.12	-	-	7.12	7.12
Other current financial assets	9.26	56.82	66.08	-	9.26	56.82	66.08
Total financial assets	**88.60**	**510.24**	**598.84**	**79.22**	**9.26**	**510.36**	**598.84**
Financial liabilities							
Non current borrowings	-	524.03	524.03	-	-	524.03	524.03
Short term borrowings	-	157.44	157.44	-	-	157.44	157.44
Trade payables	-	269.67	269.67	-	-	269.67	269.67
Other financial liabilities	0.64	185.75	186.39	-	0.64	185.75	186.39
Total financial liabilities	**0.64**	**1,136.89**	**1,137.53**	**-**	**0.64**	**1,136.89**	**1,137.53**

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 ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014

(c) Valuation process

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

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

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

	As at 31 March 2018		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014	
	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	33.56	33.56	34.81	34.81	26.21	26.21	24.08	24.08	21.10	21.10
Other non-current financial assets	9.68	9.68	0.21	0.21	3.22	3.22	7.16	7.16	21.55	21.55
Trade receivables	693.83	693.83	584.58	584.58	466.14	466.14	450.32	450.32	337.34	337.34
Cash and cash equivalents	58.76	58.76	136.08	136.08	67.14	67.14	59.58	59.58	61.94	61.94
Bank balances other than cash and cash equivalents	48.51	48.51	59.32	59.32	45.06	45.06	36.46	36.46	4.37	4.37
Current loans	-	-	-	-	-	-	-	-	7.12	7.12
Other current financial assets	90.82	90.82	76.25	76.25	57.89	57.89	26.46	26.46	56.82	56.82
Total financial assets	**935.16**	**935.16**	**891.25**	**891.25**	**665.66**	**665.66**	**604.06**	**604.06**	**510.24**	**510.24**
Financial liabilities										
Non current borrowings	956.93	956.93	373.71	373.71	230.98	230.98	362.86	362.86	524.03	524.03
Short term borrowings	262.73	262.73	165.59	165.59	191.83	191.83	90.81	90.81	157.44	157.44
Trade payables	389.70	389.70	377.85	377.85	259.37	259.37	270.85	270.85	269.67	269.67
Other current financial liabilities	292.73	292.73	154.44	154.44	165.56	165.56	137.36	137.36	185.75	185.75
Total financial liabilities	**1,902.09**	**1,902.09**	**1,071.59**	**1,071.59**	**847.74**	**847.74**	**861.88**	**861.88**	**1,136.89**	**1,136.89**

The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, 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, and security deposits represents approximate to the fair values. Accordingly, the same has not been discounted.

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

Note 48: Financial instruments – Fair values and risk management (Continued..)

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 make payments within 90 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 lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Cash and cash equivalents and deposits with banks

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

Security deposits

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

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses					
Trade Receivable	704.22	591.58	466.70	450.32	341.42

Recociliation of loss allowance provision

	Amount
Loss allowance on 1 April 2013	-
Changes in loss allowance	(4.08)
Loss allowance on 31 March 2014	**(4.08)**
Changes in loss allowance	4.08
Loss allowance on 31 March 2015	**-**
Changes in loss allowance	(0.56)
Loss allowance on 31 March 2016	**(0.56)**
Changes in loss allowance	(6.44)
Loss allowance on 31 March 2017	**(7.00)**
Changes in loss allowance	(3.39)
Loss allowance on 31 March 2018	**(10.39)**

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.

(b) 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 include contractual interest payments and exclude the impact of netting agreements.

			Contractual cash flows		
	Carrying Amount	**Total**	**upto 1 year**	**Between 1 and 5 years**	**More than 5 years**
31 March 2018					
Non current borrowings	956.93	956.93		686.89	270.04
Short term borrowings	262.73	262.73	262.73	-	-
Trade payables	389.70	389.70	389.70	-	-
Other financial liabilities	292.73	292.73	292.73	-	-
Total non-derivative liabilities	**1,902.09**	**1,902.09**	**945.16**	**686.89**	**270.04**
31 March 2017					
Non current borrowings	373.71	356.65		355.92	0.73
Short term borrowings	165.59	165.59	165.59	-	-
Trade payables	377.85	377.85	377.85	-	-
Other financial liabilities	154.44	154.44	154.44	-	-
Total non-derivative liabilities	**1,071.59**	**1,054.53**	**697.88**	**355.92**	**0.73**
31 March 2016 Proforma Ind AS					
Non current borrowings	230.98	230.98	-	230.98	-
Short term borrowings	191.83	191.83	191.83	-	-
Trade payables	259.37	259.37	259.37	-	-
Other financial liabilities	165.56	165.56	165.56	-	-
Total non-derivative liabilities	**847.74**	**847.74**	**616.76**	**230.98**	**-**
31 March 2015 Proforma Ind AS					
Non current borrowings	362.86	362.86	-	362.86	-
Short term borrowings	90.81	90.81	90.81	-	-
Trade payables	270.85	270.85	270.85	-	-
Other financial liabilities	137.36	137.36	137.36	-	-
Total non-derivative liabilities	**861.88**	**861.88**	**499.02**	**362.86**	**-**
31 March 2015 Proforma Ind AS					
Non current borrowings	524.03	524.03	-	524.03	-
Short term borrowings	157.44	157.44	157.44	-	-
Trade payables	269.67	269.67	269.67	-	-
Other financial liabilities	185.75	185.75	185.75	-	-
Total non-derivative liabilities	**612.86**	**612.86**	**612.86**	**-**	**-**

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 commodity risk, foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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

Currency risk

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.Currency risks related to the cash credit loan have been hedged using forward contracts taken by the Group.

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

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

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

As at 31 March 2017	USD	Euro
Financial asset		
Trade receivables	3.35	0.14
Forward contracts receivables	6.25	-
Total	**9.60**	**0.14**
Financial liabilities		
Payable for capital assets	0.01	0.01
Total	**0.01**	**0.01**
Net exposure to foreign currency risk	**9.59**	**0.13**

As at 31 March 2016 Proforma Ind AS	USD	Euro
Financial asset		
Trade receivables	2.23	0.14
Forward contracts receivables	5.00	-
Total	**7.23**	**0.14**
Net exposure to foreign currency risk	**7.23**	**0.14**

As at 31 March 2015 Proforma Ind AS	USD	Euro
Financial asset		
Trade receivables	2.83	0.19
Forward contracts receivables	5.00	-
Total	**7.83**	**0.19**
Net exposure to foreign currency risk	**7.83**	**0.19**

As at 31 March 2014 Proforma Ind AS	USD	Euro
Financial asset		
Trade receivables	0.24	-
Forward contracts receivables	5.75	-
Total	5.99	-
Net exposure to foreign currency risk	**5.99**	**-**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Rs. against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2018				
USD (1% movement)	12.90	(12.90)	8.44	(8.44)
EUR (1% movement)	(0.25)	0.25	(0.16)	0.16
31 March 2017				
USD (1% movement)	6.14	(6.14)	4.02	(4.02)
EUR (1% movement)	0.09	(0.09)	0.06	(0.06)

31 March 2016				
USD (1% movement)	4.77	(4.77)	3.12	(3.12)
EUR (1% movement)	0.10	(0.10)	0.07	(0.07)
31 March 2015				
USD (1% movement)	4.87	(4.87)	3.18	(3.18)
EUR (1% movement)	0.13	(0.13)	0.09	(0.09)
31 March 2014				
USD (1% movement)	3.62	(3.62)	2.37	(2.37)

Interest rate risk

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

Exposure to interest rate risk

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

	Amount as at				
	31 March 2018	**31 March 2017**	**31 March 2016**	**31 March 2015**	**31 March 2014**
Fixed-rate instruments					
Financial assets	59.89	61.35	48.28	43.69	33.04
Financial liabilities	(25.12)	(34.99)	(20.68)	(70.21)	(46.66)
	34.77	**26.36**	**27.60**	**(26.52)**	**(13.62)**

	Amount as at				
	31 March 2018	**31 March 2017**	**31 March 2016**	**31 March 2015**	**31 March 2014**
Variable-rate instruments					
Financial liabilities	(1,312.55)	(447.09)	(454.22)	(415.85)	(826.31)
	(1,312.55)	**(447.09)**	**(454.22)**	**(415.85)**	**(826.31)**

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.

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.

	Cash flow sensitivity (net) as at				
Profit or loss (net of tax)	**31 March 2018**	**31 March 2017**	**31 March 2016**	**31 March 2015**	**31 March 2014**
100 bp increase	(8.58)	(2.92)	(2.97)	(2.72)	(5.40)
100 bp decrease	8.58	2.92	2.97	2.72	5.40

(This space has been intentionally left blank)

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

Note 49: Capital Management

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

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Group capital consists of equity attributable to equity holders that includes equity share capital, reserves, retained earnings and long term borrowings

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016 Proforma Ind AS	As at 31 March 2015 Proforma Ind AS	As at 31 March 2014 Proforma Ind AS
Total liabilities	1,347.47	645.05	499.34	753.74	838.58
Less : Cash and cash equivalent	(58.76)	(136.08)	(67.14)	(59.58)	(61.94)
Adjusted net debt (a)	1,288.71	508.97	432.20	694.16	776.64
Total equity (b)	2,671.01	2,356.78	2,104.73	1,730.78	1,437.38
Capital gearing ratio (a/b)	48.25%	21.60%	20.53%	40.11%	54.03%

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

Note 50: 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

Information about products and services

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
i) Revenue comprises :					
Revenue from food products*	6,655.57	6,153.91	5,809.43	5,844.88	5,476.66
Total	**6655.57**	**6153.91**	**5809.43**	**5844.88**	**5476.66**

*excludes other operating revenues

B. Information about geographical areas
The geographical information analyses the Group's revenues in 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:					
Within India	4,592.16	4,548.74	4,481.20	4,455.74	4,220.58
Outside India	2,063.41	1,605.17	1,328.23	1,389.14	1,256.08
Total	6,655.57	6,153.91	5,809.43	5,844.88	5,476.66
ii) Receivables					
Within India	358.17	360.38	308.60	261.33	265.40
Outside India	335.66	224.20	157.54	188.99	71.94
Total	693.83	584.58	466.14	450.32	337.34

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

C. Information about major customers (from external customers)
During the year ended 31 March 2018, Group does not have transactions with any single external customer having 10% or more of its revenue is as follows:

Customer	-	626.60	634.30	647.60	619.60
Total	-	626.60	634.30	647.60	619.60

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

51 . Composite Scheme of Amalgamation and Arrangement

A. Background of the scheme

a) The Composite Scheme of Amalgamation and Arrangement ('the Scheme') has been made effective from 1 April 2013 (Appointed Date) as sanctioned by Hon'ble High Court of Punjab and Haryana vide their Order dated July 4, 2014 and the Scheme came into effect on 20 August 2014 - the date when it was filed with the Registrar of Companies.

The whole scheme can be divided into following parts:-

(i) Demerger of the Bread business of a group Group, Cremica Industries Limited ("CIL")(First Transferor Group) into a newly formed Group i.e. Mrs Bectors Cremica Enterprises Limited ("MBCEL") and allotment of shares of MBCEL to the shareholders of CIL in the Share Swap ratio as mentioned in the Court approved Scheme [ratio of 100 shares of MBCEL for 8 shares each in CIL];

(ii) Merger of remaining part of Cremica Industries Limited ("CIL") into MBFSL ('the Group') and allotment of shares of MBFSL ('the Group') to the shareholders of CIL in the Share Swap ratio as mentioned in the Court approved Scheme [ratio of 51,032 shares of MBFSL for 100 shares each in CIL];

(iii) Merger of existing group companies, Bector Food Limited ("BFL")(Second Transferor Group) and Cremica Foods Limited ("CFL")(Third Transferor Group) into MBFSL ('the Group') and allotment of shares of MBFSL ('the Group') to the shareholders of BFL and CFL in the Share Swap ratio as mentioned in the Court approved Scheme [ratio of 4,755 shares of MBFSL for 100 shares each in BFL and ratio of 3,173 shares of MBFSL for 100 shares each in CFL];

(iv) Merger of existing subsidiary, Cremica Milk Specialities Limited ("CMSL")(Fourth Transferor Group) into MBFSL ('the Group') and cancellation of shares of CMSL with the investments held by MBFSL ('the Group'); and

(v) Demerger of Condiments Undertaking/ Sauce Division of MBFSL ("the Group'') from the Group into a newly formed Group i.e. Cremica Foods Industries Limited ("CFIL") and allotment of shares of CFIL to the shareholders of MBFSL ('the Group') in the Share Swap ratio as mentioned in the Court approved Scheme [ratio of 20 shares of CFIL for 100 shares each in MBFSL ('the Group')];

b) Pursuant to the Scheme coming into effect, the entire business and the whole of the undertakings of each of the transferor companies including all their respective assets and properties of whatsoever nature including investments, receivables, licenses, permits, registrations and all other rights, interests, titles, contracts of every kind, nature, description whatsoever have been transferred to and vested in the Group so as to become the assets and properties of the Group without any further application, act, instrument, deed etc. retrospectively with effect from 1 April 2013.

c) Pursuant to the Scheme coming into effect, all equity shares held by the Group as investment in the transferor companies shall stand automatically cancelled and remaining shareholders of the transferor companies holding fully paid up equity shares were allotted equity shares of Rs. 10/- each in the Group, credited as fully paid up, in share swap ratio as explained above.

The shares were to be alloted of Rs. 10 each fully paid up to all the shareholders of each of the transferor Companies (other than the transferee Group and the other Transferor Companies which are also simultaneously merging into the Transferee Group pursuant to this Scheme) whose names appear in the Register of Members of the Transferor Companies as on the Record Date. The record date has been approved by the board of directors of each of the companies as 10 September 2014.

d) The amalgamation in the nature of merger has been accounted for under the "pooling of interest" method as prescribed by Accounting Standards (AS-14) notified under Section 211(3C) of the Companies Act, 1956. Accordingly, the assets, liabilities and reserves of the transferor companies as at 1 April 2013 have been taken over at their book values and in the same form.

e) As per the Scheme, the excess of net assets of each of Transferor Group acquired by the Group over the amount credited as share capital and after cancellation of cross holdings among the Transferor Companies and Transferee Group shall be credited to General Reserve account. In case of deficit, the same shall be debited first to Securities Premium Account and balance, if any, left thereafter shall be adjusted in the General Reserve Account and balance, if any, left thereafter shall be adjusted against the accumulated credit balance in the profit and loss account.
Accordingly, the Group has received Capital Reserve amounting to 3.03 and 97.93 as Surplus in the Statement of Profit and Loss Account from the transferor Companies as at 1 April 2013. Further, due to cross cancellation, the negative net impact/deficit of 66.16 has been adjusted against Securities Premium Account.

f) Pursuant to Composite scheme of Amalgamation and Arrangement, Condiments Undertaking of the Group is demerged from the Group and merged with Cremica Food Industries Limited (CFIL) (resultant Group). Upon coming into effect of the Scheme and with effect from 1 April 2013, all assets, investments, debts, liabilities, contingent liabilities, loans, duties and obligations of every kind, nature and description pertaining to Condiments Undertaking has been vested or transferred to Cremica Food Industries Limited as a going concern. As per the approved Court Scheme,the difference between the value of assets and liabilities pertaining to the Condiments Undertaking transferred pursuant to the Scheme is to be adjusted in General Reserve Account to the extent available and balance is to be adjusted in Statement of Profit and Loss Account.
Accordingly 12.10 has been adjusted to General Reserve(to the extent available) and balance 489.01 has been adjusted to Surplus of Statement of Profit and Loss Account.

B. Statement of Assets and Liabilities merged in the Group

Particulars	**Amalgamation of CIL, BFL, CFL and CMSL in the Group**
Assets	
Fixed Assets	
-Tangible Assets	30.26
Non Current Investments	105.39
Long Term Loans And Advances	0.04
Cash And Bank Balances	32.23
Current Investments	4.80
Short Term Loans And Advances	1.10
Other Current Assets	0.47
Total Assets	**174.29**
Liabilities	
Deferred Tax Liabilities (Net)	0.22
Trade Payables	0.01
Other Current Liabilities	37.23
Short Term Provisions	1.36
Total Liabilities	**38.82**
Net Assets acquired	**135.47**
Against the same	
a) Reserve and Surplus of Transferor companies Acquired	
- Capital Reserve	3.04
- Surplus in the statement of Profit and Loss Account	97.93
Total Reserve and Surplus Acquired	**100.97**
b) Adjustment of Share Capital	
a) Issue of Share Capital as per share entitlement ratio in accordance with the Composite scheme of Amalgamation and Arrangement (with effect from April 1, 2013)	212.88
b) Cancellations of share capital at par value of Mrs. Bectors Food Specialities Limited held by the Transferor companies (with effect from April 1, 2013)	(224.69)
Net Adjustment to Share Capital	**(11.81)**

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)
Composite Scheme of Amalgamation and Arrangement continued

c) Cancellation of Investments held by the Group / Transferor Companies

Cancellation of InterGroup Investments held by transferor companies in Mrs Bectors Food Specialities Limited at book value	(83.15)
Cancellation of InterGroup Investments held by Mrs Bectors Food Specialities Limited in the Subsidiary, CMSL and BFL on account of Scheme of Amalgamation and Arrangement	(29.33)
Net Adjustment to Investment	**(112.48)**
Net Adjustment to Securities Premium Account	**66.16**

C. Statement of Assets and Liabilities demerged of Condiment undertaking

Particulars	**Demerger of Condiment undertaking of the Group in CFIL**
Assets	
Fixed Assets	
-Tangible Assets	548.63
-Intangible Assets	0.29
-Capital Work-In-Progress	5.89
Non Current Investments	16.00
Long Term Loans And Advances	86.40
Other Non Current Assets	31.73
Inventories	249.67
Trade Receivables	167.16
Cash And Bank Balances	12.65
Current Investments	2.91
Short Term Loans And Advances	78.08
Other Current Assets	-
Total Assets	**1,199.42**
Liabilities	
Long Term Borrowings	26.77
Deferred Tax Liabilities (Net)	30.36
Long Term Provisions	3.96
Short Term Borrowings	375.82
Trade Payables	121.95
Other Current Liabilities	136.53
Short Term Provisions	2.92
Total Liabilities	**698.31**
Net Impact (Transfer of Reserves)	**501.11**
Adjusted to General Reserve (to the extent available)	**12.10**
Adjustment to the Surplus of Statement of Profit and Loss	**489.01**

D. Current Investments of the Group includes investment of 0.2 (2200 shares) of Cremica Industries Limited and Rs 0.74 (74,000 shares) in Cremica Foods Limited, which the Group sold subsequent to balance sheet date for a consideration of Rs 6.47 and Rs 4.06 respectively. These shares have been sold and realized on June 30, 2014. Since these shares have been sold before the record date of September 10, 2014 under Composite scheme of Amalgamation and Arrangement, therefore these have not been considered for cancellation on account of merger of these companies with Mrs Bectors Food Specialities Limited.

E. As per clause 26.1 of approved Court Scheme, upon the scheme becoming effective, the authorized share capital of the transferee Group and the Clause V of the Memorandum of Association of the Transferee Group (relating to Authorized Share Capital) shall, without any further application, act, instrument or deed, without any obligation to pay any further registration fee, filling fee or other charges be and stand altered, modified , reclassified and C96amended pursuant to section 16, 94,95,97 and 394 and other applicable provision of the Act, as the case may be, in the manner set out below and be substituted by the following clauses:

Clause V of the Memorandum of Association:

" The Authorized Share Capital of the Group is 341.50 (Indian Rupees Thirty Four Crores Fifteen Lacs only) divided into 3,41,50,000 (Three Crores Forty One Lac Fifty Thousand) equity shares of INR 10/- each with the power to increase or reduce the same in accordance with the provisions of the Companies Act 1956."

Accordingly, the Group has given effect of such increase in Authorized capital in the financial statements for the year ended March 31,2014.

F. Pursuant to the said scheme, the Group is required to cancel 2,24,69,418 shares and allot 2,12,87,939 shares, considering the record date of 10 September 2014. Accordingly the impact of share cancellation has been taken into account in the financial statements for the year ended 31 March 2014 and as the allotment of shares is yet to be made as at the balance sheet date, the disclosure thereof has been made under 'Share capital Suspense account (to be issued)' on the face of Balance Sheet.

G. Based on expert inputs, the management believes that there are no corporate law, income tax or other regulatory implications arising out of the said Composite Scheme of Amalgamation and Arrangement on the Group or its shareholders.

H. The opening balances as at Appointed Date of 1 April 2013 of the Transferor companies merged with the Group are those audited by other firm of chartered accountants, other than S.R. Batliboi & Co. LLP.

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Note 52: Reconciliation between previous GAAP and Ind AS

A. First time adoption of Ind AS

The accounting policies set out in Annexure V have been applied in preparing the Restated Financial statements for the year ended 31 March, 2018, 2017, 2016, 2015 and 2014. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April, 2016 while preparing Restated Financial Information for the years ended 31 March, 2016, 2015 and 2014. Accordingly, suitable restatement adjustments are made in the financial statements as of and for the years ended 31 March, 2018, 2017, 2016, 2015, 2014, and 1 April, 2013 An explanation of how the transition from Indian GAAP to Ind AS has affected the Group's Restated Financial Information is set out in the following tables and notes.

A.1 Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, as at the transition date, i.e. 1 April 2016.

Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilitities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.1.2 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Group has elected to apply this exemption for such contracts/arrangements.

A.1.2 Investments in Subsidiaries

Ind AS 101 permits a first-time adopter to choose the previous GAAP carrying amount at the entity's date of transition to Ind AS to measure the investment in the subsidiary as the deemed cost.

Accordingly, the Group has opted to measure its investment in subsidiary at deemed cost i.e. previous GAAP carrying amount.

A 2. Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

B. Reconciliation of Cash Flows

Financial Year ended 31 March 2017	**Previous GAAP**	**Restated Ind AS**	**Adjustments**
Net cash inflow from operating activities	536.90	546.80	9.90
Net cash outflow from investing activities	(507.49)	(523.96)	(16.47)
Net cash outflow from financing activities	39.52	46.10	6.58
Net increase/(decrease) in cash and cash equivalents	68.93	68.94	0.01
Cash and cash equivalents as at 31 March 2016	67.13	67.14	
Cash and cash equivalents as at 31 March 2017	**136.06**	**136.08**	**0.01**
Financial Year ended 31 March 2016			
Net cash inflow from operating activities	487.63	506.92	19.29
Net cash outflow from investing activities	(337.36)	(360.27)	(22.91)
Net cash outflow from financing activities	(142.73)	(139.10)	3.63
Net increase/(decrease) in cash and cash equivalents	7.54	7.56	0.02
Cash and cash equivalents as at 31 March 2015	59.59	59.58	
Cash and cash equivalents as at 31 March 2016	**67.13**	**67.14**	**0.02**
Financial Year ended 31 March 2015			
Net cash inflow from operating activities	493.27	537.22	43.95
Net cash outflow from investing activities	(150.34)	(191.52)	(41.18)
Net cash outflow from financing activities	(345.06)	(348.06)	(3.00)
Net increase/(decrease) in cash and cash equivalents	(2.13)	(2.36)	(0.23)
Cash and cash equivalents as at 31 March 2014	61.72	61.94	
Cash and cash equivalents as at 31 March 2015	**59.59**	**59.58**	**(0.23)**

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

C. Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods.
The following tables represent the reconciliations of equity from previous GAAP to Ind AS

Reconciliation of equity as at 31 March 2014

Particulars	As at 31 March 2014				
	Previous GAAP*	**Transitional Adjustments**	**Ind AS**	**Restatement Adjustments**	**Restated Ind AS**
ASSETS					
Non-current assets					
Property, plant and equipment	1,825.32	43.67	**1,868.99**	18.53	1,887.52
Capital work-in-progress	13.56	-	**13.56**	-	13.56
Goodwill on consolidation	7.27	-	**7.27**	-	7.27
Investments accounted for using the equity method	8.39	-	**8.39**	19.38	27.77
Financial assets					
(i) Investments	0.12	-	**0.12**	-	0.12
(i) Loans	21.10	-	**21.10**	-	21.10
(ii) Other financial assets	21.55	-	**21.55**	-	21.55
Non-current tax assets (net)	9.40	-	**9.40**	(6.22)	3.18
Other non-current assets	30.15	-	**30.15**	-	30.15
Total non-current assets	**1,936.86**	**43.67**	**1,980.53**	**31.69**	**2,012.22**
Current assets					
Inventories	260.50	-	260.50	(1.43)	259.07
Financial assets					
(i) Investments	68.36	10.86	79.22	-	79.22
(ii) Trade receivables	336.75	6.35	343.10	(5.76)	337.34
(iii) Cash and cash equivalents	61.94	-	61.94	-	61.94
(iv) Bank balances other than (iii) above	4.37	-	4.37	-	4.37
(v) Loans	7.12	-	7.12	-	7.12
(vi) Other current financial assets	95.91	(10.22)	85.69	(19.61)	66.08
Other current assets	37.96	-	37.96	(4.11)	33.85
Total current assets	**872.91**	**6.99**	**879.90**	**(30.91)**	**848.99**
Total assets	**2,809.77**	**50.66**	**2,860.43**	**0.78**	**2,861.21**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	73.46	-	**73.46**	0.00	73.46
Other equity	1,361.25	10.53	**1,371.78**	(7.86)	1,363.92
Total equity	**1,434.70**	**10.53**	**1,445.24**	**(7.86)**	**1,437.38**
LIABILITIES					
Non-current liabilities					
Financial liabilities					
(i) Borrowings	524.03	-	**524.03**	-	524.03
Provisions	13.98	-	**13.98**	-	13.98
Deferred tax liabilities (net)	57.33	5.58	**62.91**	(10.74)	52.17
Other non-current liabilities	-	37.00	**37.00**	-	37.00
Total non-current liabilities	**595.34**	**42.58**	**637.92**	**(10.74)**	**627.18**
Current liabilities					
Financial liabilities					
(i) Borrowings	157.44	-	**157.44**	-	157.44
(ii) Trade payables					
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	320.99	-	**320.99**	(51.32)	269.67
(iii) Other financial liabilities	185.29	0.64	**185.93**	0.46	186.39
Other current liabilities	77.17	(9.43)	**67.74**	50.85	118.60
Short-term provisions	42.62	6.34	**48.96**	-	48.96
Current tax liabilities (net)	15.59	-	**15.59**	-	15.59
Total current liabilities	**799.10**	**(2.45)**	**796.65**	**(0.01)**	**796.65**
Total liabilities	**1,394.44**	**40.13**	**1,434.57**	**(10.75)**	**1,423.83**
Total equity and liabilities	**2,829.15**	**50.66**	**2,879.81**	**(18.61)**	**2,861.21**

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)
Reconciliation of equity as at 31 March 2015

Particulars	As at 31 March 2015				
	Previous GAAP*	Transitional Adjustments	Ind AS	Restatement Adjustments	Restated Ind AS
ASSETS					
Non-current assets					
Property, plant and equipment	1,788.52	40.91	**1,829.43**	(0.03)	1,829.40
Capital work-in-progress	15.74	-	**15.74**	-	15.74
Goodwill on consolidation	5.40	1.87	**7.27**	-	7.27
Investments accounted for using the equity method	38.05	-	**38.05**	-	38.05
Financial assets		-		-	-
(i) Investments	0.12	-	**0.12**	-	0.12
(i) Loans	24.02	-	**24.02**	0.06	24.08
(ii) Other financial assets	7.16	-	**7.16**	-	7.16
Non-current tax assets (net)	22.13	-	**22.13**	(4.04)	18.09
Other non-current assets	52.26	-	**52.26**	0.30	52.56
Total non-current assets	**1,953.39**	**42.78**	**1,996.17**	**(3.70)**	**1,992.47**
Current assets					
Inventories	267.83	-	**267.83**	5.89	273.72
Financial assets		-		-	-
(i) Investments	50.08	0.27	**50.35**	-	50.35
(ii) Trade receivables	438.71	6.64	**445.35**	4.97	450.32
(iii) Cash and cash equivalents	59.58	-	**59.58**	-	59.58
(iv) Bank balances other than (iii) above	36.46	-	**36.46**	-	36.46
(v) Loans	-	-		-	-
(vi) Other current financial assets	45.70	(15.11)	**30.59**	0.06	30.65
Other current assets	34.32	-	**34.32**	(0.43)	33.89
Total current assets	**932.67**	**(8.20)**	**924.47**	**10.50**	**934.97**
Total assets	**2,886.06**	**34.58**	**2,920.64**	**6.80**	**2,927.44**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	286.34	-	**286.34**	0.00	286.34
Other equity	1,435.47	(0.71)	**1,434.76**	9.68	1,444.44
Total equity	**1,721.81**	**(0.71)**	**1,721.10**	**9.68**	**1,730.78**
LIABILITIES					
Non-current liabilities					
Financial liabilities					
(i) Borrowings	362.86	-	**362.86**	-	362.86
Provisions	19.46	-	**19.46**	-	19.46
Deferred tax liabilities (net)	65.29	(1.36)	**63.92**	(2.88)	61.04
Other non-current liabilities		33.68	**33.68**	-	33.68
Total non-current liabilities	**447.61**	**32.32**	**479.92**	**(2.88)**	**477.04**
Current liabilities					
Financial liabilities					
(i) Borrowings	90.81	-	**90.81**	-	90.81
(ii) Trade payables					
(a) Total outstanding dues of micro enterprises and small enterprises	-	-		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	272.52	-	**272.52**	(1.67)	270.85
(iii) Other financial liabilities	137.37	0.10	**137.47**	-	137.47
Other current liabilities	132.04	(3.76)	**128.27**	1.68	129.95
Short-term provisions	62.39	6.64	**69.03**	-	69.03
Current tax liabilities (net)	21.52	-	**21.52**	-	21.52
Total current liabilities	**716.65**	**2.98**	**719.62**	**0.01**	**719.63**
Total liabilities	**1,164.26**	**35.30**	**1,199.54**	**(2.87)**	**1,196.67**
Total equity and liabilities	**2,886.06**	**34.59**	**2,920.64**	**6.81**	**2,927.45**

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Reconciliation of equity as at 31 March 2016

Particulars	As at 31 March 2016				
	Previous GAAP*	Transitional Adjustments	Ind AS	Restatement Adjustments	Restated Ind AS
ASSETS					
Non-current assets					
Property, plant and equipment	1,736.45	43.70	1,780.15	(0.02)	1,780.13
Capital work-in-progress	189.64	4.31	193.95	-	193.95
Goodwill on consolidation	3.95	3.32	7.27	-	7.27
Intangible assets	18.94	-	18.94	-	18.94
Loans and advances	-	-			
Investments accounted for using the equity method	38.34	-	38.34	-	38.34
Financial assets		-		-	-
(i) Investments		-		-	-
(i) Loans	26.21	-	26.21	-	26.21
(ii) Other financial assets	3.22	-	3.22	-	3.22
Non-current tax assets (net)	15.77	-	15.77	1.41	17.18
Other non-current assets	87.92	-	87.92	-	87.92
Total non-current assets	2,120.44	51.33	2,171.77	1.39	2,173.16
Current assets					
Inventories	325.51	-	325.51	(0.27)	325.24
Financial assets		-		-	-
				-	-
(i) Investments	95.72	6.98	102.70	-	102.70
(ii) Trade receivables	456.54	6.61	463.15	2.99	466.14
(iii) Cash and cash equivalents	67.14	-	67.14	-	67.14
(iv) Bank balances other than (iii) above	45.06	-	45.06	-	45.06
(v) Loans		-		-	-
(vi) Other current financial assets	75.05	(5.72)	69.34	(0.34)	69.00
Other current assets	66.65	-	66.65	-	66.65
Total current assets	1,131.68	7.87	1,139.55	2.38	1,141.93
Total assets	3,252.12	59.20	3,311.32	3.77	3,315.09
EQUITY AND LIABILITIES					
Equity					
Equity share capital	286.34	-	286.34	0.00	286.34
Other equity	1,800.65	14.79	1,815.44	2.95	1,818.39
Total equity	2,086.99	14.79	2,101.78	2.95	2,104.73
LIABILITIES					
Non-current liabilities					
Financial liabilities					
(i) Borrowings	230.99	-	230.99	(0.01)	230.98
Provisions	20.91	-	20.91	-	20.91
Deferred tax liabilities (net)	45.69	6.07	51.76	0.85	52.61
Other non-current liabilities	-	35.04	35.04	0.00	35.04
Total non-current liabilities	297.59	41.10	338.69	0.85	339.54
Current liabilities					
Financial liabilities					
(i) Borrowings	191.83	-	191.83	-	191.83
(ii) Trade payables				-	-
(a) Total outstanding dues of micro enterprises and small enterprises		-		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	259.37	-	259.37	-	259.37
(iii) Other financial liabilities	165.56	-	165.56	-	165.56
Other current liabilities	134.57	(3.30)	131.27	(0.01)	131.26
Short-term provisions	87.66	6.61	94.27	-	94.27
Current tax liabilities (net)	28.55	-	28.55	(0.03)	28.53
Total current liabilities	867.54	3.31	870.85	(0.04)	870.82
Total liabilities	1,165.13	44.41	1,209.54	0.81	1,210.36
Total equity and liabilities	3,252.12	59.20	3,311.32	3.76	3,315.09

Mrs. Bectors Food Specialities Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)
Reconciliation of equity as at 31 March 2017

Particulars	As at 31 March 2017				
	Previous GAAP*	**Transitional Adjustments**	**Ind AS**	**Restatement Adjustments**	**Restated Ind AS**
ASSETS					
Non-current assets					
Property, plant and equipment	2,122.04	51.69	2,173.73	-	2,173.73
Capital work-in-progress	115.65	2.19	117.84	-	117.84
Goodwill on consolidation	2.49	4.78	7.27	-	7.27
Intangible assets	17.13	-	17.13	-	17.13
Intangible assets under development	5.55	-	5.55	-	5.55
Investments accounted for using the equity method	38.65	-	38.65	-	38.65
Financial assets		-		-	-
(i) Investments				-	-
(i) Loans	34.81	-	34.81	-	34.81
(ii) Other financial assets	0.21	-	0.21	-	0.21
Non-current tax assets (net)	38.70	(12.97)	25.73	1.26	26.99
Other non-current assets	110.01	-	110.01	0.01	110.02
Total non-current assets	2,485.24	45.69	2,530.93	1.27	2,532.20
Current assets					
Inventories	276.09	-	276.09	-	276.09
Financial assets		-		-	-
(i) Investments	41.86	6.40	48.26	-	48.26
(ii) Trade receivables	579.97	6.10	586.07	(1.49)	584.58
(iii) Cash and cash equivalents	136.08	-	136.08	-	136.08
(iv) Bank balances other than (iii) above	59.32	-	59.32	-	59.32
(v) Loans	-	-		-	-
(vi) Other current financial assets	92.63	7.78	100.41	-	100.41
Other current assets	63.40	-	63.40	-	63.40
Total current assets	1,249.35	20.28	1,269.63	(1.49)	1,268.14
Total assets	3,734.59	65.97	3,800.56	(0.22)	3,800.34
EQUITY AND LIABILITIES					
Equity					
Equity share capital	286.34	-	286.34	-	286.34
Other equity	2,047.46	22.68	2,070.14	0.30	2,070.44
Total equity	2,333.80	22.68	2,356.48	0.30	2,356.78
LIABILITIES					
Non-current liabilities					
Financial liabilities					
(i) Borrowings	373.71	-	373.71	-	373.71
Provisions	31.87	-	31.87	-	31.87
Deferred tax liabilities (net)	62.69	(3.84)	58.85	(0.52)	58.33
Other non-current liabilities	-	34.38	34.38	-	34.38
Total non-current liabilities	468.27	30.54	498.81	(0.52)	498.29
Current liabilities					
Financial liabilities					
(i) Borrowings	165.59	-	165.59	-	165.59
(ii) Trade payables		-		-	-
(a) Total outstanding dues of micro enterprises and small enterprises		-		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	377.85	-	377.85	-	377.85
(iii) Other financial liabilities	154.44	-	154.44	-	154.44
Other current liabilities	115.11	6.36	121.47	-	121.47
Short-term provisions	106.89	6.10	112.99	-	112.99
Current tax liabilities (net)	12.64	0.29	12.93	-	12.93
Total current liabilities	932.52	12.75	945.27	-	945.27
Total liabilities	1,400.79	43.29	1,444.08	(0.52)	1,443.56
Total equity and liabilities	3,734.59	65.97	3,800.56	(0.22)	3,800.34

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

D. Reconciliation between previous GAAP and Ind AS

Reconciliation of total comprehensive income for the year ended 31 March 2014

Particulars	**Previous GAAP***	**Ind AS adjustment**	**Ind AS**	**Restatement adjustment**	**Restated Ind AS**
Income					
Revenue from operations	5,545.46	76.32	5,621.78	(21.69)	5,600.09
Other income and other gains/(losses)	12.68	12.52	25.20	-	25.20
Total income	**5,558.14**	**88.84**	**5,646.98**	**(21.69)**	**5,625.29**
Expenses					
Cost of materials consumed	2,891.64	(57.22)	2,834.42	1.44	2,835.86
Purchase of stock-in-trade	499.86	-	499.86	-	499.86
Changes in inventories of finished goods, stock-in- trade and work-in-progress	(24.84)	-	(24.84)	(0.39)	(25.23)
Excise duty	34.57	-	34.57	-	34.57
Employee benefit expenses	526.12	1.49	527.61	-	527.61
Finance costs	86.37	-	86.37	-	86.37
Depreciation and amortisation expense	208.67	4.59	213.26	(21.83)	191.43
Other expenses	998.18	117.32	1,115.50	1.00	1,116.50
			-		
Total expenses	**5,220.57**	**66.18**	**5,286.75**	**(19.78)**	**5,266.97**
Profit before exceptional items and tax	**337.57**	**22.66**	**360.23**	**(1.91)**	**358.32**
Profit before share of equity accounted investees and tax	1.43	-	1.43	-	1.43
Share of net profit of associates accounted for using the equity method					
Profit before tax	**339.01**	**22.66**	**361.66**	**(1.91)**	**359.75**
Income tax expense					
-Current tax	105.66	-	105.66	0.86	106.52
-Deferred tax	(8.81)	7.84	(0.97)	(0.78)	(1.75)
Total tax expense	**96.85**	**7.84**	**104.69**	**0.08**	**104.77**
Profit after tax as restated (A)	**242.16**	**14.82**	**256.97**	**(1.99)**	**254.98**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit plans	-	1.49	1.49	-	1.49
Income tax relateing to remeasurement of defined benefit plans	-	(0.52)	(0.52)	-	(0.52)
Total other comprehensive income for the year (B)	**-**	**0.97**	**0.97**	**-**	**0.97**
Total comprehensive income for the year as restated (A+B)	**242.16**	**15.79**	**257.94**	**(1.99)**	**255.95**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Reconciliation of total comprehensive income for the year ended 31 March 2015

Particulars	**Previous GAAP***	**Ind AS adjustment**	**Ind AS**	**Restatement adjustment**	**Restated Ind AS**
Income					
Revenue from operations	5,926.35	90.25	6,016.60	-	6,016.60
Other income	19.72	(6.13)	13.59	-	13.59
Total income	**5,946.07**	**84.12**	**6,030.19**	**-**	**6,030.19**
Expenses					
Cost of materials consumed	3,349.49	(57.19)	3,292.30	(7.32)	3,284.98
Purchase of stock-in-trade	32.67	-	32.67	-	32.67
Changes in inventories of finished goods, stock-in- trade and work-in-progress	7.72	-	7.72	(4.10)	3.62
Excise duty	92.72	-	92.72	-	92.72
Employee benefit expenses	685.73	1.33	687.06	-	687.06
Depreciation and amortisation expense	188.89	4.96	193.84	24.82	218.66
Finance costs	83.18	-	83.18	-	83.18
Other expenses	1,055.36	154.54	1,209.90	(30.35)	1,179.55
Total expenses	**5,495.76**	**103.64**	**5,599.40**	**(16.96)**	**5,582.44**
Profit before exceptional items and tax	**450.30**	**(19.52)**	**430.79**	**16.96**	**447.75**
Profit before share of equity accounted investees and tax					
Share of net profit of associates accounted for using the equity method	0.25	-	0.25	-	0.25
Profit before tax	**450.55**	**(19.52)**	**431.04**	**16.96**	**448.00**
Income tax expense					
-Current tax	155.37	-	155.37	(8.83)	146.54
-Deferred tax	3.47	(7.40)	(3.93)	12.35	8.42
Total tax expense	**158.84**	**(7.40)**	**151.44**	**3.52**	**154.96**
Profit after tax as restated (A)	**291.71**	**(12.12)**	**279.60**	**13.44**	**293.04**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit plans	-	1.32	1.32	-	1.32
Income tax relateing to remeasurement of defined benefit plans	-	(0.46)	(0.46)	-	(0.46)
Total other comprehensive income for the year (B)	**-**	**0.86**	**0.86**	**-**	**0.86**
Total comprehensive income for the year as restated (A+B)	**291.71**	**(11.26)**	**280.46**	**13.44**	**293.90**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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

Reconciliation of total comprehensive income for the year ended 31 March 2016

Particulars	Previous GAAP*	Ind AS adjustment	Ind AS	Restatement adjustment	Restated Ind AS
Income					
Revenue from operations	5,959.66	28.51	5,988.17	(0.36)	5,987.81
Other income	93.79	14.79	108.58	-	108.58
Total income	**6,053.45**	**43.30**	**6,096.75**	**(0.36)**	**6,096.39**
Expenses					
Cost of materials consumed	3,232.25	(56.12)	3,176.13	6.18	3,182.31
Purchase of stock-in-trade	4.22	-	4.22	-	4.22
Changes in inventories of finished goods, stock-in- trade and work-in-progress	(3.83)	-	(3.83)	4.88	1.05
Excise duty	139.58	-	139.58	-	139.58
Employee benefit expenses	794.69	(0.08)	794.61	-	794.61
Depreciation and amortisation expense	218.46	6.63	225.09	-	225.09
Finance costs	54.73	(4.32)	50.41	-	50.41
Other expenses	1,044.22	74.17	1,118.39	(2.96)	1,115.43
Total expenses	**5,484.32**	**20.28**	**5,504.60**	**8.10**	**5,512.70**
Profit before exceptional items and tax	**569.13**	**23.02**	**592.15**	**(8.46)**	**583.69**
Profit before share of equity accounted investees and tax					
Share of net profit of associates accounted for using the equity method	0.29	-	0.29	-	0.29
Profit before tax	**569.42**	**23.02**	**592.44**	**(8.46)**	**583.98**
Income tax expense					
-Current tax	182.70	-	182.70	1.21	183.91
-Deferred tax	(12.92)	7.46	(5.46)	(2.94)	(8.40)
Total tax expense	**169.78**	**7.46**	**177.25**	**(1.74)**	**175.51**
Profit after tax as restated (A)	**399.64**	**15.56**	**415.20**	**(6.72)**	**408.47**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit plans	-	(0.09)	(0.09)	-	(0.09)
Income tax relateing to remeasurement of defined benefit plans	-	0.03	0.03	-	0.03
Total other comprehensive income for the year (B)	**-**	**(0.06)**	**(0.06)**	**-**	**(0.06)**
Total comprehensive income for the year as restated (A+B)	**399.64**	**15.50**	**415.14**	**(6.72)**	**408.41**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Previous GAAP*	Ind AS adjustment	Ind AS	Restatement adjustment	Restated Ind AS
Income					
Revenue from operations	6,247.01	139.51	6,386.52	-	6,386.52
Other income	12.98	8.56	21.54	-	21.54
Total income	**6,259.99**	**148.07**	**6,408.06**	**-**	**6,408.06**
Expenses					
Cost of materials consumed	3,491.47	(4.71)	3,486.76	(0.28)	3,486.48
Purchase of stock-in-trade	105.72	-	105.72	-	105.72
Changes in inventories of finished goods, stock-in- trade and work-in-progress	22.97	-	22.97	(0.33)	22.64
Excise duty	-	139.68	139.68	-	139.68
Employee benefit expenses	811.95	(2.52)	809.43	-	809.43
Depreciation and amortisation expense	50.66	(5.64)	45.02	-	45.02
Finance costs	241.80	7.87	249.67	-	249.67
Other expenses	1,124.68	(0.38)	1,124.30	4.44	1,128.74
Total expenses	**5,849.26**	**134.29**	**5,983.55**	**3.83**	**5,987.38**
Profit before exceptional items and tax	**410.73**	**13.78**	**424.51**	**(3.83)**	**420.68**
Profit before share of equity accounted investees and tax					
Share of net profit of associates accounted for using the equity method	0.31		0.31	-	0.31
Profit before tax	**411.04**	**13.78**	**424.82**	**(3.83)**	**420.99**
Income tax expense					
-Current tax	126.08	-	126.08	0.15	126.23
-Deferred tax	3.67	4.26	7.93	(1.33)	6.60
Total tax expense	**129.76**	**4.26**	**134.01**	**(1.18)**	**132.83**
Profit after tax as restated (A)	**281.29**	**9.52**	**290.81**	**(2.65)**	**288.16**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit plans		(2.52)	(2.52)	-	(2.52)
Income tax relateing to remeasurement of defined benefit plans		0.87	0.87	-	0.87
Total other comprehensive income for the year (B)	**-**	**(1.65)**	**(1.65)**	**-**	**(1.65)**
Total comprehensive income for the year as restated (A+B)	**281.29**	**7.87**	**289.16**	**(2.65)**	**286.51**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

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

Reconciliation of total equity

Particulars	March 31, 2017	March 31, 2016 Proforma Ind AS	March 31, 2015 Proforma Ind AS	March 31, 2014 Proforma Ind AS
Total equity (shareholder's fund) as per previous GAAP	**2,333.80**	**2,086.99**	**1,721.81**	**1,434.70**
Adjustments:				
Cumulative Ind AS adjustments from previous year	14.79	(0.71)	10.53	(5.25)
Fair value of forward contracts	4.68	10.53	(9.09)	12.54
Measurement of investment in equity shares at fair value	(0.59)	6.70	(10.58)	10.87
Rent equalisation reserve	0.36	(0.07)	(0.38)	0.74
Capitalisation of general borrowing cost	5.39	4.32	-	-
Reversal of amortisation of goodwill	1.46	1.45	1.87	-
Tax effects of adjustments	(3.42)	(7.43)	6.94	(8.36)
Fair valuation of security deposits	-	-	-	
Proposed dividend			-	
Total adjustments	**22.67**	**14.79**	**(0.71)**	**10.53**
Total equity as per Ind AS before restatement adjustment	**2,356.47**	**2,101.78**	**1,721.10**	**1,445.24**
Restatement adjustment	0.30	2.95	9.68	(7.86)
Total equity as restated	**2,356.77**	**2,104.73**	**1,730.78**	**1,437.38**

Reconciliation of total comprehensive income

Particulars	March 31, 2017 Proforma	March 31, 2016 Proforma	March 31, 2015 Proforma	March 31, 2014 Proforma Ind AS
Profit after tax as per previous GAAP	281.29	399.64	291.71	242.15
Adjustments:				
Fair valuation of security deposits	-	-	-	
Re-measurement of the defined benefit obligation	2.52	0.09	(1.32)	(1.49)
Fair value of forward contracts	4.68	10.53	(9.09)	12.54
Measurement of investment in equity shares at fair value	(0.59)	6.70	(10.58)	10.87
Rent equalisation reserve	0.36	(0.07)	(0.38)	0.74
Capitalisation of general borrowing cost	5.39	4.32	-	-
Reversal of amortisation of goodwill	1.46	1.45	1.87	-
Tax effects of adjustments	(4.29)	(7.46)	7.40	(7.84)
Total adjustments	**9.53**	**15.55**	**(12.11)**	**14.81**
Profit after tax as per Ind AS	**290.82**	**415.19**	**279.60**	**256.96**
Other comprehensive income				
Total other comprehensive income, net of tax	(1.65)	(0.06)	0.86	1.75
Total comprehensive income as per Ind AS before restatement adjustment	**289.17**	**415.13**	**280.46**	**258.71**
Restatement adjustment	(2.65)	(6.72)	13.44	(1.99)
Total comprehensive income as restated	**286.52**	**408.41**	**293.90**	**256.72**

Notes to first time adoption

1 **Remeasurements of post-employment benefit obligations**
Under Ind AS, all actuarial gains and losses on defined benefit obligations are recognised in other comprehensive income. Under previous GAAP the Group recognised actuarial gains and losses in Statement of Profit and Loss. However, this has no impact on the total comprehensive income and total equity as at March 31, 2017, 2016, 2015 and 2014.

2 **Fair valuation of derivatives**
Under the previous GAAP, unrealised net loss on foreign exchange forward contracts, if any, as at each Balance Sheet date was provided for. Under Ind AS, foreign exchange forward contracts are mark-to-market as at Balance Sheet date and unrealised net gain or loss is recognised in the statement of profit and loss.

3 **Investment in equity shares and mutual funds at fair value**
Under previous GAAP, investments in mutual funds were measured at cost or market value, whichever is lower. However, under Ind AS, the Group has designated these investments at fair value through profit or loss (FVTPL). Accordingly, these investments are required to be measured at fair value. The difference between the fair value of the instruments and the carrying value under previous GAAP has been recognised in the Statement of Profit and Loss. As a result, the value of investments has increased with a corresponding increase in other income.

4 **Property, plant and equipment - capital subsidy**
Under previous GAAP, grant received from government for acquisition of capital assets was reduced from the cost of specific capital assets acquired. However, under Ind AS, government grant is recognised initially as deferred income at fair value and subsequently, recognised in profit or loss as other operating revenue on a systematic basis. Accordingly, the Group has recognized deferred income with an increase in the value of property, plant and equipment. Consequent to this change, the Group has recognised additional depreciation expense and other income. Accordingly there is no impact on the total comprehensive income and total equity as at March 31, 2017, 2016, 2015 and 2014.

5 Rent equalisation reserve

Under previous GAAP, operating lease rentals were straight lined over the lease term as at and during the financial year ended March 31, 2017. Under Ind AS, if the payments by the lessee are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost, rental expense is not required to be recognised on straight-lined basis. Accordingly, the liability recognised due to straight line of lease rentals, which are associated with increase in lease rentals on account of general inflation to compensate for the lessor's expected inflation cost, as recognised in the previous GAAP during the year ended March 31, 2017 has been reversed with the corresponding adjustment to the Statement of Profit and Loss for respective financial years.

6 Deferred tax Liabilities (net)

Under the previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to reversal/creation of previously recognised deferred tax assets.

7 Amortisation of goodwill

Under the previous GAAP, goodwill created on consolidation was amortised over the period of five years. However, under Ind AS, goodwill shall be tested for impairment. Accordingly, amortisation of goodwill under previous GAAP has been reversed under Ind AS and tested for impairment.

8 Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. However, under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses. There is no impact on the total equity and profit.

9 Arrangement containing leases

Under previous GAAP, arrangements that did not take the legal form of lease were accounted for based on the legal form of such arrangements e.g. job work arrangement. Under Ind AS, any arrangement (even if not legally structured as lease) which convey right to use an asset in return for a payment or series of payments are identified as leases provided certain conditions are met. In case such arrangements are determined to be in the nature of leases, such arrangements are required to be classified into finance or operating leases as per the requirements of Ind AS 17, Leases

The Group has identified certain job-work arrangements to be in the nature of operating lease and accordingly these have been classified as operating lease arrangement. As a result, revenue has decreased with a corresponding increase in other income. There is no impact on total equity and profit.

10 Provision for sales return

Under previous GAAP, provision for expected sales return was accounted for by reducing margin from the revenue with a corresponding reduction in accounts receivable. Under Ind AS the same is grossed up by creating a provision for sales return. Accordingly, revenue for the respective years got reduced with a corresponding reduction in cost of goods sold. Further, trade receivable for respective years got increased with a corresponding increase in provision for sales return.

11 Capitalisation of general borrowing cost

Under previous GAAP, the Group capitailises the borrowing cost only for specific borrowings with the cost of the respective fixed assets. Under Ind AS, the Group is required to capitalise borrowing cost on general borrowings along with specific borrowings in respect of qualifying assets. Accordingly, interest cost to the extent related to utilisation of general purpose borrowing for qualifying assets during period ended on 31 March 2017, 31 March 2016 have been capitalised to the respective cost of the assets and correspondingly finance cost to such extent got reduced. There was no qualifying asset during the period ended on 31 March 2015 and 31 March 2014.

12 Retained earnings

Retained earnings as at 31 March 2016 , 31 March 2015 and 31 March 2014 has been adjusted consequent to the above Ind AS transition adjustments.

13 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP

14 Deferred tax liabilities (net)

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 : Income Taxes requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

15 Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

16 Cash discounts

Under previous GAAP, cash discounts were recognised as other expenses. Under Ind AS, the same are deducted from revenue as the same needs to recognised at fair value.

17 Retained earnings

Retained earnings as at 31 March 2016 , 31 March 2015 and 31 March 2014 has been adjusted consequent to the above Ind AS transition adjustments.

18 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Mrs. Bectors Food Specialities Limited
Annexure VII - Restated statement of adjustments to audited consolidated financial statements
(All amounts are in Rupees millions, unless otherwise stated)

Summarized below are the restatement adjustments made to the audited consolidated financial statements for the years ended 31 March 2018, 2017, 2016, 2015 and 2014 and their impact on the profit of the Group.

	Particulars	Notes /Annexure	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
					Proforma Ind AS	Proforma Ind AS	Proforma Ind AS
(A)	**Net profit after tax as per audited financial statements prepared under Previous GAAP**		NA	**281.29**	**399.64**	**291.71**	**242.20**
(B)	**Ind AS Adjustments**						
	Re-measurement of the defined benefit obligation	52 of Annexure VI	NA	2.52	0.09	(1.32)	(1.49)
	Fair value of forward contracts	52 of Annexure VI	NA	6.36	10.81	(9.91)	11.61
	Measurement of investment in equity shares at fair value	52 of Annexure VI	NA	(0.59)	6.70	(10.58)	10.87
	Rent equalisation reserve	52 of Annexure VI	NA	0.36	(0.07)	(0.38)	0.74
	Capitalisation of general borrowing cost	52 of Annexure VI	NA	5.39	4.32	-	-
	Reversal of amortisation of goodwill	52 of Annexure VI	NA	1.46	1.45	1.87	-
	Tax effects of adjustments	52 of Annexure VI	NA	(4.29)	(7.46)	7.40	(7.84)
	Total Ind AS adjustments		**-**	**11.21**	**15.83**	**(12.93)**	**13.89**
	Other comprehensive income						
	Total other comprehensive income, net of tax	52 of Annexure VI	**NA**	**(1.65)**	**(0.06)**	**0.86**	**0.97**
(C)	**Net profit after tax as per Ind AS (A+B)**		**362.43**	**290.85**	**415.41**	**279.64**	**257.06**
(D)	**Adjustments:**						
	Material Restatement Adjustments						
	(i) Audit Qualifications	Note (1)	-	-	-	23.72	(23.72)
	Total		-	-	-	23.72	(23.72)
	(ii) Other material adjustments						
	Export incentives written off	Note 2(a)	-	0.34	(0.34)	-	6.84
	Change in accounting policy for valuation of inventory	Note 2(b)	-	0.29	(6.36)	6.08	(1.42)
	Change in useful life of asset	Note 2(c)	-	-	-	(24.82)	21.82
	Provision for doubtful debts and advances	Note 2(a)					
	Bad debts written off	Note 2(a)	(1.49)	(4.53)	(2.03)	-	(5.44)
	Income tax adjustment related to earlier years	Note 2(d)	(1.27)	(0.13)	(1.21)	8.83	(0.86)
	Deferred tax adjustment for earlier years	Note 2(e)	-	-	-	1.28	
	Total		**(2.75)**	**(4.04)**	**(9.95)**	**15.10**	**(2.79)**
	(iii) Adjustments on account of incorrect accounting policies	Note 3(b)					
	Total		**-**	**-**	**-**	**-**	**-**
	(iv) Deferred tax on restatement adjustments	Note 2(f)	0.51	1.35	3.02	(1.72)	0.71
	Total		**0.51**	**1.35**	**3.02**	**(1.72)**	**0.71**
(E)	**Total impact of restatement adjustments (i)+(ii)+(iii)+(iv)**		**(2.24)**	**(2.69)**	**(6.92)**	**13.37**	**(2.08)**
	Net profit as restated (C+E)		**360.20**	**288.16**	**408.49**	**293.02**	**254.98**

Annexure VII - Restated statement of adjustments to audited consolidated financial statements

(All amounts are in Rupees millions, unless otherwise stated)

Notes to Adjustments

1 Adjustments for Audit Qualifications:

Auditor has given a qualification on export incentive licenses for which the Group, was under negotiations with a party for sale thereof. The Group has written off such export incentives during the financial years ended 31 March 2015 as the same were no longer expected to be recovered. Such write offs have been restated in the respective years, in which such incentives were originally accounted for.

2 Other material adjustments:

(a) Export incentives written off - The Group has written off export incentives during the financial years ended 31 March 2015, 31 March 2014 which were no longer expected to be recovered. Such write offs have been restated in the respective years, in which such incentives were originally accounted for.

(b) Change in accounting policy for valuation of inventory - During the financial year ended 31 March 2017, the Group had changed its accounting policy for valuation of inventory of raw materials, components, stores and spares from FIFO basis to weighted average cost basis. Accordingly, valuation of inventory for the period ended on 31 March 2016, 31 March 2015, and 31 March 2014 has been restated to weighted average cost basis to reflect the uniformity in accounting policy in these restated financial statements.

(c) Change in useful life of asset - The carrying amount of fixed assets whose useful life as on 1 April 2014 had been computed as per Schedule II to the Companies Act 2013 was adjusted in the Statement of Profit and Loss for the year ended 31 March 2015. Depreciation as per the transitional provision, has been adjusted to the respective years to effect the difference in the useful life.

(d) Income tax adjustment for earlier years - In consolidated financial statements for the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014, tax adjustment was accounted pertaining to earlier years based on revision of income tax returns for financial years 2006 - 2007, 2008 - 2009, 2014 - 2015, 2015 - 2016 and 2016 - 2017. For the purpose of the Restated Standalone Financial Information, such tax adjustment has been appropriately adjusted in the respective financial years to which they relate.

(e) Deferred tax adjustment for earlier years - These adjustments include the rectification of calculations of deferred tax as at 31 March 2015 and impact of restatement adjustments made as detailed above. For the purpose of the Restated Consolidated Financial Information, deferred taxes have been appropriately adjusted in the restated profits and losses to the respective years to which they relate.

(f) Deferred tax on restatement adjustments - The tax rate applicable for the respective years has been used to calculate the deferred tax impact on the restatementent adjustments.

(g) Provision for doubtful debts and advances - During the financial years ended March 31, 2017, March 31, 2016 and March 31, 2014, the Group had made certain provision for doubtful debts and advances which pertained to the earlier years. For the purpose of Restated Financial Information, adjustment has been made in the respective years in which the debtors and advances was initially recorded.

(h) Bad debts written off - The Group has written off debtors during the financial years ended March 31, 2017 which were no longer expected to be recovered. Such write offs have been restated in the respective years, in which such debtors were originally accounted for.

3 Adjustments on account of incorrect accounting policies : None

4 Deferred tax on restatement adjustments:

The tax rate applicable for the respective years has been used to calculate the deferred tax impact on the adjustments.

(All amounts are in Rupees millions, unless otherwise stated)

5 Reconciliation of total equity as at 1 April 2013

	Notes /Annexure	1 April 2013 Proforma Ind AS
(A) Total equity (shareholder's fund) as per previous GAAP		**1,643.99**
(B) Ind AS Adjustments		
Fair value of forward contracts	52 of Annexure VI	(8.04)
Tax effects of adjustments	52 of Annexure VI	2.78
Total Ind AS adjustments		**(5.25)**
(C) Total equity as per Ind AS (A+B)		**1,638.73**
(D) Material Restatement Adjustments		
(i) Audit Qualifications	Note (1)	-
Total		-
(ii) Other material adjustments		
Export incentives written off	Note 2(a)	(6.84)
Change in useful life of asset	Note 2(c)	(3.29)
Income tax adjustment related to earlier years	Note 2(d)	(5.35)
Deferred tax adjustment for earlier years	Note 2(e)	6.35
Total		**(9.13)**
(iii) Adjustments on account of incorrect accounting policies	Note 3(b)	-
Total		**-**
(iv) Deferred tax on restatement adjustments	Note 2(f)	3.50
Total		**3.50**
(E) Total impact of restatement adjustments (i)+(ii)+(iii)+(iv)		**(5.63)**
Total equity as restated (C+E)		**1,633.10**

6 Material regrouping

Appropriate adjustments have been made in the Restated consolidated Statement of Assets and Liabilities, Restated consolidated Statement of Profit and Loss, Restated Standalone Statement of Cash Flows and Restated Standalone Statement of Changes in Equity, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the standalone audited financials of the Group as at and for the period ended 31 March 2018.

The material regroupings made in the Restated Standalone Statement of Assets and Liabilities are as under:

- Payable to employees of the Group as at 31 March 2014 which was grouped under 'Trade Payables' in the audited standalone financial statements of the Group, have been regrouped as under 'Other current liabilities' in the Restated Standalone Statement of Assets and Liabilities.

7 Non-adjusting items

In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2003 ("the CARO 2003 Order") issued by the Central Government of India under sub-section (4A) of Section 227 of Companies Act, 1956 on the standalone financial statements as at and for the financial years ended 31 March 2014, Companies (Auditor's Report) Order, 2015 ("the CARO 2015 Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 on the standalone and consolidated financial statements as at and for the financial year ended 31 March 2015 and the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 on the standalone financial statements as at and for the financial years ended 31 March 2016 and 31 March 2017 respectively. Certain statements/comments included in the CARO in the consolidated and standalone financial statements, which do not require any adjustments in the Restated Standalone Financial Information are reproduced below in respect of the financial statements presented.

Mrs. Bectors Food Specialities Limited

Financial year 2013-14

Clause (ii) (a) of CARO 2003 Order

The management has conducted physical verification of inventory at reasonable intervals during the year, however the scope and coverage of physical verification needs to be enhanced to make it commensurate with the size and nature of the business of the Group.

Clause (ii) (c) of CARO 2003 Order

The Group is maintaining proper records of inventory except records related to batch wise inputoutput (yield) analysis of consumption of raw materials and packing materials and allocation of overheads needs to befurther strengthened to be commensurate with the size and nature of business of the Group. However, we have noted no material discrepancies were noticed on physical verification.

Clause (iv) of CARO 2003 Order

In our opinion and according to the information and explanations given to us and having regard to explanation that some of the items of raw material, traded goods and fixed assets are of special/proprietary nature for which alternative sources are not available to obtain comparable quotations, special/proprietary nature for which alternative sources are not available to obtain comparable quotations,there is an adequate internal control system commensurate with the size of the Group and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services except for (i) the transaction related to sale of biscuits where cash has been directly deposited by the customers in Group's bank accounts which is not a part of system of internal control laid down by the Group; (ii) sale of certainfixed assets without comparative quotations; and (iii) detailed records not being maintainedfor generation and realization of scrap of inventories andfixed assets. Also, internal controls system needs to befurther strengthened in respect of attendance and payment of wages, sale of material from depots and confirmation/reconciliations for trade receivables/trade payables to make them commensurate with the size and nature of the business.

Clause (v) (b) of CARO 2003 Order

In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the fmancial year at prices which are reasonable having regard to the prevailing market prices at the relevant time except for the following items where we are unable to comment whether the transactions were made at prevailing market prices at the relevant time: (a) item of the traded goods because of the unique and proprietary nature of the items involved and absence of any comparable prices, as informed by the management; and (b) sale of residential apartment to one of the directors 'relative during the year.

Clause (vii) of CARO 2003 Order

The Group has an internal audit system, the scope and coverage of which. in our opinion, requires to be enlarged to be commensurate with the size and nature of its business more particularly in areas relating to salaries and wages, sale of material from depots, purchase and consumption of raw material and review/analysis of trade receivables and trade payables.

Clause (ix) (a) of CARO 2003 Order

Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, wealth-tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in afew cases, except in case of service tax, income tax and sales tax where dues have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious.

Mrs. Bectors Food Specialities Limited
Annexure VII - Restated statement of adjustments to audited consolidated financial statements
(All amounts are in Rupees millions, unless otherwise stated)

Clause (ix) (c) of CARO 2003 Order

According to the records of the Group, the dues outstanding of income-tax, sales tax and entry tax on account of any dispute are as follows:

Nature of Statue	Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending
Punjab VAT Act, 2005	Sales Tax	2.37	2008-09	VAT Tribunal, Chandigarh
Punjab VAT Act, 2005	Sales Tax	3.75	2009-10	VAT Tribunal, Chandigarh
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	2011-12	Punjab and Haryana High Court
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	1.24	2011-12	High Court of Himachal Pradesh
	Entry Tax	12.10	2012-13	High Court of Himachal Pradesh
	Entry Tax	7.84	2013-14	High Court of Himachal Pradesh
Income Tax Act 1961	Additions/ amount disallowed	5.73	2007-08 (AY)	Income Tax Appellate Tribunal, Chandigarh
Income Tax Act 1961		0.03	2010-11 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
		1.07	2011-12 (AY)	Commissioner of Income Tax (Appeals), Ludhiana

According to the records of the Group, there are no dues outstanding of provident fund, investor education and protection fund, employees' state insurance, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues on account of any dispute.

<u>Financial year 2014-15</u>

Clause (ii) (a) of CARO 2015 Order

According to the information and explanations given to us, tbe inventories, except for stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at year end, written confinnations have been obtained.

Clause (ii) (c) of CARO 2015 Order

The Group is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account.

Clause (vii) (a) of CARO 2015 Order

According to the information ru1d explanations given to us and on the basis of our examjnation of the records of the Group, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Sales Tax, Wealth Tax, Duty of Custom, Duty of Excise, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities however there have been some delays in deposit offncome-Tax, Service Tax, Value Added Tax, and Employee State lnsurance 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' Stale Insurance, Income-Tax, Wealth-Tax, Sales-Tax, Service Tax, Excise Duty, Customs Duty, Value Added Tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

Clause (vii) (b) of CARO 2015 Order

According to the information and explanations given to us, there are no dues of Wealth Tax, Service Tax, Duty of Custom, Value Added TAX and Cess which have not been deposited with the appropriate authorities on account of any dispute. The details of disputed excise duty, sales tax and income-tax dues that have not been deposited by the Group as at 31 March 2015 are as follows:

Nature of Statue	Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending
Punjab VAT Act, 2005	Sales tax	2.37	2008-09	Punjab & Haryana High Court, Chandigarh
Punjab VAT Act, 2005	Sales tax	3.75	2009-10	Punjab & Haryana High Court,
Punjab Tax on Entry of Goods into Local Area Act, 2000	Entry Tax	1.69	2011-12	Punjab & Haryana High Court,
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	1.24	2011-12	High Court of Himachal Pradesh
		12.10	2012-13	
		7.84	2013-14	
		14.87	2014-15	
Income tax Act,1961	Additions/ Amounts disallowed	0.03	2010-11 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
Income tax Act,1961		0.31	2011-12 (AY)	
Income tax Act,1961		5.17	2012-13 (AY)	

Mrs. Bectors Food Specialities Limited
Annexure VII - Restated statement of adjustments to audited consolidated financial statements
(All amounts are in Rupees millions, unless otherwise stated)
Financial year 2015-16

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 2016	Net block of property as on 31 March 2016
Freehold land	Tahliwal, Himachal Pradesh	3.07	3.07

Clause (ii) of CARO 2016 Order

According to information and explanation given to us, the inventories, except for goods in transit and stock lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stock lying with the third parties at year - end, written confirmations have been obtained.

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 Group, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income tax, value added tax and the employee state insurance in few cases though not serious.
According to the information and explanation 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 2016 for a period of more than six months from the date they became payable.

Clause (vii) (b) of CARO 2016 Order

According to the records of the Group, 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, excise duty and income tax dues have not been deposited by the Group as at 31 March 2016 are as follows:

Nature of Statue	Nature of Dues	Amount	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
Punjab VAT Act, 2005	Sales Tax	3.75	2009-10	Deputy Excise and Taxation Commissioner, Ludhiana
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	1.24	2011-12	High Court of Himachal Pradesh
	Entry Tax	12.10	2012-13	High Court of Himachal Pradesh
	Entry Tax	7.84	2013-14	High Court of Himachal Pradesh
	Entry Tax	14.87	2014-15	High Court of Himachal Pradesh
	Entry Tax	16.06	2015-16	High Court of Himachal Pradesh
Himachal Pradesh Value Added Tax Act, 2005	Sales Tax	3.01	2005-06	Deputy Excise and Taxation Commissioner, Palampur
Income Tax Act 1961	Additions/ amount disallowed	0.03	2010-11 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
		0.31	2011-12 (AY)	Commissioner of Income Tax (Appeals), Ludhiana
		5.69	2013-14 (AY)	Commissioner of Income Tax (Appeals), Ludhiana

*an amount as per demand order including interest and penalty, whichever indicated in order

Mrs. Bectors Food Specialities Limited
Annexure VII - Restated statement of adjustments to audited consolidated financial statements
(All amounts are in Rupees millions, unless otherwise stated)

Financial year 2016-17

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 2016	Net block of property as on 31 March 2016
Freehold land	Tahliwal, Himachal Pradesh	3.07	3.07
Building (flat)	Noida, Uttar Pradesh	4.82	4.67

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 Group, 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, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited with the appropriate authorities, however there are some 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 2017 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 2017 are as follow:

Nature of Statue	Nature of Dues	Amount	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
Punjab VAT Act, 2005	Sales Tax	3.75	2009-10	Deputy Excise and Taxation Commissioner, Ludhiana
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	0.54	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	12.31	2015-16	
	Entry Tax	7.60	2016-17	
Himachal Pradesh Value Added Tax Act, 2005	Sales Tax	3.01	2005-06	Deputy Excise and Taxation Commissioner, Palampur
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	1.91	2013-14	Deputy Excise and Taxation Commissioner,
Income Tax Act,1961	Additions/ Amounts disallowed	5.73	2007-08 (AY)	Income Tax Appellate Tribunal, Chandigarh
		0.03	2010-11 (AY)	
		0.13	2011-12 (AY)	
		1.83	2013-14 (AY)	
Income Tax Act,1961	Additions/ Amounts disallowed	0.89	2014-15 (AY)	Commissioner of Income Tax (Appeals), ludhiana

*an amount as per demand order including interest and penalty, whichever indicated in order

Mrs. Bectors Food Specialities Limited
Annexure VII - Restated statement of adjustments to audited consolidated financial statements
(All amounts are in Rupees millions, unless otherwise stated)
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 2016	Net block of property as on 31 March 2016
Freehold land	Tahliwal, Himachal Pradesh	3.07	3.07
Building (flat)	Noida, Uttar Pradesh	4.82	4.67

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.

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 2017 are as follow:

Nature of Statue	Nature of Dues	Amount	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
Punjab VAT Act, 2005	Sales Tax	3.75	2009-10	Deputy Excise and Taxation Commissioner, Ludhiana
Punjab Tax on Entry of Goods into local area Act, 2000	Entry Tax	1.69	2011-12	Punjab and Haryana High Court, Chandigarh
Himachal Pradesh Tax on Entry of Goods into local area Act, 2010	Entry Tax	0.54	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	7.02	2016-17	
	Entry Tax	1.10	2017-18	
Himachal Pradesh Value Added Tax Act, 2005	Sales Tax	3.01	2005-06	Deputy Excise and Taxation Commissioner, Palampur
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	1.91	2013-14	Deputy Excise and Taxation Commissioner,
Income Tax Act,1961	Additions/ Amounts 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/ Amounts 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

Mrs. Bectors Food Specialities Limited
Annexure VIII - Consolidated restated statement of other income
(All amounts are in Rupees million, unless otherwise stated)

	Nature (Recurring/ Non-recurring)	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Interest income on financial assets measured at amortised cost	Recurring	4.17	4.79	-	0.16	0.27
Interest income from others	Non-recurring	1.91	1.63	4.87	5.91	3.87
Gain on sale of investments (net)	Non-recurring	0.67	2.26	5.26	1.64	7.42
Net gain on disposal of property, plant and equipment and intangible assets	Non-recurring	-	-	82.44	0.06	-
Net change in fair value of financial assets measured at fair value through profit and loss	Non-recurring	-	3.30	6.72	-	10.48
Government grants (Refer note 15)	Recurring	9.97	9.08	8.09	6.83	4.59
Dividend income	Non-recurring	-	-	0.01	-	0.03
Miscellaneous income	Non-recurring	1.18	0.48	1.19	(1.01)	(1.46)
		17.90	**21.54**	**108.58**	**13.59**	**25.20**

Other income arising out of business activities other than the normal business activities

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Mrs. Bectors Food Specialities Limited
Annexure IX - Consolidated restated statement of accounting ratios
(All amounts are in Rupees million, unless otherwise stated)

Table 1 - Restated Statement of Accounting Ratios

	Notes /Annexure	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Earnings per equity share (Face Value of Rs. 10/- each)						
Basic EPS (in Rs.) *	**39**	6.29	5.03	7.13	5.12	4.45
Diluted EPS (in Rs.)*		6.28	5.03	7.13	5.12	4.45
Return on Net Worth % *		13.48%	12.23%	19.41%	16.93%	17.74%
Net asset value per equity share (Rs.) *		46.64	82.31	73.50	60.44	195.67
Weighted average number of equity shares for Basic Earnings Per Equity Share (Refer note 39)	**39**	57.32	57.26	57.26	57.26	57.27
Weighted average number of equity shares for Diluted Earnings Per Equity Share (Refer note 39)	**39**	57.32	57.26	57.26	57.26	57.27
Net Profit after tax attributable to Owners (Rs. in Million)		360.18	288.16	408.47	293.04	254.98
Share Capital (Rs. in Million)	**17**	572.68	286.34	286.34	286.34	73.46
Reserves (Other equity), as restated (Rs. in Million)		2,098.33	2,070.44	1,818.39	1,444.44	1,363.92
Net worth, as restated (Rs. in Million)		2,671.01	2,356.78	2,104.73	1,730.78	1,437.38

* presented in two decimals

1. The ratios on the basis of Restated financial information have been computed as below:

$$\text{Basic Earnings per share (INR)} = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares}}$$

$$\text{Diluted Earnings per share (INR)} = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Net profit after tax, as restated}}{\text{Net worth at the end of the year}}$$

$$\text{Net Asset Value (NAV) per equity share (INR)} = \frac{\text{Net worth as restated at the end of the year}}{\text{Number of equity shares outstanding at the end of the year}}$$

2. 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 the balance sheet date. (Refer note 17)

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 Financial Information - Annexure I to Annexure IV

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Mrs. Bectors Food Specialities Limited
Annexure X - Restated statement of capitalisation
(All amounts are in Rupees million, unless otherwise stated)

Particulars	Pre offer for the year ended March 31, 2018
Debt:	
Long term borrowings	956.93
Short term borrowings	262.73
Current maturities of long-term debt	121.17
Total debt (A)	**1,340.83**
Shareholder's funds:	
Equity share capital	572.68
Reserves (Other equity), as restated	2,098.33
Total shareholders' fund (B)	**2,671.01**
Total debt/ shareholder's fund (A/B)	50%

Notes:
i) The above has been computed on the basis of the Restated Financial Information - Annexure I to Annexure IV.
ii) The Corresponding post IPO capitalisation data in the above table is not determinable at this stage pending the completion of the Book Building Process and hence the same has not been provided in the above statement.

Annexure XI - Restated statement of dividend paid

	Paid during the year ended 31 March 2018	Paid during the year ended 31 March 2017	Paid during the year ended 31 March 2016 Proforma Ind AS	Paid during the year ended 31 March 2015 Proforma Ind AS	Paid during the year ended 31 March 2014 Proforma Ind AS
Number of equity shares outstanding (in million)	57.27	28.63	28.63	28.63	7.35
Dividend paid (in Rs. million)	42.95	28.63	28.63	-	-
Rate of Dividend (%)	7.5%	10%	10%	0.0%	0.0%
Dividend per equity share (in Rs.)	0.75	1.00	1.00	-	-

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Mrs. Bectors Food Specialities Limited
Annexure XII - Restated statement of tax shelter
(All amounts are in Rupees million, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma Ind AS	For the year ended 31 March 2015 Proforma Ind AS	For the year ended 31 March 2014 Proforma Ind AS
Profit before tax- as restated (A)	532.26	420.99	583.98	448.00	359.75
Group's domestic tax rate (B)	34.608%	34.608%	34.608%	34.608%	33.990%
Tax using the Group's domestic tax rate (C)	184.20	145.70	202.10	155.05	122.29
Adjustments					
Tax impact of permanent differences	(12.13)	(12.85)	(26.53)	(0.06)	(17.50)
Total Tax impact on Permanent Difference (D)	**(12.13)**	**(12.85)**	**(26.53)**	**(0.06)**	**(17.50)**
Tax impact on Timing Difference due to:					
Property, plant and equipment	(16.26)	(10.44)	(2.35)	(8.44)	(32.65)
Investments in mutual funds at fair value through profit and loss	2.18	0.21	(2.32)	3.59	(3.69)
Forward exchange contracts used for hedging	6.50	(4.45)	(3.64)	3.12	(4.14)
Other items	(2.63)	0.73	0.58	(2.31)	0.24
Provisions - employee benefits	1.86	3.19	5.59	(3.28)	1.38
Allowances on doubtful receivables	1.14	2.59	(0.05)	(3.12)	1.44
MAT credit entitlements	(5.56)	2.32	4.33	6.65	39.15
Others	6.46	(0.78)	6.19	(4.65)	-
Total Tax impact of Timing Difference (E)	**(6.31)**	**(6.62)**	**8.33**	**(8.45)**	**1.73**
Adjustments for current tax of prior periods (G)					
Additional tax recorded in the books (H)					
Net Adjustment I= (D+E+F+G+H)	**(18.44)**	**(19.47)**	**(18.20)**	**(8.51)**	**(15.77)**
Tax Liability I = (C+I)	**165.77**	**126.23**	**183.90**	**146.55**	**106.52**

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

Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III

As at 31 March 2018

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	89.14%	2,552.51	84.63%	320.22	97.71%	1.71	84.69%	321.92
Subsidiaries								
Bakebest Foods Private Limited	9.48%	271.56	15.33%	58.00	2.29%	0.04	15.27%	58.04
Mrs Bectors English Oven Limited	0.02%	0.49	0.00%	0.01	0.00%	-	0.00%	0.01
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.36%	38.82	0.05%	0.17	0.00%	-	0.05%	0.17
Total	**100%**	**2,863.38**	**100%**	**378.39**	**100%**	**1.75**	**100%**	**380.14**

As at 31 March 2017

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	89.24%	2,274.40	86.95%	250.55	94.55%	(1.56)	86.91%	248.99
Subsidiaries								
Bakebest Foods Private Limited	9.23%	235.19	12.94%	37.29	5.45%	(0.09)	12.98%	37.20
Mrs Bectors English Oven Limited	0.02%	0.49	0.00%	0.00	0.00%	-	0.00%	0.00
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.52%	38.66	0.11%	0.31	0.00%	-	0.11%	0.31
Total	**100%**	**2,548.74**	**100%**	**288.16**	**100%**	**(1.65)**	**100%**	**286.51**

As at 31 March 2016

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Mrs. Bectors Food Specialities Limited	89.89%	2,104.74	96.60%	394.55	212.21%	(0.11)	96.58%	394.43
Subsidiaries								
Bakebest Foods Private Limited	8.46%	197.99	3.33%	13.61	-112.21%	0.06	3.35%	13.67
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	1.64%	38.34	0.07%	0.29	0.00%	-	0.07%	0.29
Total	**100%**	**2,341.56**	**100%**	**408.44**	**100%**	**(0.05)**	**100%**	**408.39**

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

As at 31 March 2015

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	88.41%	1,700.17	97.15%	284.71	100.00%	0.86	97.16%	285.57
Subsidiaries								
Bakebest Foods Private Limited	9.58%	184.32	2.75%	8.07	0.00%	-	2.75%	8.07
Mrs Bectors English Oven Limited	0.03%	0.49	0.00%	0.01	0.00%	-	0.00%	0.01
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	1.98%	38.05	0.09%	0.25	0.00%	-	0.09%	0.25
Total	**100%**	**1,923.03**	**100%**	**293.04**	**100%**	**0.86**	**100%**	**293.91**

As at 31 March 2014

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	88.43%	1,414.60	101.51%	258.85	100.00%	0.98	101.50%	259.83
Subsidiaries								
Bakebest Foods Private Limited	11.02%	176.25	-2.06%	(5.25)	0.00%	-	-2.05%	(5.25)
Mrs Bectors English Oven Limited	0.03%	0.48	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
Associate (Investment as per the equity method)								
Cremica Agro Foods Limited	0.52%	8.39	0.56%	1.43	0.00%	-	0.56%	1.43
Total	**100%**	**1,599.72**	**100%**	**255.01**	**100%**	**0.98**	**100%**	**255.99**

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 Financial Years 2018, 2017, 2016, 2015 and 2014, including the notes thereto and reports thereon, each included in this Draft Red Herring 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. In accordance with applicable law, we have transitioned our financial reporting from Indian GAAP to Ind AS and, for the purposes of transition to Ind AS, we have followed the guidance prescribed in "Ind AS 101 - First Time adoption of Indian Accounting Standard", with April 1, 2016 as the transition date.

*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. For a reconciliation of Indian GAAP to Ind AS, please see, "**Financial Statements – Note 52: Reconciliation between previous GAAP and IND AS**". 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 **38**.*

*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 **14** and **16**, 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 non-glucose biscuits and premium breads segment in North India, according to Technopak Report, with products sold under our well-recognized brands, '*Mrs. Bector's Cremica*' and '*English Oven*'. We manufacture and market a range of products such as biscuits, breads and buns, catering primarily to retail consumers in 11 states within India as well as to reputed institutional customers pan-India. We are also a leading exporter of biscuits from India, according to Technopak Report, and we exported biscuits under our brand as well as under third party private labels to 61 countries in Financial Year 2018. We market a wide variety of biscuits under our flagship brand '*Mrs. Bector's Cremica*', which is one of the leading non-glucose biscuit brands in North India, according to the Technopak Report. We manufacture and market breads under the '*English Oven'* brand, which currently caters to the premium bread segment in Delhi NCR and Maharashtra. According to the Technopak Report, '*English Oven*' is one of the largest players in the premium bread brand in Delhi NCR, supplying approximately 120,000 loaves per day as of May, 2018. According to the Technopak Report, we are the largest supplier of buns in India to reputed QSR chains such as Hardcastle Restaurants Private Limited and Burger King India Private Limited. Substantially all our products are manufactured in-house at our six strategically located manufacturing facilities, which enables us to have effective control over the manufacturing process and to ensure consistent quality of our products.

Our diversified product portfolio includes three main categories.

- *Biscuits.* We manufacture and sell biscuits, primarily in the non-glucose category including a wide variety of cookies, creams, crackers and digestives, which accounted for ₹ 3,851.58 million, or 84.97 % of our Biscuit Revenue from Direct Sales in Financial Year 2018. '*Mrs. Bector's Cremica*' is one of the leading biscuit brands in the non-glucose biscuit segment in Punjab, Himachal Pradesh, Jammu and Kashmir, Haryana and Rajasthan, according to the Technopak Report. Our key export markets are Africa and North America, where we export biscuits under the '*Mrs. Bector's Cremica*' brand and under private labels for international retail chains through reputed buying houses such as Monteagle International (UK) Limited.

Additionally, we also undertake manufacturing of 'Oreo' and 'Bournvita' biscuits on contract basis for Mondelez India Foods Private Limited and another leading biscuit manufacturer in India. Our Biscuit Revenue from Direct Sales accounted for ₹ 4,533.04 million in Financial Year 2018 and has grown at a CAGR of 2.64 % during Financial Years 2014 to 2018. Revenue from the export of biscuits accounted for ₹ 2,063.41 million and in Financial Year 2018 has grown at a CAGR of 13.21% during Financial Years 2014 to 2018.

- *Breads.* We manufacture and sell various types of breads, including whole wheat, multigrain fruit and sandwich breads under the '*English Oven*' brand, which caters to the premium segment in Delhi NCR, Maharashtra and the Northern region of India. In our bread segment we also manufacture and supply ready-to-eat frozen products and other varieties of breads, such as garlic bread and other stuffed breads. Our revenue from the sale of breads accounted for ₹ 773.18 million or 11.14% of our consolidated revenue from operations in Financial Year 2018. Our revenue from the sales of breads has grown at a CAGR of 20.90 % during Financial Years 2014 to 2018. Our revenue from the sale of breads has grown faster than the growth of 14.00% per annum (*Source: Technopak Report)* of the premium bread industry in India from Financial Year 2013 till Financial Year 2018.

- *Buns.* We manufacture and supply buns in accordance with the specifications provided by our QSR customers. We have been the preferred supplier of buns to Hardcastle Restaurants Private Limited since the year 2007. We are the largest bun suppliers in India equipped with dedicated modern manufacturing facilities which enables us to undertake large orders while complying with the stringent quality standards required by reputed QSR chains. In Financial Year 2018, the revenue from sale of buns to our institutional customers accounted for ₹ 908.51 million or 13.09 % of our total revenue. Revenue from sale of buns to our institutional customers has grown at a CAGR of 17.22 % during Financial Years 2014 to 2018.

We believe that we are able to differentiate ourselves from our competitors by consistently refreshing our product portfolio and introducing new products, while maintaining consistent quality of our products. For instance, we have recently started manufacturing frozen products such as frozen pizzas, croissants and muffins to hotels, restaurants and cafés. As on June 30, 2018, our diversified product portfolio consists of 542 SKU's products across all our product segments. We have undertaken four new products launches in Financial Year 2018, which include 'Golden bytes', 'Kalonji Cracker', our range of digestive biscuits including 'oatmeal' and 'cornflakes', '100%' whole wheat bread and 'Bunfills'. We believe that our diversified product portfolio and focus towards introducing value-added bakery products helps us in addressing the changing consumer preferences and market trends in India.

Our product development is supported by our six manufacturing facilities in Phillaur and Rajpura (Punjab), Tahliwal (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khapoli (Maharashtra) and Bengaluru (Karnataka) which are strategically located in proximity to our target markets, which minimises freight and logistics related time and expenses. We have received all the major quality certifications and accreditations, including certification from the Food Safety and Standards Authority of India (FSSAI) and the FSSC 22000. Our biscuit manufacturing facility situated in Phillaur (Punjab) has been awarded certification from U.S. Food and Drugs Administration. We have also received British Retail Consortium (BRC) certifying global standard for food safety for manufacturing of sweet and semi-sweet cookies, crackers and biscuits and Halal certification for manufacturing biscuits.

We have a strong distribution network in India and globally in the general trade and the modern trade segment. As of June 30, 2018, we distributed our biscuits across 11 states in India, through our widespread network of 135 super-stockists and 570 distributors. 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. As of June 30, 2018, we had a network of 1,271 preferred outlets. Our distribution channels also include modern retailers, which we define as large supermarkets or modern retailer stores. We have distribution tie-ups with reputed retail chains in India. According to the Technopak Report, we are the largest suppliers of biscuits to Canteen Stores Department of Government of India ("**CSD**"). We also export our biscuits to 61 countries through our strong global distribution network and through our tie-ups with reputed buying houses such as Monteagle International (UK) Limited. As on June 30, 2018 our breads were sold through over 9,000 retail outlets situated in Delhi NCR region and Maharashtra (*Source: Technopak Report*) through modern trade and general trade channels, through direct sales to supermarkets, departmental stores or indirect sales through wholesalers and distributors.

Our Company was founded by Ms. Rajni Bector and our recipes are inspired by the original recipes created by Ms. Rajni Bector. Our Company is promoted by Mr. Anoop Bector who has over 23 years of industry experience. He is also the Managing Director of the 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 and is responsible for the overall supervision, development and expansion of our breads business. We believe that the experience of our senior management team has significantly contributed to our success and growth.

For the Financial Years 2018, 2017, 2016, 2015 and 2014 our consolidated revenue from operations was ₹ 6,939.65 million, ₹ 6,386.52 million, ₹ 5,987.81 million, ₹ 6,016.60 million and ₹ 5,600.09 million respectively. Our revenue from operations has grown at a CAGR of 5.51 % during Financial Years 2014 to 2018. In Financial Years 2018, 2017, 2016, 2015 and 2014, we recorded EBITDA of ₹ 845.07 million, ₹ 694.14 million, ₹ 750.90 million, ₹ 736.25 million and ₹ 612.35 million respectively. For Financial Years 2018, 2017, 2016, 2015 and 2014 our net profit was ₹ 360.18 million, ₹ 288.16 million, ₹ 408.47 million, ₹ 293.04 million and ₹ 254.98 million, respectively. Our net profit has grown at a CAGR of 9.02% during Financial Years 2014 to 2018. Our ROE for Financial Years 2018, 2017, 2016, 2015 and 2014 was 14.33%, 12.92%, 21.29%, 18.49% and 17.87%, respectively.

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 direct sales to consumers primarily include a wide variety of non-glucose biscuits, premium breads and other premium bakery products. As on June 30, 2018, our diversified product portfolio consists of 542 SKU's across all our product segments including varieties of biscuits across the cookies, creams, crackers and digestives categories and varieties of premium breads including, multigrain bread, fruit bread, sandwich bread, jumbo bread, garlic breads and stuffed breads. Revenues generated by sale of non-glucose biscuits such as cookies, creams, crackers and digestives increased by 5.21% from ₹ 3,143.14 million in Financial Year 2014 to ₹ 3,851.58 million in Financial Year 2018.

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 non-glucose biscuits market is expected to grow to ₹ 469.00 billion by Financial Year 2023 growing at a CAGR of 12.10% from Financial Year 2018 to Financial Year 2023. 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 health range of biscuits, premium rich cookies, premium flaky crackers, soda crackers, croissants and filled pastry, 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

According to the Technopak Report, the QSR is one of the fastest growing segments in the food industry in India and expected to grow at a CAGR of 24% from Financial Year 2018 to Financial Year 2023. 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. 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 approximately 54.45%, 54.59% and 53.15% of our total revenue from operations for Financial Years 2018, 2017 and 2016, respectively. Wheat flour represents the largest cost of our raw materials and accounted for 17.78%, 17.57% and 17.26% of our total expenses for Financial Years 2018, 2017 and 2016, 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 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 southern and western regions of India. As a part of our expansion strategy, we are in the process of setting up a new manufacturing facility in Dhar (Madhya Pradesh), which will help us in serving markets outside North India, especially in our target markets of Maharashtra and West Bengal and also cater to our export markets. We also seek to increase the capacity utilization of the plant situated in Greater Noida (Uttar Pradesh) for manufacturing breads and buns and our newly commissioned plant at Rajpura Punjab for manufacturing biscuits, breads and buns. 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. As of June 30, 2018, our distribution network include 135 super stockists and over 570 distributors. 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 a leading exporter of biscuits from India, with approximately 23% share of the Indian biscuit export market in Financial Year 2017. In Financial Year 2018, we exported biscuits to 61 countries across Africa, Middle East, North America, Central America, Asia, Europe and Australia. We export cookies, creams, crackers and glucose biscuits under our flagship brand '*Mrs. Bector's Cremica*' brand as well as under private labels for international retail chains. Revenue from the export of biscuits accounted for ₹ 2,063.41

million constituting 45.52% of our Biscuit Revenue from Direct Sales in Financial Year 2018, which has grown at a CAGR of 13.21% during Financial Years 2014 to 2018.

We export cookies, creams, crackers and glucose biscuits under our flagship brand '*Mrs. Bector's Cremica*' brand as well as under private labels through tie-ups with reputed buying houses such as Monteagle International (UK) Limited. Africa, North America and Caribbean region represents our most significant markets. Our revenues from export of biscuits under our '*Mrs. Bector's Cremica*' brand constituted 37.38% of our total revenues from export of biscuits in Financial Year 2018, while the export of biscuits under private labels constituted 62.62% of our total revenues from export of biscuits in Financial Year 2018.

We are currently entitled to certain export incentives. These incentives are available to our Company under the Duty Drawback Scheme, Duty Free Import Authorization and Merchandise Exports from India Scheme, from Government of India.

Our Restated 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 unorganized 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.

According to the Technopak Report, we are the largest supplier of buns to QSR customers such Hardcastle Restaurants Private Limited and Burger King India Private Limited. 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.

SIGNIFICANT ACCOUNTING POLICIES UNDER IND AS

Basis of preparation

The Restated Consolidated Statement of Assets and Liabilities of Mrs. Bectors Food Specialities Limited as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, the Restated

Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 and Restated Other Consolidated Financial Information (together referred as '**Restated Consolidated Financial Information**') has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 ("the Act") to the extent applicable. The Restated Consolidated Financial Information has been compiled by the Group and its associate from:

1) The audited consolidated financial statements of the Group and its associate as at and for the years ended March 31, 2018 and March 31, 2017, being the comparative period for the year ended March 31, 2018, prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act, as amended, other relevant provisions of the Act, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on July 10, 2018. The audited consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2017, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, other relevant provisions of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on September 5, 2017. These audited consolidated financial statements of the Group and its associate have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group and its associate on its first time adoption of Ind AS as on April 1, 2016 ('transition date') and are disclosed as the comparative figures for the year ended March 31, 2018;

2) From the audited consolidated financial statements of the Group and its associate as at and for the years ended March 31, 2016 and March 31, 2015, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as amended, which have been approved by the Board of Directors at their Board meeting held on September 23, 2016 and October 26, 2015 respectively and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group and its associate on its first time adoption of Ind AS as on the transition date; and

3) From the audited consolidated financial statements of the Group and its associate as at and for the year ended March 31, 2014, prepared in accordance with Accounting Standards prescribed under section 211(3C) of the Companies Act, 1956 read with Companies (Accounting Standards) Rules, 2006, as amended, which have been approved by the Board of Directors at their Board meeting held on August 1, 2018 and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group and its associate on its first time adoption of Ind AS as on the transition date.

The Restated Consolidated Financial Information mentioned in sub paragraph 2 and 3 above, as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 are referred to as "the Proforma Ind AS Restated Consolidated Financial Information" as per the Guidance Note on Reports in Company Prospectus (Revised 2016), issued by Institute of Chartered Accountants of India.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group and its associate has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer Note 51 of Annexure VI).

The Restated Consolidated Financial Information for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 were authorised and approved for issue by the Board of Directors of the Group on August 1, 2018.

The Restated Consolidated Financial Information has been prepared by the management for the purpose of inclusion in the offer document prepared by the Group and its associate in connection with its proposed Initial Public Offer (the "IPO") of equity shares, to be filed by the Group and its associate with the Securities and Exchange Board of India, relevant Registrar of Companies and the concerned Stock Exchange in accordance with 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, 2009, as amended to date (the "ICDR Regulations") in pursuance of provisions of Securities and

Exchange Board of India Act, 1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 on clarification regarding applicability of Indian Accounting Standards to disclosures in offer documents under the ICDR Regulations issued by the Securities and Exchange Board of India.

c) Guidance note on reports in Group prospectuses (revised 2016) issued by the Institute of Chartered Accountants of India.

This Restated Consolidated Financial Information has been compiled by the Group and its associate (as explained above) and:

- As explained in Annexure VII to the Restated Consolidated Financial Information, the Restated Consolidated Financial Information has been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

- As explained in Annexure VII to the Restated Consolidated Financial Information, the Restated Consolidated Financial Information has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

- The Restated Consolidated Financial Information do not contain any extra-ordinary item that need to be disclosed separately in the Restated Financial Information and have been adjusted for qualifications, if any, in the auditor's report in the respective financial years to which they relate;

- 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 Information of the Group and its associate as at and for the period ended March 31, 2018 prepared under Ind AS and the requirements of the SEBI Regulations have been appropriately adjusted, and

- The resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective periods to which they relate.

i) 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 millions, upto two places of decimal, unless otherwise stated.

ii) Historical cost convention

The Restated Consolidated Financial Information has been prepared under historical cost convention except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

iii) 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
- Share-based payments: measured at fair value of share based payments

Fair value measurement

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

iv) 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.

Judgments

Information about the judgments made in applying accounting policies that have the most significant effects on the amounts recognized 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 42 - classification of leases into finance and operating lease;
- Note 42 - leases: whether an arrangement contains lease

Assumptions and estimation uncertainties

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

- Note 2c & 2d - 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 40 - recognition and measurement of provisions and contingencies;
- Note 48 - impairment of financial assets;
- Note 48 - Fair value measurement of financial instruments.
- Note 9 – write down of inventories
- Note 2m, 7 and 21 – recognition of tax expense including deferred tax, availability of future taxable profits against which tax losses carried forward can be used

v) Current versus non-current classification

A number of the Group and its associate's accounting policies and liabilities as current and non-current

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

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

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

Deferred tax liabilities are classified as non-current liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents. The Group and its associate has identified twelve months as its operating cycle.

a) **Basis of consolidation**

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 companies 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 Consolidated statement of Profit and Loss, Consolidated statement of changes in Equity and Consolidated Balance sheet respectively.

Equity accounted investees

Investments in associates are carried at cost less accumulated impairment losses, if any. Interests in an associate are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the

Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence ceases. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Restated Consolidated Statement of Profit and Loss.

Upon first-time adoption of Ind AS, the Group has elected to measure its investments in associates at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2016.

Transactions eliminated on consolidation

Intra group balances and transactions, and any unrealized income and expenses arising from intra – group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Business Combinations

Business combinations (other than common control business combinations) on or after April 1, 2016:

As part of transition to Ind AS, the Group and its associate has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred after April 1, 2016. In accordance with Ind AS 103, the Group accounts for these 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 bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exist clear evidence of the underlying reason for classifying the business combination as resulting in bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction cost are expensed as incurred, except to the extent related to 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 and 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 and loss.

If business combination is achieved in stages, any previous held equity interest in the acquiree is remeasured to its acquisition date fair value and any resulting gain or loss is recognised in profit and loss or OCI, as appropriate.

b) **Property, plant and equipment (PPE)**

i. Recognition and measurement

Items of property, plant and equipment 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 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.

Advances paid towards acquisition of PPE 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 capital work-in- progress.

ii. Transition to Ind AS

On transition to Ind AS, the Group and its associate has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (Refer note 51).

iii. Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and its associate.

iv. Depreciation

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

Leasehold improvements are amortised over the period of lease.

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

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

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

c) **Intangible assets**

Intangible Assets that are acquired by the 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 Restated Consolidated Statement of Profit and Loss as incurred.

The estimated useful life of the software is considered as five 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 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 intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

d) **Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currency of the Group 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.

e) **Borrowing costs**

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

f) **Employee benefits**

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group 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 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 Restated 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's gratuity benefit scheme is a defined benefit plan.

Gratuity

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Plan is funded with Insurance Group in form of insurance policy. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, 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 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 Restated 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 Restated Consolidated Balance Sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Restated Consolidated Balance Sheet date. Actuarial gains and losses are recognised in the Restated Consolidated Statement of Profit and Loss in the period in which they occur.

g) **Revenue**

a) Sale of goods

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

Revenues includes excise duty and are shown net of sales tax, value added tax and goods and services tax (with effect from July 1, 2017).

b) Rendering of services

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

c) Interest income

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

d) Dividend income

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

h) **Government grants and subsidies**

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

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

i) **Inventories**

Raw materials, components, stores and spares are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

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

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

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

j) **Provisions, contingent liabilities and contingent assets**

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

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

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

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

k) **Financial instruments**

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

1) Financial assets

i) Initial recognition and measurement

The Group initially recognises financial assets on the date on which they are originated. The Group recognises the financial assets on the trade date, which is the date on which the Group 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 classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Group 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 considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instrument at amortised cost

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

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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

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 decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group 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 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 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 of similar financial assets) is primarily derecognised (i.e. removed from the Group's Restated Consolidated Balance Sheet) when:

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

v) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
With regard to trade receivable, the Group applies the simplified approach as permitted by Ind AS *109*, *Financial Instruments*, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

vi) Impairment of non-financial assets

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

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

The Group's corporate assets (e.g., office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss is recognised in the Restated Standalone Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the

CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

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 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 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 enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/ (losses).

l) **Income taxes**

Income tax comprises current and deferred tax. It is recognised in the 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 in the Restated Consolidated Balance Sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Restated Consolidated Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group 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 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.

Minimum alternate tax ('MAT') under the provisions of Income-tax Act, 1961 is recognized as current tax in statement of profit and 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 recognized adjusted from deferred tax liability is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

m) **Leases**

Determining whether an arrangement contains a lease:

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

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

Where the Group is the Lessee:

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

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

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

Where the Group is the lessor:

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group 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 Restated Consolidated Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Restated Consolidated Statement of Profit and Loss.

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

n) **Segment reporting**

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

The Board of Directors of the Group have been identified as being the Chief operating decision maker by the management of the Group. Refer note 49 for segment information presented.

o) **Standards issued but not yet effective**

Ind AS 115- Revenue from contracts with customers

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group and its associate will adopt the standard from April 1, 2018 and is in the process of identifying the impact, if any.

Ind AS 21, The Effects of Changes in Foreign Exchange Rates

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Group and its associate has evaluated the effect of this on the financial statements and the impact is not material.

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	Financial Year 2018	Financial Year 2017	Financial Year 2016
A. Revenue from operations			
Revenue from sale of products	6,248.03	5,746.21	5,394.72
Percentage of total revenue from operations (% of A+B)	*90.03%*	*89.97%*	*90.10%*
Job work income	407.54	407.70	414.71
Percentage of total revenue from operations (% of A+B)	*5.87%*	*6.38%*	*6.93%*
B. Other operating revenue			
Export incentives	156.33	110.00	83.44
Percentage of total revenue from operations (% of A+B)	*2.25%*	*1.72%*	*1.39%*
Net gain on account of foreign exchange fluctuations	55.23	45.67	28.18
Percentage of total revenue from operations (% of A+B)	*0.80%*	*0.72%*	*0.47%*
Others	72.52	76.94	66.76
Percentage of total revenue from operations (% of A+B)	*1.05%*	*1.20%*	*1.11%*
Total revenue from operations (A+B)	**6,939.65**	**6,386.52**	**5,987.81**
Other income	**17.90**	**21.54**	**108.58**
Total income	**6,957.55**	**6,408.06**	**6,096.39**

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; and (iii) others.

Revenue from sale of products

Our revenue from sale of products accounted for 90.03%, 89.97% and 90.10% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, respectively. Our revenue from sale of products primarily consists of sale of sale of finished biscuit, buns, breads and other bakery products manufactured in our manufacturing facilities and sale of traded biscuits.

Job work income

Our job work income accounted for 5.87%, 6.38% and 6.93% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, 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 Authorization 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 and Gram Udyog Yojna. 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 2.00% to 7.00% 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 recognized as export incentives.

Our revenue from export incentives accounted for 2.25%, 1.72% and 1.39% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, respectively.

Net gain on account of foreign exchange fluctuations

Our revenue from net gain on account of foreign exchange fluctuations accounted for 0.80%, 0.72% and 0.47% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, respectively. These primarily include gain on account of movement in certain foreign currencies and settlement of our export sales, forward contract and debtor restatements.

Others

Our revenue from others accounted for 1.05%, 1.20% and 1.11% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, 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 amortization expense; and (viii) other expenses.

The following table sets forth our expenditure in Rupees and as a percentage of our total revenue for the periods indicated:

(₹ in million, except percentages)

Particulars	Financial Year 2018	Financial Year 2017	Financial Year 2016
Cost of raw materials consumed	3,778,86	3,486.48	3,182.31
Percentage of total revenue from operations	*54.45%*	*54.59%*	*53.15%*
Purchase of stock-in-trade	119.68	105.72	4.22
Percentage of total revenue from operations	*1.72%*	*1.66%*	*0.07%*
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(70.65)	22.64	1.05
Percentage of total revenue from operations	*(1.02)%*	*0.35%*	*0.02%*
Excise duty	33.30	139.68	139.58
Percentage of total revenue from operations	*0.48%*	*2.19%*	*2.33%*
Employee benefit expenses	913.07	809.43	794.61
Percentage of total revenue from operations	*13.16%*	*12.67%*	*13.27%*
Finance costs	57.78	45.02	50.41

Particulars	Financial Year 2018	Financial Year 2017	Financial Year 2016
Percentage of total revenue from operations	*0.83%*	*0.70%*	*0.84%*
Depreciation and amortization expense	272.93	249.67	225.09
Percentage of total revenue from operations	*3.93%*	*3.91%*	*3.76%*
Other expenses	1,320.49	1,128.74	1,115.43
Percentage of total revenue from operations	*19.03%*	*17.67%*	*18.63%*
Total expenses	**6,425.46**	**5,987.38**	**5,512.70**

Cost of materials consumed

Cost of materials consumed comprises of raw material costs incurred in production of biscuits, breads and buns. 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 54.45%, 54.59% and 53.15% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, 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 1.72%, 1.66% and 0.07% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, respectively.

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 (1.02)%, 0.35% and 0.02% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, respectively.

Excise duty on sales

Excise duty relates to such duty on manufacturing and sale of products made during the relevant Financial Year. Excise duty accounted for 0.48%, 2.19% and 2.33% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, respectively.

Employee benefit expenses

Employee benefits expense includes (i) salaries, wages and bonus; (ii) contribution to provident fund and other funds, (iii) employee share-based payment expense; and (iv) staff welfare expenses. Employee benefit expenses accounted for 13.16%, 12.67% and 13.27% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, respectively.

Finance costs

Finance cost includes financial liabilities measured at amortized cost and finance cost on finance lease obligations. Finance costs accounted for 0.83%, 0.70% and 0.84% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, respectively.

Depreciation and amortization expense

Depreciation represents depreciation on our fixed assets including freehold land, buildings, leasehold improvements, plant and equipment, vehicles, office equipment, office equipment, computers and furniture and fixtures and leasehold land. Amortization represents amortization 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.

Depreciation and amortization expense accounted for 3.93%, 3.91% and 3.76% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, 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 travel and conveyance related expenses, director's commission and sitting fees, 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, change in excise duty on change in inventories of finished goods, net change in fair value of financial assets measured at fair value through profit and loss, commission and brokerage, bank charges, loss on sale of property, plant and equipment, loss on allowance on trade receivables, net loss on account of foreign exchange fluctuations, printing and stationary, exporting incentives written off and miscellaneous expenses. Other expenses accounted for 19.03%, 17.67% and 18.63% of our total revenue from operations for Financial Year 2018, Financial Year 2017 and Financial Year 2016, respectively.

Financial Year 2018 compared with Financial Year 2017

Revenue

Total Revenue from Operations

Our total revenue from operations increased by ₹ 553.13 million or by 8.66% from ₹ 6,386.52 million in Financial Year 2017 to ₹ 6,939.65 million in Financial Year 2018. This increase was primarily driven by ₹ 501.82 million or by 8.73% increase in revenue from sale of products.

Revenue from sale of products

Our revenue from sale of products increased by ₹ 501.82 million or by 8.73% from ₹ 5,746.21 million in Financial Year 2017 to ₹ 6,248.03 million in Financial Year 2018. This increase was primarily driven by increase in the export volume of our biscuits and the growth of our breads segment, primarily on account of increased sales of our breads which was a result of higher penetration in the existing markets. While our growth recovered in Financial Year 2018 from the impact of demonetisation in Financial Year 2017, however, our growth in Financial Year 2018 was impacted by the introduction of GST in India, which impacted some of super-stockists and distributors and had an adverse impact in the demand for our products and our sales volume.

Job work income

Our job work income marginally decreased by ₹ 0.16 million or by 0.04% from ₹ 407.70 million in Financial Year 2017 to ₹ 407.54 million in Financial Year 2018.

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, Duty Free Import Authorization and the Merchandise Exports from India Scheme. Under the Duty Drawback Scheme we can avail a refund on the customs paid on imported goods and under the Duty Free Import Authorization we are entitled to duty free import of certain inputs consumed or utilised in the production of an export product. Under the Merchandise Exports from India Scheme we can avail certain custom duty incentives at rates which vary from 2.00% to 7.00% 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 recognized as export incentives.

Our income from export incentives increased by ₹ 46.33 million or by 42.12% from ₹ 110.00 million in Financial Year 2017 to ₹ 156.33 million in Financial Year 2018. This increase was primarily driven by increase in the export incentives availed due to growth in the export volume of our biscuits and the increase in the rate of incentive under the Merchandise Exports from India Scheme.

Net gain on account of foreign exchange fluctuations

Our net gain on account of foreign exchange fluctuations increased by ₹ 9.56 million or by 20.93% from ₹ 45.67 million in Financial Year 2017 to ₹ 55.23 million in Financial Year 2018. 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.

Others

Our revenue from others decreased by ₹ 4.42 million or by 5.74% from ₹ 76.94 million in Financial Year 2017 to ₹ 72.52 million in Financial Year 2018.

Other Income

Our other income decreased by ₹ 3.64 million or by 16.90% from ₹ 21.54 million in Financial Year 2017 to ₹ 17.90 million in Financial Year 2018. This decrease was on account of decrease in interest income on financial assets, decrease in gain on sale of investments (net) and decrease net change in fair value of financial assets measured at fair value. This decrease was partially offset by increase in interest income from others, increase in certain export incentives availed under various export schemes and increase in miscellaneous income.

Expenditure

Total expenses increased by ₹ 438.08 million or by 7.32% from ₹ 5,987.38 million in Financial Year 2017 to ₹ 6,425.46 million in Financial Year 2018.

Cost of materials consumed

Cost of raw materials consumed increased ₹ 292.38 million or by 8.39% from ₹ 3,486.48 million in Financial Year 2017 to ₹ 3,778.86 million in Financial Year 2018 on account of higher production resulting from an increase in volume of sales, broadly in line with the growth of our revenue from sale of products in Financial Year 2018.

The following table sets forth the amount spent on certain primary raw materials consumed in Financial Year 2018 and Financial Year 2017.

(₹ in million)

Raw Material Consumed	Financial Year 2018	Financial Year 2017
Wheat flour	1,142.40	1,052.11
Oil and fats	669.70	607.60
Sugar	646.88	605.58
Packaging material	741.10	675.73
Others	578.78	545.46
Total	**3,778.86**	**3,486.48**

As a percentage of our total revenue from operations, our cost of materials consumed was 54.45% in Financial Year 2018 compared to 54.59% in Financial Year 2017.

Purchase of stock-in-trade

Purchase of traded goods was ₹ 119.68 million in Financial Year 2018, compared to ₹ 105.72 million in Financial Year 2017. The increase in purchase of stock in trade by ₹ 13.96 million or by 13.20% was due to introduction of certain new confectionary products which are not manufactured by our Company.

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 ₹ 93.29 million or by 412.06% from ₹ 22.64 million in Financial Year 2017 to ₹ (70.65) million in Financial Year 2018. This was primarily due to increase in sales volume in 2018, as compared to Financial Year 2017 during which the demand was impacted by demonetization.

Excise Duty

Excise duty decreased by ₹ 106.38 million or by 76.16% from ₹ 139.68 million in Financial Year 2017 to ₹ 33.30

million in Financial Year 2018. 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. So while excise duty was paid for the full year period of Financial Year 2017, it was paid only for the first three months of Financial Year 2018.

Employee benefit expenses

Employee benefits expenses increased by ₹ 103.64 million or by 12.80% from ₹ 809.43 million in Financial Year 2017 to ₹ 913.07 million in Financial Year 2018. 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 ₹ 12.76 million or by 28.34% from ₹ 45.02 million in Financial Year 2017 to ₹ 57.78 million in Financial Year 2018. The increase in finance costs was primarily on account of a result of increase in our interest expenses during this period arising from additional borrowing availed by our Company for investment in our Greater Noida Facility.

Depreciation and amortisation expense

Our depreciation and amortization expense increased by ₹ 23.26 million, or 9.32%, from ₹ 249.67 million in Financial Year 2017 to ₹ 272.93 million in Financial Year 2018. This increase was primarily due a new bun line which was installed at our Greater Noida Facility in November, 2016 which only had a five month impact in Financial Year 2017 as compared to a full-year impact in Financial Year 2018. The increase was also on account of a new bread line installed at our Greater Noida Facility in February 2018.

Other expenses

Other expenses increased by ₹ 191.75 million or by 16.99% from ₹ 1,128.74 million in Financial Year 2017 to ₹ 1,320.49 million in Financial Year 2018. The increase in other expenses was primarily due to increase in power and fuel costs, costs relating to repair and maintenance of plant and machinery, advertisement and sales promotion costs and freight and forwarding costs. These increases were driven by our overall increase in business operations.

Profit before tax

In light of above discussions, our profit before tax increased by ₹ 111.27 million or by 26.43% from ₹ 420.99 million in Financial Year 2017 to ₹ 532.26 million in Financial Year 2018.

Tax expense

Our total tax expense increased by ₹ 39.26 million or by 29.56% from ₹ 132.82 million in Financial Year 2017 to ₹ 172.08 million in Financial Year 2018. This was primarily due an increase of ₹ 39.54 million increase in current tax expenses which was partially offset ₹ 0.29 million decrease in deferred tax expenses in Financial Year 2018.

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 ₹ 72.01 million or by 24.99% from ₹ 288.16 million in Financial Year 2017 to ₹ 360.18 million in Financial Year 2018.

Financial Year 2017 compared with Financial Year 2016

Revenue

Total Revenue from Operations

Our total revenue from operations increased by ₹ 398.71 million or by 6.66% from ₹ 5,987.81 million in Financial Year 2016 to ₹ 6,386.52 million in Financial Year 2017. This increase was primarily driven by ₹ 351.49 million or by 6.52% increase in revenue from sale of products.

Revenue from sale of products

Our revenue from sale of products increased by ₹ 351.49 million or by 6.52% from ₹ 5,394.72 million in Financial Year 2016 to ₹ 5,746.21 million in Financial Year 2017. This increase was primarily on account of growth of our buns business driven by increase in sales volume of buns and net sales realisation per unit. However, our revenue growth in Financial Year 2017 was impacted primarily on account of demonetization of ₹ 500 and ₹ 1,000 notes by the Government of India in November, 2017.

Job work income

Our job work income decreased by ₹ 7.01 million or by 1.69% from ₹ 414.71 million in Financial Year 2016 to ₹ 407.70 million in Financial Year 2017. This decrease was primarily on account of marginal reduction in volume of one of the key customer and price realisation.

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, Duty Free Import Authorization and the Merchandise Exports from India Scheme. Under the Duty Drawback Scheme we can avail a refund on the customs paid on imported goods and under the Duty Free Import Authorization we are entitled to duty free import of certain inputs consumed or utilised in the production of an export product. Under the Merchandise Exports from India Scheme we can avail certain custom duty incentives at rates which vary from 2.00% to 7.00% 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 recognized as export incentives.

Our income from export incentives increased by ₹ 26.56 million or by 31.83% from ₹ 83.44 million in Financial Year 2016 to ₹ 110.00 million in Financial Year 2017. 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 increased by ₹ 17.49 million or by 62.07% from ₹ 28.18 million in Financial Year 2016 to ₹ 45.67 million in Financial Year 2017. 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.

Others

Our revenue from others increased by ₹ 10.18 million or by 15.25% from ₹ 66.76 million in Financial Year 2016 to ₹ 76.94 million in Financial Year 2017.

Other Income

Our other income significantly decreased by ₹ 87.04 million or by 80.16% from ₹ 108.58 million in Financial Year 2016 to ₹ 21.54 million in Financial Year 2017. This decrease was primarily account of a one-time non-recurring income arising from sale of our property situated in Maharashtra in Financial Year 2016.

Expenditure

Total expenses increased by ₹ 474.68 million or by 8.61% from ₹ 5,512.70 million in Financial Year 2016 to ₹ 5,987.38 million in Financial Year 2017.

Cost of materials consumed

Cost of raw materials consumed increased ₹ 304.17 million or by 9.56% from ₹ 3,182.31 million in Financial Year 2016 to ₹ 3,486.48 million in Financial Year 2017 primarily on account of increase in raw material prices.

The following table sets forth the amount spent on certain primary raw materials consumed in Financial Year 2017 and Financial Year 2016.

(₹ *in million)*

Raw Material Consumed	Financial Year 2017	Financial Year 2016
Wheat flour	1,052.11	951.68
Oil and fats	607.60	527.86
Sugar	605.58	455.92
Packaging material	675.73	695.01
Others	545.46	551.84
Total	3,486.48	3,182.31

As a percentage of our total revenue from operations, our cost of materials consumed was 54.59% in Financial Year 2017 compared to 53.15% in Financial Year 2016. This increase in the cost of materials consumed as a percentage of total revenue from operations was driven by increase in raw material price.

Purchase of stock-in-trade

Purchase of traded goods was ₹ 105.72 million in Financial Year 2017, compared to ₹ 4.22 million in Financial Year 2016. This significant increase in purchase of stock in trade by ₹ 101.50 million or by 2,405.21% was due to higher purchase of biscuits from a third party manufacturer in order to avail certain tax benefits in the state of Jammu and Kashmir.

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 ₹ 21.59 million or by 2,056.19% from ₹ 1.05 million in Financial Year 2016 to ₹ 22.64 million in Financial Year 2017. This was primarily due to increase in inventories in Financial Year 2017, as the demand for our products was adversely impacted due to demonetization.

Excise Duty

Excise duty increased marginally by ₹ 0.10 million or by 0.07% from ₹ 139.58 million in Financial Year 2016 to ₹ 139.68 million in Financial Year 2017.

Employee benefit expenses

Employee benefits expenses increased by ₹ 14.82 million or by 1.87% from ₹ 794.61 million in Financial Year 2016 to ₹ 809.43 million in Financial Year 2017. 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 decreased by ₹ 5.39 million or by 10.69% from ₹ 50.41 million in Financial Year 2016 to ₹ 45.02 million in Financial Year 2017. The decrease in finance costs was primarily on account of reduction of our interest expenses during this period as a result of repayment of existing borrowings carrying high interest rates and availing new borrowings at relatively lower interest rates. Our finance costs also reduced as certain portion our interest payment got capitalised.

Depreciation and amortisation expense

Our depreciation and amortization expense increased by ₹ 24.58 million, or 10.92%, from ₹ 225.09 million in Financial Year 2016 to ₹ 249.67 million in Financial Year 2017. This increase was primarily due to installation of a new bun line at our Greater Noida Facility.

Other expenses

Other expenses increased by ₹ 13.31 million or by 1.19% from ₹ 1,115.43 million in Financial Year 2016 to ₹ 1,128.74 million in Financial Year 2017. The increase in other expenses was primarily due to increase in costs relating to repair and maintenance of plant and machinery and freight and forwarding costs.

Profit before tax

In light of above discussions, our profit before tax decreased by ₹ 162.99 million or by 27.91% from ₹ 583.98 million in Financial Year 2016 to ₹ 420.99 million in Financial Year 2017.

Tax expense

Our total tax expense also accordingly decreased by ₹ 42.69 million or by 24.32% from ₹ 175.51 million in Financial Year 2016 to ₹ 132.82 million in Financial Year 2017. This was driven by a ₹ 57.69 million decrease in current tax expenses which was partially offset ₹ 15.00 million increase in deferred tax expenses in Financial Year 2017.

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 ₹ 120.30 million or by 29.45% from ₹ 408.47 million in Financial Year 2016 to ₹ 288.16 million in Financial Year 2017.

Cash Flows

The following table sets forth certain information relating to our cash flows under Ind AS in Financial Year 2018, Financial Year 2017 and Financial Year 2016:

(₹ in million)

	Financial Year 2018	Financial Year 2017 (₹ million)	Financial Year 2016
Net cash generated from operating activities	463.52	546.80	506.93
Net cash generated (used in) investing activities	(1,130.32)	(523.95)	(360.28)
Net cash generated from/ (used in) the financing activities	589.48	46.10	(139.10)
Net increase/(decrease) in cash and cash equivalents	(77.32)	68.95	7.56
Cash and cash equivalents at the beginning of the year	136.08	67.14	59.58
Cash and cash equivalents at the end of the periods / years	58.76	136.08	67.14

Net cash generated from operating activities

Net cash from operating activities in the in Financial Year 2018 was ₹ 463.52 million and our operating profit before working capital changes for that period was ₹ 869.09 million. The difference was primarily attributable to ₹ 115.80 million increase in trade receivables, ₹ 85.47 million increase in other financial assets, ₹ 77.40 million increase in inventories and ₹ 155.04 million of direct taxes paid (net of refunds).

Net cash from operating activities in the in Financial Year 2017 was ₹ 546.80 million and our operating profit before working capital changes for that period was ₹ 721.36 million. The difference was primarily attributable to ₹ 131.32 million increase in trade receivables, ₹ 44.74 million decrease in other financial liabilities, ₹ 31.21 million increase in other financial assets and ₹ 151.63 million of direct taxes paid (net of refunds). However, this was partially offset by ₹ 118.48 million increase in trade payables in Financial Year 2017.

Net cash from operating activities in the in Financial Year 2016 was ₹ 506.93 million and our operating profit before working capital changes for that period was ₹ 777.20 million. The difference was primarily attributable to ₹ 51.52 million increase in inventories, ₹ 34.49 million increase in other financial assets, ₹ 32.76 million increase in other assets and ₹ 175.99 million of direct taxes paid (net of refunds). However, this was partially offset by ₹ 43.82 million increase in other financial liabilities in Financial Year 2016.

Net cash used in investing activities

In Financial Year 2018, our net cash used in investing activities was ₹ 1,130.32 million. This reflected the payments of ₹ 1,189.19 million towards the purchase of fixed assets (including capital work in progress and capital advances) which primarily consisted of plant and machinery for our manufacturing facilities situated at Greater Noida and Rajpura. This payment was partially offset by ₹ 48.69 million received as net proceeds of investments.

In Financial Year 2017, our net cash used in investing activities was ₹ 523.95 million. This reflected the payments of ₹ 575.81 million towards the purchase of fixed assets (including capital work in progress and capital advances) which primarily consisted of plant and machinery for our manufacturing facility situated at Greater Noida. This payment was partially offset by ₹ 56.70 million received as net proceeds of investments.

In Financial Year 2016, our net cash used in investing activities was ₹ 360.28 million. This reflected the payments of ₹ 424.92 million towards the purchase of fixed assets (including capital work in progress and capital advances) and ₹ 46.97 million towards net proceeds of investments. This payment was partially offset by ₹ 134.21 million received as proceeds from sale of certain property owned by our Company situated in Maharashtra.

Net cash generated from/ used in financing activities

In Financial Year 2018, our net cash generated from financing activities was ₹ 589.48 million. This reflected ₹ 592.15 million received as proceeds from non-current borrowings and ₹ 97.14 million received as proceeds from current borrowings. These cash flows were partially offset by ₹ 57.32 million paid towards interests on borrowings and ₹ 42.29 million paid towards dividends (including dividend distribution tax) on the Equity Shares in Financial Year 2018.

In Financial Year 2017, our net cash generated from financing activities was ₹ 46.10 million. This reflected ₹ 171.01 million received as proceeds from non-current borrowings. This cash flow was partially offset by ₹ 44.08 million paid towards interests on borrowings, ₹ 54.59 million paid towards dividends (including dividend distribution tax) on the Equity Shares in Financial Year 2017 and ₹ 26.24 million paid towards repayment of certain current borrowings.

In Financial Year 2016, our net cash used in financing activities was ₹ 139.10 million. This reflected ₹ 174.58 million towards repayment of certain non-current borrowings, by ₹ 51.21 million paid towards interests on borrowings and ₹ 14.33 million paid towards dividends (including dividend distribution tax) on the Equity Shares in Financial Year 2016. These cash flows were partially offset by ₹ 101.02 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, purchasing vehicles 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 ₹ 58.76 million as of March 31, 2018, ₹ 136.08 million as of March 31, 2017 and ₹ 67.14 million as of March 31, 2016. As of March 31, 2018, we had long term borrowings of ₹ 956.93 million and short term borrowings of ₹ 262.73 million.

The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2018, and our repayment obligations in the periods indicated:

Category of Borrowing	Outstanding amount as on March 31, 2018
Secured	
Term loan	1,035,140,000
Vehicle loan	11,010,000
Working capital loan	100,000,000
Short term loan	162,731,115
Unsecured	25,120,000
Total	**1,334,001,115**

As of March 31, 2018, on a consolidated basis, our total borrowings was ₹ 1,340.83 million, representing a net debt to equity ratio of 0.50. For further information on our indebtedness, see "***Risk Factors – We have incurred substantial 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 March 31, 2018, 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 March 31, 2018 (₹ million)
a) Claims against the Group not acknowledged as debts	
(i) Income tax related matters	2.14
(ii) Sales tax related matters	3.01
(iii) Civil matters	9.10
b) In respect of bank guarantees	7.45
c) Others	101.54

Note: Other pending litigation

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

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

(c) A demand of ₹ 2.37 million and ₹ 3.75 million related with Financial Year 2009 and Financial Year 2010 respectively is pending with DETC, Ludhiana. The matter is related with input tax credit claimed by assesse on purchase of HSD. The Group has demanded to start the proceeding without depositing the 25.00% of amount demanded. The department has rejected the appeal of the Group. The Group filed the writ petition in High Court and the High court had accepted the contention of assesse & remanded the case back to DETC, Ludhiana. The Group has created the provision in books for amount demanded and has also accrued the interest on amount demanded at the rate of 1.50% per month. Therefore the provision for an amount of ₹ 4.49 million and ₹ 7.75 million includes an interest of ₹ 2.13 million and ₹ 3.99 million respectively.

(d) A demand of ₹ 1.91 million for assessment year 2013-14 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.

Commitments

The following table presents the details of our commitments as of March 31, 2018:

Particulars	As of March 31, 2018 (₹ million)
Capital commitments (net of capital advance)	121.98
Total	**121.98**

For further information on our contingent liabilities and commitments, see "***Financial Statements***" on page 192.

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 192.

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 Draft Red Herring 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 Draft Red Herring Prospectus, particularly in the sections "***Risk Factors***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 16 and 366, 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***", "***Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 16, 135 and 366, 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 "***Business***" on page 135, 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 MARCH 31, 2018

1. Our Company has started new cold chain line at the Greater Noida Facility for manufacturing of frozen products from August 1, 2018, which was under construction as on March 31, 2018. The new cold chain line at our Greater Noida Facility involved a total investment of approximately ₹ 250.00 million and has a total capacity of 2,520 mtpa.

2. The manufacturing facility at Rajpura which is operated by our Company commenced commercial production on August 6, 2018 and has a total installed capacity of 18,000 mtpa which is used for manufacturing biscuits. The establishment of the plant at Rajpura involves a total investment of approximately ₹ 1,000.00- ₹ 1,100.00 million and the plant has a total capacity of 18,000 mtpa (i.e. 14,400 mtpa for biscuits and 3,600 mtpa for cookies).

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 June 30, 2018.

(in ₹)

Category of Borrowing	Sanctioned Amount	Outstanding amount as on June 30, 2018
Secured		
Term loan	1,618,250,000	1,142,289,538
Vehicle loan	20,098,175	11,746,380
Working capital loan	250,000,000	114,389,537
Short term loan	200,000,000	200,000,000
Unsecured	100,000,000	22,517,208
Total	**2,188,348,175**	**1,490,942,663**

**As certified by SCV & Co. LLP by way of their certificate dated August 10, 2018*

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 72 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.

Additionally, our promoter, Anoop Bector has provided personal guarantees in favour of the lenders for the credit facilities extended to our Company.

- ***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 promoters of our Company;
    e) Amending the Memorandum of Association and Articles of Association;
    f) Change in management control of our Company;
    g) 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
    h) 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.

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, Group Company, Promoter or Directors; (ii) outstanding actions taken by statutory or regulatory authorities involving our Company, Subsidiaries, Group Company, Promoter or Directors; (iii) outstanding claims involving our Company, Subsidiaries, Group Company, Promoters 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).

In accordance with the Materiality Policy, all pending litigation involving our Company, Subsidiaries, Group Company, 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, Promoter and Group Company in any such pending litigation is in excess of 2.5% of the annual consolidated profit after tax of the Company for Financial Year 2018, being ₹ 9.04 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, Group Company, 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, Group Company, Promoters 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 Draft Red Herring 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/regulatory authorities

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 Philbit, 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 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 customer for whom we undertake contract manufacturing***" on page 17.

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	10	19.11
Indirect tax	15	78.09
Total	**25**	**97.20**

B. Outstanding litigations by our Company

Criminal proceedings

1. Our Company, in the ordinary course of business, has initiated 32 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 ₹ 9.89 million, to the extent ascertainable. All the proceedings are pending.

Material outstanding litigation

1. 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 ₹ 7,276,800 along with penalty of ₹ 1,819,200 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 Grater 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. The case is currently pending.

II. LITIGATION INVOLVING OUR GROUP COMPANY

A. Outstanding litigations against our Group Company

Tax proceedings

Except as disclosed below, there are no proceedings related to direct and/ or indirect taxes pending against our Group Company.

(*₹ in million*)

Particulars	Number of cases	Ascertainable amount involved
Direct tax	Nil	Nil
Indirect tax	5	37.56
Total	**5**	**37.56**

III. LITIGATION INVOLVING OUR DIRECTORS

A. Outstanding litigation against our Directors

Outstanding criminal litigation

Please see "***Outstanding Litigation and other Material Development - Litigation involving our Company – Outstanding Litigation against our Company***" on page 400 for criminal proceedings initiated by our Managing Director.

Outstanding 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 the Director	Nature of Litigation	Number of matters	Amount to the extent quantifiable
Mr. Ishaan Bector	Direct taxation	1	Not quantifiable

IV. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of March 31, 2018, we have 793 creditors on a consolidated basis amounting to ₹ 389.70 million. As of March 31, 2018, we have 718 creditors on a standalone basis. For further details, see http://www.cremica.in/creditors

As per the Materiality Policy, creditors to whom an amount exceeding ₹ 38.97 million, which is 10% of the total consolidated trade payables of the Company for the period ending March 31, 2018, was outstanding, were considered 'material' creditors. Based on the above, there are no material creditors of our Company as on March 31, 2018 to whom no aggregate amount was outstanding on such date.

Based on information available with our Company, there are no dues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as of March 31, 2018.

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 366, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring 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 Company and our Subsidiaries are required to obtain necessary consents, licenses, permissions, registrations and approvals from the Government, various governmental agencies, including various authorities in the states of India, where we have our presence, and other statutory and/or regulatory authorities required for carrying out our present business activities or to undertake the Offer. Except the list of material approvals provided below, no further material consents, licenses, permissions and approvals from any regulatory authority are required to undertake the Offer or continue such business activities. Unless otherwise stated, these approvals are valid as of the date of this Draft Red Herring 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 153.*

I. General details

Incorporation details of our Company

1. Certificate of incorporation dated September 15, 1995 issued to our Company by the RoC in the name of 'Quaker Cremica Foods Private Limited'.

2. Fresh certificate of incorporation dated December 15, 1999 issued to our Company by the RoC 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 RoC 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 – Authority for the Offer - Corporate Approvals***" on page 406.

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. We are in process to apply for such approval for our Rajpura facility which has commissioned recently.

(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 by the Joint Director General of Foreign Trade.

(ii) Certificate dated March 24, 2014 issued by the Joint Director General of Foreign Trade authorizing our Company to avail benefits under the Zero Duty EPCG Scheme.

(iii) 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 June 30, 2020.

(iv) 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 material approvals required by us for conducting the operations of our Company are provided below ("**Key Approvals**"):

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 6 manufacturing facilities and all of them are valid as on the date of this Draft Red Herring 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 19 depots. We have obtained licenses under the FSS Act for all the 19 depots and all the licenses are currently valid as on the date of this Draft Red Herring Prospectus, except those mentioned in the list below. The licenses granted for the depots under the FSS Act is generally valid for a period of one to five years and are subject to periodic renewals.

B. *Approvals under the Factories Act, 1948 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 6 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 Draft Red Herring Prospectus except as specified in the list below.

D. *Other licenses*

Our Company and our subsidiary, BFPL are required to obtain various other licenses in respect of our facilities such as license for import and storage of petroleum, DG set license, registration under the Legal Metrology Act, the fire acts of various states, environmental approvals, electricity approvals and ground water approval. Such licenses may be subject to periodic renewals, as applicable.

As on the date of this Draft Red Herring Prospectus, except as disclosed below, we currently hold all aforementioned Key Approvals, as required, except following Key Approvals in respect of which we are in process to make application or have made applications before relevant authorities to obtain the registrations or renewal of Key Approvals which are expired.

S. No.	Description	Manufacturing unit/Depot	Fresh application/Renewal	Authority
Ground Water Approval				
1.	Ground water approval	Phillaur, Noida	Fresh application	Central Ground Water Board
Approval under FSS Act				

S. No.	Description	Manufacturing unit/Depot	Fresh application/Renewal	Authority
1.	License under the FSS Act	BSPL, Mumbai	Renewal application	FSSAI
2.	License under FSS Act	Kochi	Renewal application	FSSAI
3.	License under FSS Act	Laluwal	Renewal application	FSSAI
4.	License under FSS Act	Akalpur	Fresh application	FSSAI
Approval under S&E Act				
1.	Approval under S&E Act	Qutbewal, Akalpur, Kochi and Patna	Fresh application	Department of Labour
2.	Approval under S&E Act	Haridwar	Not applied for	--
Fire Approval				
1.	Fire approval	Noida	Fresh application	Directorate of Fire and Emergency Services
2.	Fire approval	Tahliwal	Fresh application	Directorate of Fire and Emergency Services
Environmental Approval				
1.	Environmental Approval (Air, Water and Hazardous waste)	Rajpura	Fresh application	State Pollution Control Board
2.	Hazardous waste approval	Tahliwal	Fresh application	State Pollution Control Board

III. INTELLECTUAL PROPERTY

Trademarks

As on the date of this Draft Red Herring Prospectus, we have 31 trademarks which are currently operational in India out of which for one trademark, as mentioned in the list below, has been applied for renewal and the for the rest of the trademarks we have obtained valid registration certificates under the Trademarks Act. 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.

S. No.	Description	Trademark	Trademark no.	Fresh Application/Renewal	Authority
1.	Trademark registration certificate	Cremica Creamfils Orange Biscuits	733657	Renewal application	Trademark Registry

Copyright

As on the date of this Draft Red Herring Prospectus, we have ten copyrights which are currently operational in India under the Copyright Act for which we have obtained valid registration certificates under the Copyright Act.

Patent

As on the date of this Draft Red Herring Prospectus, we hold two patents under the Patents Act for which we have been granted valid registration certificates under the Patents Act, 1970.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board has authorised the Offer by a resolution dated July 10, 2018.
- Our Shareholders, pursuant to a resolution dated August 1, 2018 have authorised the Offer.
- The IPO Committee has, on August 10, 2018 approved this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchange.

Approvals from the Selling Shareholders

The Selling Shareholders have severally and not jointly confirmed and approved the transfer of their respective proportion of the Offered Shares pursuant to the Offer for Sale.

S. No.	Name of the Selling Shareholder	Date of Consent Letter	Date of Board resolution (if applicable)
1.	Mr. Anoop Bector	August 10, 2018	-
2.	Linus Private Limited	August 10, 2018	July 25, 2018
3.	Mabel Private Limited	July 25, 2018	August 1, 2018
4.	GW Crown Pte. Ltd.	July 25, 2018	August 1, 2018
5.	GW Confectionary Pte. Ltd.	July 25, 2018	August 1, 2018

Each Selling Shareholder specifically confirms that, as required under Regulation 26(6) of the SEBI ICDR Regulations, it has held the Equity Shares proposed to be offered and sold by it in the Offer for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by such Selling Shareholder in the Offer have not been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and where such Equity Shares have resulted from a bonus issue, such bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus. Further, in this regard, the Company confirms that the bonus issue was not undertaken by capitalizing or by utilization of revaluation reserves or unrealized profits of the Company. Therefore, the Equity Shares offered by the Selling Shareholders in the Offer are eligible to be offered for sale in the Offer.

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE for the listing of our Equity Shares pursuant to its letter dated [●].

Prohibition by the SEBI, the RBI or Governmental Authorities

Our Promoter, Mr. Anoop Bector is one of the promoters and 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-recognized 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 Company, CAFL, has been in violation of listing requirements of an erstwhile recognized 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 34.

Except for Mr. Anoop Bector and Ms. Rajni Bector as stated above, none of our Company, our Subsidiaries, our Group Company, our Directors or persons in control of our Company are or have ever been 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 other governmental authorities. None of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Except for Mr. Anoop Bector and Ms. Rajni Bector as stated above, none of our Directors are in any manner associated with the securities market, including any securities market related business and no action has been taken by the SEBI against our Directors or any entity in which our Directors are involved as promoter or directors.

Neither our Company nor our Directors have been declared as a wilful defaulter, as defined under the SEBI ICDR Regulations.

Each Selling Shareholder, severally and not jointly, specifically confirms that it has not been declared as a wilful defaulter, as defined under the SEBI ICDR Regulations.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided in Regulation 26(1) of the SEBI ICDR Regulations, and as is in compliance with the conditions specified therein in the following manner:

- our Company has net tangible assets of at least ₹ 30.00 million in each of the preceding three full years (of 12 months each), of which not more than 50.00% is held as monetary assets;

- our Company has a minimum average pre-tax 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 pre-Offer net worth of at least ₹ 10.00 million in each of the three preceding full years (of 12 months each);

- the proposed Offer size does not exceed five times the pre-Offer net worth as per the audited accounts for the year ended March 31, 2018; and

- there has been no change of name of our Company at any time during the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus.

Set forth below are our Company's pre-tax operating profit, net tangible assets, monetary assets, monetary assets as a percentage of our net tangible assets and net worth, derived from our Restated Financial Informations included in this Draft Red Herring Prospectus.

(in ₹ million)

	Restated Standalone Financial Information###				
Particulars	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
Net tangible assets*, as restated	2,855.97	2,471.54	2,288.34	1,857.45	1,625.59
Pre-tax operating profit**, as restated	493.59	379.83	491.29	487.60	408.48
Net worth,*** as restated	2,552.39	2,274.68	2,060.14	1,700.20	1,414.57

Monetary assets#,as restated	100.05	234.91	212.94	143.78	139.12
Monetary assets as a % of net tangible assets,## as restated	3.50%	9.50%	9.31%	7.74%	8.56%

Notes:

**Restated net tangible assets are defined as the sum of total assets excluding intangible assets, deferred tax asset and intangible assets under development, deducted by total non-current liabilities and current liabilities excluding deferred tax liabilities and current borrowings, each on a restated basis.*
*** Restated pre-tax operating profit has been calculated as restated net profit before tax excluding other income and finance cost each on a restated basis.*
****Restated net worth has been defined as the aggregate of share capital and other equity, each on a restated basis.*
#Monetary assets = Cash on hand + balance with bank in current accounts + deposit due to be matured within twelve months of the reporting date + margin money deposits +current investments.
##'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.
*### Source: Restated Standalone Statement of Assets and Liabilities and Restated Standalone Statement of Profit and Loss of the Company as included in the Draft Red Herring Prospectus under the section "**Financial Statements**".*

(in ₹ million)

Restated Consolidated Financial Information^					
Particulars	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
Net tangible assets*, as restated	2,974.23	2,550.75	2,322.96	1,875.36	1,639.72
Pre-tax operating profit**, as restated	572.14	444.47	525.81	517.59	420.92
Net worth,*** as restated	2,671.01	2,356.78	2,104.73	1,730.78	1,437.38
Monetary assets#,as restated	107.45	243.66	214.90	146.39	145.53
Monetary assets as a % of net tangible assets,## as restated	3.61%	9.55%	9.25%	7.81%	8.88%

*****Restated net tangible assets are defined as the sum of total assets excluding intangible assets, deferred tax asset and intangible assets under development, deducted by total non-current liabilities and current liabilities excluding deferred tax liabilities and current borrowings, each on a restated basis.*
***Restated pre-tax operating profit has been calculated as restated net profit before tax excluding other income and finance cost each on a restated basis.*
****Restated net worth has been defined as the aggregate of share capital and other equity, each on a restated basis.*
 # Monetary assets = Cash on hand + balance with bank in current accounts + deposit due to be matured within twelve months of the reporting date + margin money deposits +current investments.
'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.

^Source: Restated Consolidated Statement of Assets and Liabilities and Restated Standalone Statement of Profit and Loss of the Company as included in the Draft Red Herring Prospectus under the section "***Financial Statements***".

The aggregate size of the Offer and all issues made in the Financial Year 2018, until the date of this Draft Red Herring Prospectus, does not exceed five times our Company's pre-Offer net worth as per the audited balance sheet as at March 31, 2018. Further, we confirm that our Company has not changed its name during the one year immediately preceding the date of this Draft Red Herring Prospectus.

Hence, we are eligible for the Offer as per Regulation 26(1) of the SEBI ICDR Regulations. Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, otherwise, the entire application money will be refunded forthwith. If our Company does not allot Equity Shares pursuant to the Offer within five Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, we shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the applicants at the rate of 15.00% per annum for the delayed period or such other rate prescribed by SEBI.

DISCLAIMER CLAUSE OF THE SEBI

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO THE SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE 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 THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING IDFC BANK LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND IIFL HOLDINGS LIMITED ("BRLMs"), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. 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 THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND SELLING SHAREHOLDERS DISCHARGE ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, BEING IDFC BANK LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND IIFL HOLDINGS LIMITED HAVE FURNISHED TO THE SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 10, 2018 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS DATED AUGUST 10, 2018, PERTAINING TO THE SAID OFFER;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:**

    A. **THIS DRAFT RED HERRING PROSPECTUS FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**

    B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS ETC., FRAMED/ISSUED BY THE**

SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

C. THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT 1956, TO THE EXTENT APPLICABLE, THE COMPANIES ACT 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI AND UNTIL DATE SUCH REGISTRATIONS ARE VALID;

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS - NOTED FOR COMPLIANCE;

5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF HIS EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THIS DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THIS DRAFT RED HERRING PROSPECTUS. – COMPLIED WITH AND NOTED FOR COMPLIANCE

6. WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS. – COMPLIED WITH AND NOTED FOR COMPLIANCE

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. - NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE COMPANY'S MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION -NOT APPLICABLE;

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE

SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION - NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT 2013, AS NOTIFIED;

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE - NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT 2013, EQUITY SHARES IN THE OFFER WILL BE ISSUED IN DEMATERIALISED FORM ONLY;

11. WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION- COMPLIED WITH;

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS- COMPLIED WITH:

    a. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

    b. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER - NOTED FOR COMPLIANCE;

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER EXPERIENCE, ETC. - COMPLIED WITH;

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THIS DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY – COMPLIED WITH;

16. WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER)’, AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR – COMPLIED WITH;

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH THE IND AS 24 IN THE RESTATED FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THIS DRAFT RED HERRING PROSPECTUS AND AS CERTIFIED BY SCV

<u>& Co. LLP, CHARTERED ACCOUNTANTS, PURSUANT TO THEIR CERTIFICATE DATED AUGUST 10, 2018;</u>

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS. (IF APPLICABLE). – <u>NOT APPLICABLE</u>.

The filing of this Draft Red Herring Prospectus does not, however, absolve any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of 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 proposed Offer. SEBI further reserves the right to take up, at any point of time, with the BRLMs, any irregularities or lapses in this Draft Red Herring Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, and 32 of the Companies Act.

Price Information of past issues handled by the BRLMs

<u>IDFC Bank Limited</u>

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by IDFC Bank Limited.*

Sr. No.	Issuer Name	Issue Size (₹ Million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar day from listing
1.	Shankara Building Products Limited	3,450.01	460.00	April 05, 2017	545.00	51.25% [0.51%]	81.25% [4.16%]	214.30% [5.08%]
2.	Dixon Technologies (India) Limited	5,992.79	1,766.00	September 18, 2017	2,725.00	50.07% [0.57%]	97.90% [3.63%]	95.41% [2.32%]
3.	The New India Assurance Company Limited	95,858.23	800.00*	November 13, 2017	748.90	-27.66% [0.59%]	-8.29% [3.84%]	-12.93% [7.57%]
4.	Khadim India Limited	5,430.57	750.00	November 14, 2017	730.00	-10.40% [0.06%]	-6.47% [3.47%]	10.21% [6.09%]
5.	HDFC Standard Life Insurance Company Limited	86,950.00	290.00	November 17, 2017	310.00	30.16% [1.02%]	48.93% [2.11%]	74.66% [5.04%]
6.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	-11.51% [0.75%]	-28.51% [4.93%]
7.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	674.00	3.26% [3.48%]	4.65% [-2.02%]	-5.38% [6.01%]
8.	Newgen Software Technologies Ltd	4,246.21	245.00	January 29, 2018	253.00	-0.29% [-5.34%]	2.57% [-3.09%]	-2.35% [2.90%]
9.	Amber Enterprises India Ltd	5,995.74	859.00**	January 30, 2018	1,180.00	27.40% [-5.31%]	32.10% [-2.42%]	10.42% [4.05%]
10.	Rites Limited	4,605.14	185.00***	July 02, 2018	190.00	34.97% [6.56%]	Not Available	Not Available

** The offer price was ₹ 770.00 per equity share after a discount of ₹ 30 per equity share to retail individual bidders and eligible employees.*
*** The offer price was ₹ 774.00 per equity share after a discount of ₹ 85 per equity share to eligible employees.*
**** The offer price was ₹ 179.00 per equity share after a discount of ₹ 6 per equity share to retail individual bidders and eligible employees.*

Notes:

i. *Source: www.nseindia.com, www.bseindia.com for the price information and prospectus/finalised basis of allotment for issue details.*

ii. *NSE was the designated stock exchange for the IPOs listed as item 4,5,6 & 10 and BSE was the designated stock exchange for the IPOs listed as item 1,2,3,7,8 & 9. Therefore, price information and benchmark index values have been/will be shown only for designated stock exchange. NIFTY and SENSEX have been used as the benchmark indices.*

iii. *In case of reporting dates falling on a trading holiday, values for the trading day, immediately following the trading holiday have been considered.*

Since 30, 90 and 180 calendar days, from listing date has not elapsed for certain IPOs, data for the same is not available.

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 IDFC Bank Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Million)	No. of IPOs trading at discount - 30th calendar day from listing			No. of IPOs trading at premium - 30th calendar day from listing			No. of IPOs trading at discount - 180th calendar day from listing			No. of IPOs trading at premium - 180th calendar day from listing		
			Over 50.00%	Between 25.00%-50.00%	Less than 25.00%	Over 50.00%	Between 25.00%-50.00%	Less than 25.00%	Over 50.00%	Between 25.00%-50.00%	Less than 25.00%	Over 50.00%	Between 25.00%-50.00%	Less than 25.00%
2018-2019*	1	4,605.14	-	-	-	-	1	-	-	-	-	-	-	-
2017-2018	9	219,468.50	-	1	3	2	2	1	-	1	3	3	-	2
2016-2017	1	3,610.00	-	-	1	-	-	-	-	1	-	-	-	-

**As on the date of DRHP*

Notes:

i. *Date of listing of equity shares has been considered for calculating total no. of IPOs in a particular financial year.*

ii. *The discount/premium has been/will be calculated based on the closing stock price.*

Since 30 and 180 calendar days, from listing date has not elapsed for certain IPOs, data for the same is not available.

Edelweiss Financial Services Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Edelweiss Financial Services Limited*

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % 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	Fine Organic Industries Limited	6001.69	783.00	July 2, 2018	815.00	5.72% [6.56%]	Not Applicable	Not Applicable
2	ICICI Securities Limited	34,801.16	520.00	April 4, 2018	435.00	-27.93% [5.44%]	-37.26% [5.22%]	Not Applicable
3	Galaxy Surfactants Limited	9,370.88	1480.00	February 8, 2018	1,525.00	1.14% [-3.31%]	-0.85% [1.33%]	-14.68 [7.66%]
4	Amber Enterprises India Limited	6,000.00	859.00^^^	January 30, 2018	1,175.00	27.15% [-5.04%]	32.56% [-2.81%]	10.68% [2.44%]
5	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	3.50% [3.00%]	6.27% [-2.83%]	-5.20% [4.13%]
6	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	-11.51% [0.75%]	-28.51 [4.93%]
7	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	30.16% [1.02%]	48.93% [2.11%]	74.66% [5.04%]
8	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	3.61% [-3.19%]	8.12% [2.05%]	-4.21% [1.59%]
9	Prataap Snacks Limited	4,815.98	938.00^^	October 5, 2017	1,270.00	25.12% [5.70%]	31.82% [5.60%]	40.99% [3.27%]
10	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.10	3.62% [6.25%]	18.97% [8.17%]	15.36% [4.06%]

Source: www.nseindia.com

^^^ *Amber Enterprises India Limited - Employee Discount of ₹ 85 per Equity Share to the Offer Price was offered to the eligible employees Bidding in the Employee Reservation Portion. All calculations are based on the Offer Price of ₹ 859 per equity share*

^^*Prataap Snacks Limited - Employee Discount of ₹ 90 per Equity Share to the Issue Price was offered to the eligible employees Bidding in the Employee Reservation Portion. All calculations are based on the issue price of ₹ 938 per equity share*

Notes:

1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
4. *The Nifty 50 index is considered as the Benchmark Index*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues.*

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 Edelweiss Financial Services Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50.00 %	Between 25.00-50.00%	Less than 25.00%	Over 50 %	Between 25.00-50.00%	Less than 25.00%	Over 50.00 %	Between 25.00-50.00%	Less than 25.00%	Over 50.00 %	Between 25.00-50.00%	Less than 25.00%
2018-19*	2	40,802.85	-	1	-	-	-	1	-	-	-	-	-	-
2017-18	11	218,549.76	-	-	1	1	5	4	-	1	3	3	1	3
2016-17	6	123,361.22	-	-	1	1	3	1	-	-	-	3	2	1

**The information is as on the date of the document*

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
3. *The Nifty 50 index is considered as the Benchmark Index.*

For the financial year 2018-19 – 2 issues have been completed.1 issue has completed 30 days. 1 issue has completed 90 days.

<u>IIFL Holdings Limited</u>

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by IIFL Holdings Limited*

Sr. No.	Issue Name	Issue Size (in ₹ Mn)	Issue Price (₹)	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	Capacit'e Infraprojects Limited	4,000.00	250.00	September 25, 2017	399.00	+34.9%, [+3.3%]	+60.3%, [+5.3%]	+18.1%, [+0.3%]
2	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.00	+3.3%, [+4.6%]	+19.0%, [+6.7%]	+15.4%, [+2.6%]
3	Indian Energy Exchange Limited	10,007.26	1,650.00	October 23, 2017	1,500.00	-5.6%, [+1.9%]	-1.8%, [+7.4%]	-0.7%, [+4.1%]
4	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 06, 2017	295.90	+1.2%, [-3.9%]	+5.9%, [+2.9%]	-4.2%, [+1.6%]
5	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	+31.5%, [+1.2%]	+49.0%, [+3.2%]	+71.6%, [+5.2%]
6	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-4.2%, [+4.2%]	-11.7%, [+1.1%]	-29.3%, [+5.9%]
7	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	+4.1%, [+4.4%]	+6.9%, [-1.3%]	-5.2%, [+4.7%]
8	ICICI Securities Limited	35,148.49	520.00	April 04, 2018	435.00	-28.9%, [+3.6%]	-38.6%, [+4.4%]	NA
9	Varroc Engineering Limited	19,551.75	967.00	July 06, 2018	1,015.00	+1.6%, [+5.7%]	NA	NA
10	HDFC Asset Management Company Limited	28,003.31	1,100.00	August 6, 2018	1,726.25	NA	NA	NA

Source: www.nseindia.com

Notes: 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 30, 90 and 180 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. % change taken against closing CNX NIFTY Index a day prior to the listing date. 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 Holdings Limited*

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ Mn)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50.00 %	Between 25.00-50.00 %	Less than 25.00 %	Over 50.00 %	Between 25.00-50.00 %	Less than 25.00 %	Over 50.00 %	Between 25.00-50.00 %	Less than 25.00 %	Over 50.00 %	Between 25.00-50.00 %	Less than 25.00 %

2016-17	5	92,062.31	-	-	1	2	1	1	-	-	-	3	1	1
2017-18	9	1,98,722.66	-	-	3	1	2	3	-	1	3	2	1	2
2018-19	3	82,703.55	-	1	-	-	-	1	-	-	-	-	-	-

Source: www.nseindia.com

Notes: 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.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified under circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs mentioned below.

BRLMs	Website
IDFC Bank Limited	www.idfcbank.com
Edelweiss Financial Services Limited	www.edelweissfin.com
IIFL Holdings Limited	www.iiflcap.com

Caution – 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 Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, www.cremica.in, Subsidiaries or any affiliate of our Company or the Selling Shareholders, would be doing so at his or her own risk. Each Selling Shareholder, their respective directors, affiliates, associates and officers accept no responsibility for any statements made or undertakings provided other than those made by the respective Selling Shareholders, and only in relation to themselves and/or to the Equity Shares offered by such Selling Shareholder through the Offer for Sale and included in this Draft Red Herring Prospectus.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement entered into among the BRLMs, the Selling Shareholders and our Company and the Underwriting Agreement to be entered into among the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders, and the BRLMs to the Bidders and public at large and no selective or additional information would be made 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.

Neither our Company, the Selling Shareholders nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise.

The BRLMs and their respective associates may engage in transactions with, and perform services for our Company, the Selling Shareholders and their respective affiliates or associates 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 or the Selling Shareholders or their respective affiliates or associates for which they have received, and may in future receive agreed compensation.

Bidders agree that bid in the Offer will be required to confirm, and will be deemed to have represented to our Company, the Selling Shareholders, the 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 applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the 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 Equity Shares.

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), 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, Systemically Important Non-Banking Financial Companies and pension funds and, to permitted non-residents including Eligible NRIs, AIFs), FPIs and QIBs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to the 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 Draft Red Herring 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) at Mumbai, 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 Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring 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. Accordingly, such Equity Shares are being offered and sold outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

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 the maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with the SEBI at Mumbai, Maharashtra, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act 2013, and a copy of the Prospectus required to be filed under Sections 26 and 32 of the Companies Act 2013 will be delivered for registration to the RoC situated at the address mentioned below.

Registrar of Companies, Chandigarh
Corporate Bhavan, 1st Floor
Plot no. 4-B, Madhya Marg, Sector 27B
Chandigarh 160 019
India
Tel: (+91 172) 263 9415/2639 416

Listing

Applications have been made to the Stock Exchange for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and [●] 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 Exchange, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. For the purposes of giving effect to the abovementioned refund mechanism, our Company and the Selling Shareholders shall execute a cash escrow agreement, with an Escrow Collection Bank. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under 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 Exchange are taken within six Working Days of the Bid/Offer Closing Date or such other time prescribed by 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 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 15.00% per annum for the delayed period or such other rate prescribed by SEBI. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, except to the extent such delay has been caused solely or directly attributable to an act or omission of such Selling Shareholder.

The Selling Shareholders, severally and not jointly, undertake to provide such reasonable support and extend reasonable cooperation as may be reasonably requested by our Company, to the extent such support and cooperation is required from such party to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchange within six working days from the Bid/Offer Closing Date or such other time prescribed by SEBI.

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 Chief Financial Officer, the Company Secretary and Compliance Officer of our Company, the Auditors, the legal counsels, the Bankers to our Company, lenders (where such consent is required), industry sources, third party chartered accountants, the BRLMs and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Bankers to the Offer/Anchor Escrow Bank and Refund Bank to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 and 32 of the Companies Act 2013. Further, such consents have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus and shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus with the SEBI and RoC, as applicable.

Our Company has received consent dated August 9, 2018 from the Auditor, BSR & Co LLP, Chartered Accountants, to include its name in this Draft Red Herring Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013.

Expert Opinion

Our Company has received a written consent from our Auditors namely BSR & Co. LLP, Chartered Accountants, to include their name in this Draft Red Herring Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013 and as "expert", as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as Statutory Auditors and in respect of their (i) examination reports both dated August 1, 2018 on our Restated Consolidated Financial Information and Restated Standalone Financial Information, respectively; and (ii) the Statement of Tax Benefits dated August 9, 2018. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Offer related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, underwriting and lead management fees, selling commissions, SCSBs' commissions/ fees, printing and distribution expenses, legal fees, Offer related advertisements and publicity, registrar and depository fees and listing fees. For details, see "***Objects of the Offer***" on page 89.

Other than listing fees, which will be solely paid by the Company, all costs, fees and expenses with respect to the Offer will be shared between the Selling Shareholders, in proportion to their respective proportion of the Offered Shares, upon successful completion of the Offer.

Fees, Brokerage and Selling Commission

The total fees payable to the BRLMs and the Syndicate Members (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated in the Syndicate Agreement to be executed among our Company, the Selling Shareholders and the members of the Syndicate.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer, including fees for processing of Bid cum Application Forms, data entry, printing of Allotment Advice, refund order, preparation of refund data on magnetic tape and printing of bulk mailing register, will be as per the Registrar Agreement, a copy of which shall be made available for inspection at our Registered Office, from 10.00 a.m. to 4.00 p.m.

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 immediately preceding the date of this Draft Red Herring Prospectus.

Commission or Brokerage on Previous Issues

Since this is the initial public offering of the Equity Shares of our Company, 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, since the incorporation of our Company.

Previous Issues Otherwise than for Cash

Except as disclosed in "***Capital Structure - Equity Shares issued for consideration other than cash or bonus***" on page 78, our Company has not issued any Equity Shares for consideration otherwise than for cash or bonus.

Capital Issues in the Preceding Three Years

Except as disclosed in "***Capital Structure- History of Equity Share capital of our Company***" on page 76, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. None of our Subsidiaries have made any capital issues during the three years preceding the date of this Draft Red Herring 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 Draft Red Herring Prospectus.

Performance vis- à-vis Objects: Last Issue of Subsidiaries and Group Company

None of our Subsidiaries and our Group Company have made any public issues, including rights issues to the public in the 10 years immediately preceding the date of this Draft Red Herring 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 Draft Red Herring Prospectus.

Partly Paid-Up Shares

As on the date of this Draft Red Herring 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 89.

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 [●].

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 Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

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 three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchange, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors may contact the Company Secretary and Compliance Officer of our Company and/ or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances 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 refunds by electronic mode or unblocking of ASBA accounts etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

All 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 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, date of ASBA 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 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.

Our Company, the BRLMs and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Syndicate Members, CRTAs, Registered Brokers and CDPS, 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 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, our Company Secretary, as our compliance officer and he may be contacted in case of any pre-Offer or post-Offer related grievances. For contact details, see "***General Information***" on page 67.

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 the Offer for Sale.

Further, our Board has constituted a Stakeholders' Relationship Committee comprising our Directors Mr. Rajiv Dewan, Mr. Anoop Bector and Mr. Rahul Goswamy which is responsible for redressal of grievances of the security holders of our Company. For more information, see "***Management – Corporate Governance – Stakeholders' Relationship Committee***" on page 177.

Disposal of investor grievances by listed Group Company

As on the date of this Draft Red Herring Prospectus, we have a listed Group Company, 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. The company secretary is the compliance officer.

As of August 10, 2018, there were no pending investor complaints pending against CAFL.

Changes in Auditors

There has been no change in the auditors in the last three years.

Capitalization 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 Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

SECTION VII – OFFER RELATED INFORMATION

OFFER STRUCTURE

The Offer is up to [●] Equity Shares of face value of ₹ 10.00 each, at an Offer Price of ₹ [●] per Equity Share for cash, including a premium of ₹ [●] per Equity Share, aggregating up to ₹ 8,000.00 million and is being made through the Book Building Process**.** In terms of Rule 19(2) (b) (ii) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 26(1) of the SEBI ICDR Regulations. The Offer shall constitute [●] % of the post-offer paid-up Equity Share capital of our Company.

The Offer is being made through Book Building Process.

	QIBs*	**Non-Institutional Investors**	**Retail Individual Investors**
Number of Equity Shares available for allocation**	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIBs and Retail Individual Investors	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer size available for allocation	Not more than 50.00% of the Offer will be available for allocation to QIBs. However, 5.00% of the QIB Category, excluding the Anchor Investor Portion, will be available for allocation proportionately to Mutual Funds only subject to valid Bids being received at or above the Offer Price. Mutual Funds participating in the Mutual Fund portion will also be eligible for allocation in the remaining QIB Category. The unsubscribed portion in the Mutual Fund portion, if any, will be available for allocation to QIBs	Not less than 15.00% of the Offer or Offer less allocation to QIBs and Retail Individual Investors	Not less than 35.00% of the Offer or the Offer less allocation to QIBs and Non-Institutional Investors
Basis of Allotment if respective category is oversubscribed*****	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares will be available for allocation on a proportionate basis to Mutual Funds subject to valid Bids being received at or above the Offer Price; and (b) Not more than [●] Equity Shares will be available for allocation on a proportionate basis to QIBs including Mutual Funds receiving allocation as per (a) above. (c) Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors.	Proportionate	Proportionate, subject to minimum Bid Lot. For details, see "***Offer Procedure- Part B- Allotment- Allotment to RIIs***" on page 465.

	QIBs*	Non-Institutional Investors	Retail Individual Investors
Mode of Bidding	Through ASBA process only (except Anchor Investors)		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000.00	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000.00	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000.00
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Share thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share		
Who can Apply***	Public financial institutions specified in Section 2(72) of the Companies Act, FPIs (other than category III FPIs), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, AIFs, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250.00 million, pension funds with a minimum corpus of ₹ 250.00 million, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the Government of India, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India, insurance funds set up and	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions societies and trusts and any category III FPIs registered with SEBI, which is a foreign corporate or foreign individual for Equity Shares such that the Bid Amount exceeds ₹ 200,000.00 in value	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not exceed ₹ 200,000.00 in value

	QIBs[*]	Non-Institutional Investors	Retail Individual Investors
	managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.		
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 ***In case of all other Bidders***: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form.		

*[*]Our Company and the Selling Shareholders in consultation with the BRLMs may allocate up to 60.00% of the QIB Category to Anchor Investors at the Anchor Investor Allocation 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 will 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 will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above Anchor Investor Allocation Price. For details, see "**Offer Procedure**" on page 430.*

[**] Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis, subject to applicable laws.

[***]If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

*[****] Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form. In case the Anchor Investor Allocation Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them. For details of terms of payment applicable to Anchor Investors, see "**Offer Procedure – Allotment Procedure and Basis of Allotment**" on page 465.*

[*****]Assuming full subscription in the Offer.

Bidders will be 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.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category or the Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "***Terms of the Offer***" on page 425.

Withdrawal of the Offer

Our Company and the Selling Shareholders in consultation with the BRLMs, reserve the right not to proceed with the Offer and each Selling Shareholder, severally and not jointly, reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of their respective of the Offered Shares, at any time after the Bid/Offer Closing Date but before Allotment. If our Company and the Selling Shareholders withdraw the Offer as aforesaid, our Company will issue a public notice within two days from the Bid/Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company and/or the Selling Shareholders in consultation with the BRLM's withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, they will file a fresh draft red herring prospectus with SEBI and the Stock Exchange.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment and within six Working Days of the Bid/ Offer Closing Date; and (ii) the final RoC approval of the Prospectus which will be filed with the RoC after the Bid/ Offer Closing Date.

Except in relation to Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Offer Period at the Bidding Centers, except that on the Bid/Offer Closing Date (which for QIBs is maybe a day prior to the Bid/Offer Closing Date for non-QIBs), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchange (Indian Standard Time) in case of Bids by Retail Individual Investors. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchange only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchange. Due to limitation of time available for uploading Bids on the Bid/Offer Closing Date, Bidders are advised to submit Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. If a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Offer. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Our Company, the Selling Shareholders and the members of Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. Investors may please note that as per letter dated July 3, 2006 issued by the BSE, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchange.

Our Company and the Selling Shareholders in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120.00% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20.00% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange by issuing a press release and by indicating the change on the website of the Designated Intermediaries. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchange shall be taken as the final data for the purpose of Allotment.

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 Draft Red Herring Prospectus, the Red Herring Prospectus and the 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.

Offer for Sale

The Offer comprises of an Offer for Sale by the Selling Shareholders. Other than listing fees, which will be solely paid by the Company, all costs, fees and expenses relating to the Offer shall be shared in the proportion to the respective proportion of the Offered Shares being offered for sale by the Selling Shareholders, upon successful completion of 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, 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 the Articles of Association***" on page 476.

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 the Articles of Association***" on pages 191 and 476, 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 is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. At any given point of time there will be only one denomination for the Equity Shares.

The Price Band and the minimum Bid Lot will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, and published by our Company in [●] edition of [●] (a widely circulated English national daily newspaper), [●] edition of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Punjabi daily, Punjabi being the regional language in the place where our Registered Office is located) at least five Working Days prior to the Bid/Offer Opening Date, in, and shall be made available to the Stock Exchange 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 shall be pre-filled in the Bid-cum-Application Forms available at the respective websites of the Stock Exchange.

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 476.

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:

- Agreement dated September 15, 2009 amongst NSDL, our Company and the Registrar to the Offer; and
- Agreement dated May 18, 2018 amongst CDSL, our Company and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of our Equity Shares is in dematerialized 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 [●] Equity Shares. For the method of Basis of Allotment, see "***Offer Procedure***" on page 430.

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 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or First Bidder, 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, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act 2013, as amended, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. 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 the holder's death during minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

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 Participant.

Bid/Offer Period

BID/OFFER OPENS ON*	[●]
BID/OFFER CLOSES ON**	[●]

* *Our Company and the Selling Shareholders, in consultation with the BRLMs may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*
***In addition, our Company and Selling Shareholders may, in consultation with the BRLMs, decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*

This timetable, other than Bid/Offer Opening Date and Bid/ Closing Date, is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders or the members of the Syndicate. While our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of our Equity Shares on the Stock Exchange commences within six Working Days of the Bid/Offer Closing Date or such other timeline prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Bid/Offer period by our Company and the Selling Shareholders due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchange, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange in accordance with applicable law. Each of the Selling Shareholders, severally and not jointly, confirm that they shall extend such reasonable support and co-operation required by our Company and the BRLMs for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within six Working Days from the Bid/Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

FINALIZATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE.	[●]
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS FROM ASBA ACCOUNT	[●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[●]
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE	[●]

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. 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 shall be 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 Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Offer Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

In case of any discrepancy in the data entered in the electronic book vis a vis data contained in physical Bid cum Application Form for a particular Bidder the details of the Bid file received from the Stock exchange may be taken as final data for the purpose of Allotment. Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 3.00 p.m. IST on the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). 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. Our Company and the Selling Shareholders in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period. The revision in the Price Band shall not exceed 20.00% on either side, i.e. the Floor Price can move up or down to the extent of 20.00% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

Minimum Subscription

As the Offer is entirely through Offer for Sale, the requirement of 90.00% minimum subscription under the SEBI ICDR Regulations is not applicable to the Offer. In the event our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b)(ii) of the SCRR, including through devolvement to the Underwriters, as applicable, within sixty (60) days from the date of Bid/Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money, at a rate as per applicable law, which is presently 15.00% per annum for the period of delay. 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.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

In the event of under subscription in the Offer, the subscription in the Offer will be first met through such number of Equity Shares offered by the Investor Selling Shareholders, subsequent to which any balance subscription will be allocated towards the Equity Shares being offered by the Promoter Selling Shareholder.

Arrangement for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction 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 76 and as provided in our Articles as detailed in "***Main Provisions of the Articles of Association***" on page 476, there are no restrictions on transfers and transmission of shares/debentures and on their consolidation/splitting.

OFFER PROCEDURE

*All Bidders should review 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 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, notified by SEBI and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 notified by SEBI as amended ("**General Information Document**") included below under "**Offer Procedure – Part B - 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, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act 2013, to the extent applicable to a public issue and any other enactments and regulations. The General Information Document is also available on the websites of the Stock Exchange, the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.*

Our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are 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 this Draft Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein not more than 50.00% of the Offer will be available for allocation to QIBs on a proportionate basis, provided that our Company and Selling Shareholders, in consultation with the BRLMs, may allocate up to 60.00% of the QIB Category to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, of which at least one-third will be available for allocation to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations and subject to valid Bids being received at or above the Anchor Investor Allocation Price. Further, 5.00% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received from the domestic Mutual Funds at or above the Offer Price. In case of under subscription in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category. The remainder will be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Furthermore, not less than 15.00% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price. Further, not less than 35.00% of the Offer will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis, subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchange.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers, at our Registered Office. The Bid cum Application Forms will also be available for download on the websites of the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. However, Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors) must provide bank account details and authorisation by the ASBA bank account holder to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected.

Further, such Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms not bearing such specified stamp maybe liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Forms for various categories is 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
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors**	White

** Excluding electronic Bid cum Application Forms*

***Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Who can Bid?

In addition to the category of Bidders set forth under ***"- Part B - General Information Document for Investing in Public Issues– Category of Investors Eligible to Participate in an Issue***" on page 444, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and/ or industrial research organisations authorised in India to invest in the Equity Shares; and

- Any other persons eligible to Bid in the Offer under the laws, rules, regulations, guidelines and policies applicable to them.

Participation by Promoter, Promoter Group and persons related to them, associates and affiliates of the BRLMs and the Syndicate Member

The BRLMs and the Syndicate Members shall not be allowed to purchase in the in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may 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, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds sponsored by entities related to the BRLMs, the BRLMs and any persons related to the BRLMs cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject any Bid without assigning any reason therefor.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPI including FIIs

In terms of the SEBI FPI Regulations, investment in the Equity Shares by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) shall be below 10.00% of our post-Offer Equity Share capital. Further, in terms of applicable FEMA regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company (on a fully diluted basis) and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company(on a fully diluted basis). The aggregate limit of 24.00% may be increased up to the sectoral cap by way of a resolution passed by our Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to the RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

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 are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

The existing aggregate investment limits for FPI in our Company is 10.00% and 75.00% of the total paid-up Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPIs and unregulated broad based funds, which are classified as Category II FPI by virtue of their investment manager being appropriately regulated, may issue, subscribe 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 an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) such offshore derivate instruments shall not be issued to or transferred to persons who are resident Indians or NRIs or to entities beneficially owned by resident Indians or NRIs. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

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) 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.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds, Foreign Venture Capital Investor

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with the SEBI in one venture capital undertaking should not exceed 25.00% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to public offerings

The category I and II AIFs cannot invest more than 25.00% of the corpus in one investee company. A category III AIF cannot invest more than 10.00% of the corpus in one investee company. A category I AIF, cannot invest more than one-third of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Post the repeal of the SEBI (Venture Capital Funds) Regulations, 1996, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 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.

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.

Bids by limited liability partnerships

In case of Bids 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, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders reserves the right to reject any Bid without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Directions- Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10.00% of the paid-up share capital of the investee company or 10.00% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20.00% of the investee company's paid-up share capital. A banking company may hold up to 30.00% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing reference number CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively, issued by the SEBI. Such SCSBs are 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 shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "**IRDAI Investment Regulations**"), as amended, are broadly set forth below:

(1) equity shares of a company: the lower of 10.00%* of the outstanding equity shares (face value) or 10.00% of the respective fund in case of life insurer or 10.00 % of investment assets in case of general insurer or reinsurer;

(2) the entire group of the investee company: not more than 15.00% of the respective fund in case of a life insurer or 15.00% of investment assets in case of a general insurer or reinsurer or 15.00% of the investment assets in all companies belonging to the group, whichever is lower; and

(3) the industry sector in which the investee company operates: not more than 15.00% of the fund of a life insurer or a general insurer or a reinsurer or 15.00% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10.00% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be.

* *The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000.00 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000.00 million or more but less than ₹ 2,500,000.00 million.*

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, Systemically Important Non-Banking Financial Companies, 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 must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders in consultation with the BRLMs in their absolute discretion, reserve 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 the Selling Shareholders in consultation with the BRLMs may deem fit.

Bids by Anchor Investors

For details in relation to Bids by Anchor Investors, see the section entitled "***Offer Procedure – Part B – General***

Information Document for Investing in Public Issues" on page 441.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form.

Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●] (a widely circulated English national newspaper), [●] editions of [●] (a widely circulated Hindi newspaper) and [●] editions of [●] (a widely circulated Punjabi newspaper, Punjabi being the regional language in the place where our Registered Office is located). Our Company shall, in the pre- Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the ‘Prospectus’. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors 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. Retail Individual Investors can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

***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. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

5. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

7. If the first applicant is not the ASBA account holder, ensure that the Bid cum Application Form is signed by the ASBA account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should 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;

10. Ensure that you request for and receive an acknowledgement in the form of a counterfoil or by specifying the application number from the concerned Designated Intermediary;

11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax 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 beneficiary 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 will be rejected;

14. Ensure that the Demographic Details are updated, true and correct in all respects;

15. 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;

16. Ensure that the category and the investor status is indicated in the Bid come Application Form to ensure proper upload of you Bid in the electronic Bidding system of the Stock Exchange;

17. 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, are submitted;

18. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign

and Indian laws;

19. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

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 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;

21. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with;

22. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) 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).

23. Ensure that you tick the correct investor category, as may be applicable, in the Bid cum Application Form to ensure proper upload of the Bid in the online IPO system of the Stock Exchange; and

24. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000.00 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000.00 would be considered under the Non-Institutional Category for allocation in the Offer.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;

6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

8. Do not Bid for a Bid Amount exceeding ₹ 200,000.00 (for Bids by Retail Individual 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 General Index Register number instead of the PAN;

11. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;

12. Do not submit the Bid for an amount more than funds available in your ASBA Account;

13. 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;

14. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

15. 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; and

16. 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).

17. Do not withdraw your Bid or lower the size of your Bid (in terms of number of Equity Shares or Bid amount), if you are a QIB or a Non-Institutional Bidder.

18. 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 applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.

19. From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the sub-section titled "***Part B – General Information Document for Investing in Public Issues – Offer Procedure in Book Built Offer– Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejections***" on page 438, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without instruction to the SCSB to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids by HUFs not mentioned correctly as given in the sub-section titled "***Category of Investors eligible to participate in an Issue***" on page 444;

5. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

6. Bids submitted without the signature of the First Bidder or sole Bidder;

7. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

8. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "***suspended for credit***" in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

9. GIR number furnished instead of PAN;

10. Bids by Retail Individual Bidders with Bid Amount (net of Retail Discount, if any) for a value of more than ₹200,000.00, respectively;

11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

12. Bids accompanied by stock invest, money order, postal order or cash;

13. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange.

Payment into Anchor Escrow Account

Our Company and the Selling Shareholders in consultation with the BRLMs, in their absolute discretion, will decide 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 will be notified to such Anchor Investors. The payment instruments for payment into the Anchor Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"

(ii) In case of non-resident Anchor Investors: "[●]"

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated July 27, 2018 among NSDL, our Company and the Registrar to the Offer.
- Agreement dated July 25, 2018 among CDSL, our Company and Registrar to the Offer.

Impersonation

Attention of the applicants 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 which shall not be 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.

Undertakings by our Company

Our Company undertakes the following:

(i) That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other timeline as prescribed by SEBI;

(iii) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/ Offer Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit of refund;

(iv) That no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.;

(v) That the funds required for making refunds (to the unsuccessful applicant) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(vi) That if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date, 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 exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

(vii) 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 the SEBI, in the event our Company or the Selling Shareholders subsequently decides to proceed with the Offer;

(viii) That the allotment of Allotment Advice/refund confirmation to Eligible NRIs shall be dispatched within specified time;

(ix) That adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders; and

(x) That the Allotment Advice will be issued or the application money will be refunded/unblocked within such time as specified by the SEBI, failing which interest will be paid to the Bidders at the rate prescribed under applicable law for the delayed period.

(xi) That our Company shall not have recourse to the proceeds of the Offer until the final approval for listing and trading of the Equity Shares from all the Stock Exchange where listing is sought has been received and to the Anchor Investors Forms by Anchor Investors.

Undertakings by the Promoter and Investor Selling Shareholders

Each Selling Shareholder, severally and not jointly, specifically undertakes and/ or confirms the following in respect of 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 dematerialized 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 Exchange in accordance with applicable law.

Proceeds from Offer for Sale

Our Board certifies that, our Company and the Selling Shareholders, respectively, declare that all monies received from the Offer for Sale shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the RoC. Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of Stock Exchange, on the website(s) of the BRLM(s) to the Offer and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in. For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act 2013 (to the extent notified and in effect), the Companies Act 1956 (to the extent applicable), the SCRR, industry-specific regulations, if any, and other applicable

laws for the time being in force.
For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Offer Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Offer ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-offer advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.
Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 OFFER PERIOD

The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Offer Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchange and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

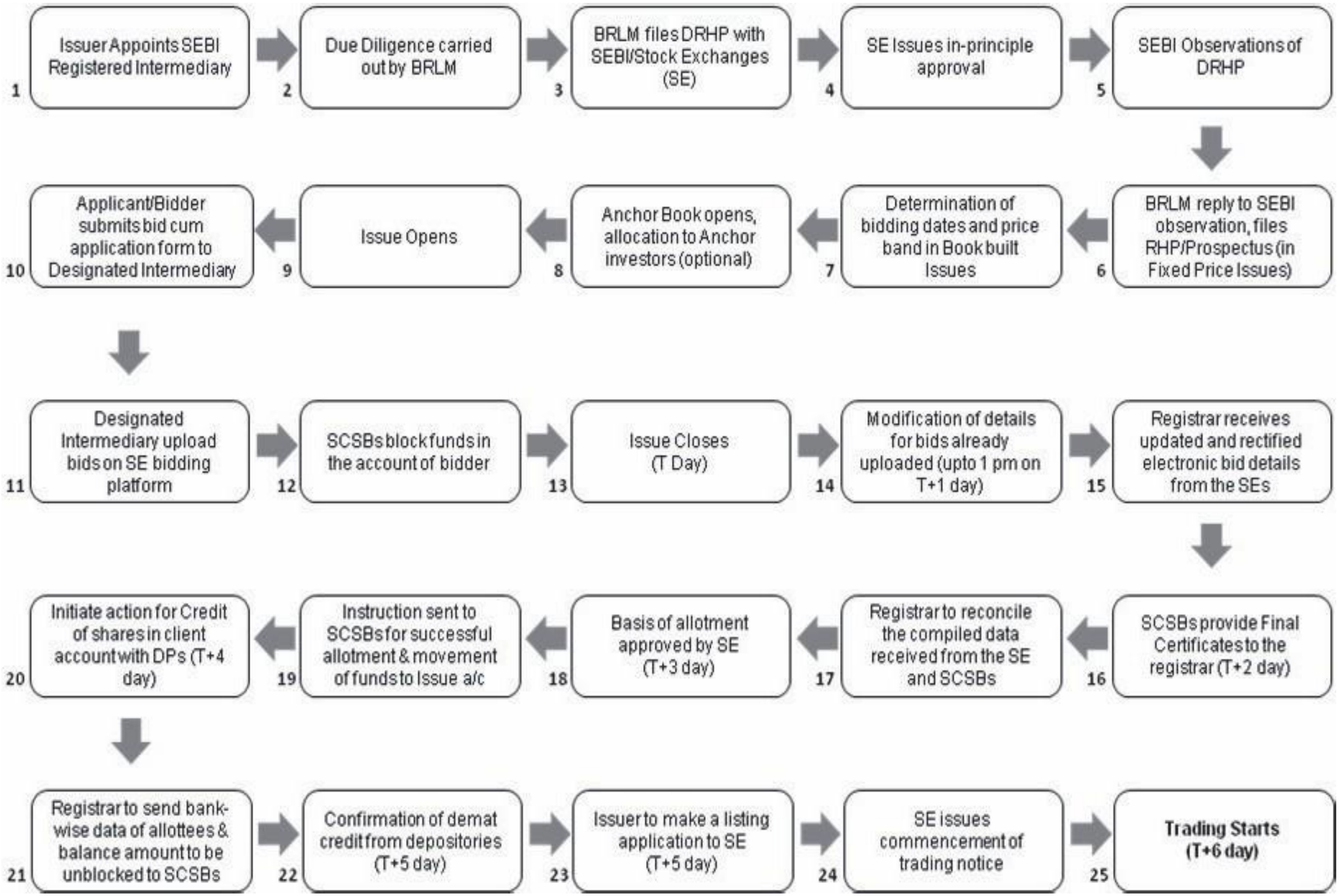
2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs.:

- In case of Offer other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

    i. Step 7 : Determination of Offer Date and Price

    ii. Step 10: Applicant submits Bid cum Application Form with Designated Intermediaries.


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges (SE)
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7 Determination of bidding dates and price band in Book built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits bid cum application form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding platform
12 SCSBs block funds in the account of bidder
13 Issue Closes (T Day)
14 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
15 Registrar receives updated and rectified electronic bid details from the SEs
16 SCSBs provide Final Certificates to the registrar (T+2 day)
17 Registrar to reconcile the compiled data received from the SE and SCSBs
18 Basis of allotment approved by SE (T+3 day)
19 Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20 Initiate action for Credit of shares in client account with DPs (T+4 day)
21 Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22 Confirmation of demat credit from depositories (T+5 day)
23 Issuer to make a listing application to SE (T+5 day)
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to hold and invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares; Scientific and/or industrial research organisations in India, authorised to invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchange.

Bid cum Application Forms are available with the BRLM, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchange at least one day prior to the Bid/Offer Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus. For Anchor Investors, Bid cum Application Forms shall be available at the offices of the BRLM.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the Designated Intermediary as available or downloaded from the websites of the Stock Exchange. Application Forms are available with the Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FPIs on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

Application Form – For Residents

TEAR HERE

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R
Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS — **PAYMENT OPTION : FULL PAYMENT** ☐ **PART PAYMENT** ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.
Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Application Form – For Non – Residents

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : .... Contact Details: .... CIN No	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

NRI	Non-Resident Indian(s) (Repatriation basis)
FII	FII or Sub-account not a Corporate/Foreign Individual
FIISA	FII Sub-account Corporate/Individual
FVCI	Foreign Venture Capital Investor
FPI	Foreign Portfolio Investors
OTH	Others (Please Specify)______

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of Bidders (other than Anchor Investors) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(d) **Impersonation**: Attention of the Bidders/Applicants 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 which shall not be 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.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose sole name or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary 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.

(d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice or unblocking of ASBA Account or for any correspondence(s) related to an Offer.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer and Selling Shareholders in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.

In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least Rs.10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60.00% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Offer size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Offer portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5 : CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Offer are RIIs, NIIs and QIBs.

(b) Up to 60.00% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Offer is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorization provided in the Bid cum Application Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) Bid Amount for Bidders who Bid at Cut-off price shall be blocked on the Cap Price.

(c) All Bidders (except Anchor Investors) can participate in the Offer only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, cheque, demand draft, through money order or through postal order.

4.1.7.1. **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by RTGS, NACH or NEFT.

(c) The Anchor Escrow Bank(s) shall maintain the monies in the Anchor Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2. **Payment instructions for Bidders (other than Anchor Investors)**

(a) Bidders may submit the Bid cum Application Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary (ies).

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) **Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified Locations. Bidders should also note that Bid cum Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(g) **Bidders bidding through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

(h) **Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.1.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.7.2 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may block for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form.

(b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, unblocking of funds, the Bidders/Applicants should contact the Registrar to the Issue.

ii. In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.

iv. In case of queries relating to uploading of Bids by a Designated Intermediary, the Bidders/Applicants should contact the relevant Designated Intermediary.

v. Bidder/Applicant may contact the Company Secretary and compliance officer or BRLM(s) in case of any other complaints in relation to the Issue.

(c) The following details (as applicable) should be quoted while making any queries –

i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;

ii. name and address of the Designated Intermediary, where the Bid was submitted;

iii. in case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked; or

iv. in case of Anchor Investor Bids, the unique transaction reference number and the name of the relevant bank thereof.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

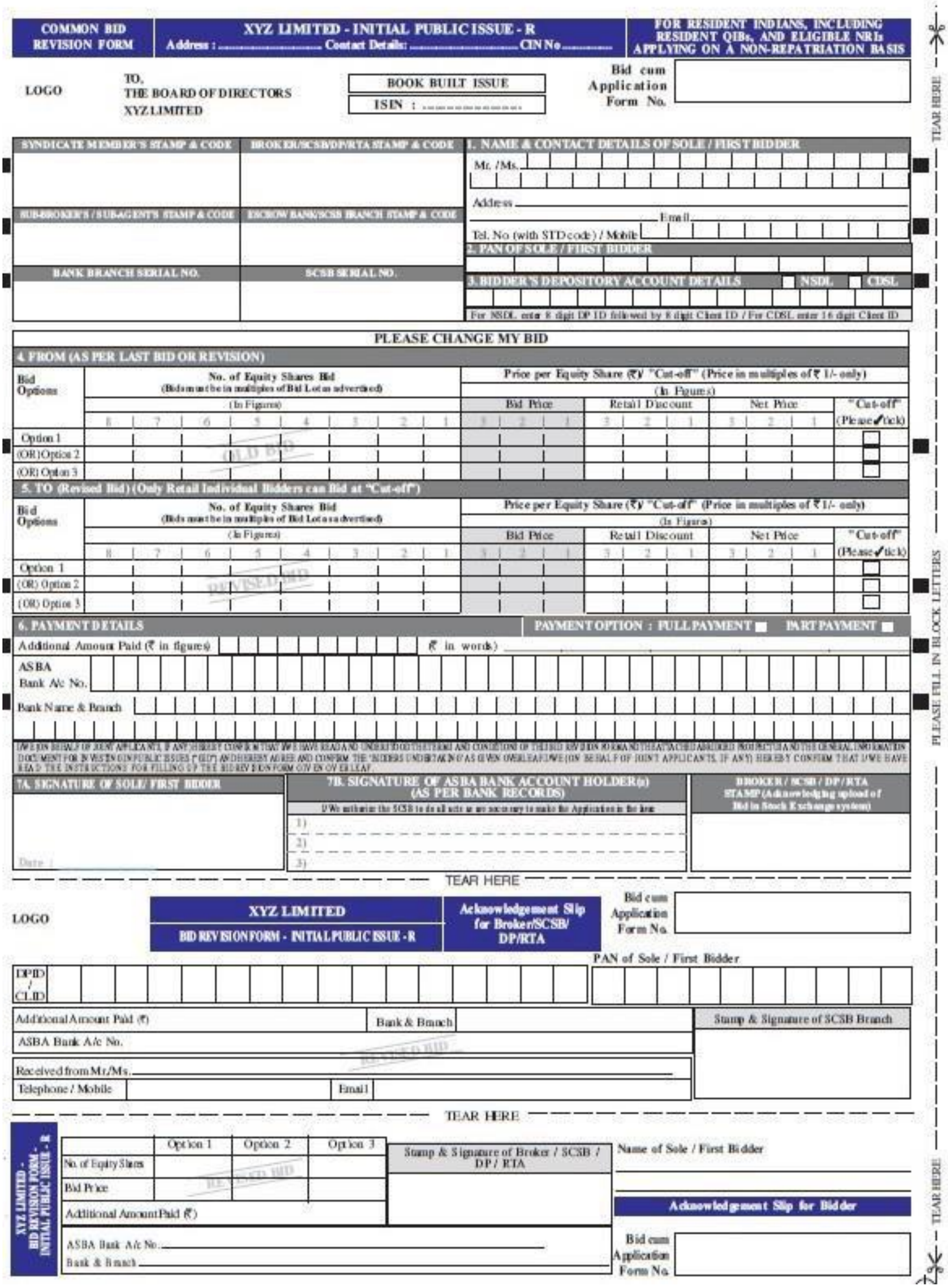
(a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their Bids or withdraw their bids until Bid/Offer Closing date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:



COMMON BID REVISION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - R | Address : .... Contact Details: .... CIN No .... | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO | TO, THE BOARD OF DIRECTORS XYZ LIMITED | BOOK BUILT ISSUE | ISIN : .... | Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE | 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

2. PAN OF SOLE / FIRST BIDDER

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS | NSDL | CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2					
(OR) Option 3					

OLD BID

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2					
(OR) Option 3					

REVISED BID

6. PAYMENT DETAILS | PAYMENT OPTION : FULL PAYMENT | PART PAYMENT

Additional Amount Paid (₹ in figures) | (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER | 7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

Date :

TEAR HERE

LOGO | XYZ LIMITED | BID REVISION FORM - INITIAL PUBLIC ISSUE - R | Acknowledgement Slip for Broker/SCSB/ DP/RTA | Bid cum Application Form No.

DPID / CLID | PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch | Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA | Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE | PLEASE FILL IN BLOCK LETTERS | TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked after the allotment is finalized.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorize blocking of the full Bid Amount (less Discount (if applicable) at the time of submitting the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicant, Bidder/Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that no additional amount is required for blocking Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the

Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer and the Selling Shareholders in consultation with the Lead Manager to the Offer (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed Rs. 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Offer size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

ii. For applications from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Offer portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Offer

(b) Application Amount cannot be paid in cash, cheques or demand drafts through money order or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

Applicants should refer to the payment instructions included in paragraph 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Application to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Offer Closing Date.

4.3.5.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 **Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the Collecting CRTAs at the Designated RTA Locations or the CDPs at the Designated CDP Locations To the Designated Branches of the SCSBs where the ASBA Account is maintained

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: OFFER PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Offer Period, ASBA Bidders/Applicants may approach any of the Designated Intermediary to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange.

(c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/ Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Offer Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/Offer Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until Bid/Offer Closing Date. In case a RII wishes to withdraw the Bid, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including providing instructions for unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalization of basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

i. the Bids accepted by the Designated Intermediary;

ii. the Bids uploaded by the Designated Intermediary; and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;

(c) Bids/Applications by OCBs;

(d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;

(f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) Bids/Applications by persons in the United States;

(i) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(j) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(l) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(m) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(n) Bids/Applications at Cut-off Price by NIIs and QIBs;

(o) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(p) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(q) Submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(r) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(u) Bank account mentioned in the Bid cum Application Form may not be an account maintained by SCSB. Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

(v) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Anchor Escrow Bank;

(w) Where no confirmation is received from SCSB for blocking of funds;

(x) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(y) Bid cum Application Form submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Anchor Escrow Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;

(z) Bids/Applications not uploaded on the terminals of the Stock Exchange;

(aa) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except QIB category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and Selling Shareholders in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer and Selling Shareholders is able to Offer the desired number of equity shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The issuer and the selling shareholders, in consultation with the book running lead managers, may finalise the Offer Price at or below such cut-off price, i.e., at or below Rs. 22.00. All bids at or above this Offer Price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (**"Alternate Book Building Process"**).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: OFFER PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Offer Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (**"ASBA Account"**). The Application Form is also made available on the websites of the Stock Exchange at least one day prior to the Bid/Offer Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Offer Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Offer Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot **("Maximum RII Allottees"**). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Offer Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5.00% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5.00% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5.00% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5.00% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Offer Price may be Allotted Equity Shares on a proportionate basis for up to 95.00% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5.00% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Offer Price will be at the discretion of the issuer subject to compliance with the following requirements:

i. not more than 60.00% of the QIB Category will be allocated to Anchor Investors;

ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to Rs.10 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer and Selling Shareholders in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Offer Price is higher than the Anchor Investor Offer Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Offer Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Offer Price is lower than the Anchor Investor Offer Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer and Selling Shareholders may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Anchor Escrow Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Anchor Escrow Accounts, as per the terms of the Cash Escrow Agreement, into the Public Offer Account with the Bankers to the Offer. The balance amount after transfer to the Public Offer Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Cash Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Offer shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Offer Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the Bid/Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange are taken within six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within six Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchange from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act 2013, the Issuer may be punishable with a fine which shall not be less than Rs. 5 lakhs but which may extend to Rs. 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than Rs. 50,000 but which may extend to Rs. 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith may take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not refunded to Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, as applicable, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. This is further subject to the compliance with Regulation 19(2) (b) (ii) of the SCRR. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15.00% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations but fails to Allot at least 75.00% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

1. **In case of ASBA Bids:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

2. **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

3. In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Bid cum Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

i. **NACH** — National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

ii. **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine- digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

iii. **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account; and

iv. **RTGS**—Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.20 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding IFSC. Charges, if any, levied by the Anchor Escrow Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders/Applicants may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15.00% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working Days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15.00% per annum for any delay beyond 15 days from the Bid/ Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchange
Allottee	Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations and this Red Herring Prospectus
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60.00% of the QIB Category which may be allocated by the Issuer and Selling Shareholders in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Offer/Anchor Escrow Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Anchor Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue

Term	Description
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Offer Date by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Period
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchange, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI 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 Collecting RTAs	Registrar 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	Offer Price, finalised by the Issuer and Selling Shareholders in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant

Term	Description
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the stock exchange (www.bseindia.com)
Designated Date	The date on which funds are transferred by the Anchor Escrow Bank from the Anchor Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries /Collecting Agent	Syndicate Members, sub-syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and Collecting RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the Collecting RTAs where Bidders can submit the Bid cum Application Forms to Collecting RTAs. The details of such Designated RTA Locations, along with names and contact details of the Collecting RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange (www.bseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Anchor Escrow Account	Account opened with the Anchor Collection Bank and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Cash Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Anchor Escrow Bank and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Anchor Escrow Bank	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
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

Term	Description
	by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5.00% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NACH	National Automated Clearing House
NEFT	National Electronics Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s)
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer and Selling Shareholders in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer and Selling Shareholders in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Offer Account	An account opened with the Banker to the Offer to receive monies from the Anchor Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/ Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus

Term	Description
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchange having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offers the facility of ASBA and the list of which is available on the website of the http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges	The Stock Exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s)	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Bid/Offer Opening Date and listing of the Equity Shares on the Stock Exchange, "Working Days" shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FEMA 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.

As per the existing policy of the Government, *erstwhile* OCBs cannot participate in this Offer.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations

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 'Priminary' 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 provisions of 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 authorize 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 (not being a fully paid share) 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) standing registered in the name of a single person, 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.

(ii) 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.

(iii) 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 10.00% (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 " (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 79 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 93 provides that "The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board."

Article 94 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 95 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 97 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 98 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 99 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 93 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 93 provides that "No dividend shall bear interest against the Company."

Indemnity

Article 107 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 108 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 (e) the Company has, prior to providing any Shareholder with such information, made such information available to the public; and (f) 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 162.

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 this Draft Red Herring Prospectus) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder may be inspected 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.

Any of the contracts or documents mentioned in this Draft Red Herring 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 August 10, 2018 entered into among our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated August 10, 2018, entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, Banker(s) to the Offer/ Anchor Escrow Bank(s), Refund Bank and the Registrar to the Offer.

4. Share Escrow Agreement dated [●] entered into among the Selling Shareholders, our Company and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.

6. Underwriting Agreement dated [●] 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 July 10, 2018, approving the Offer and other related matters.

5. Resolution of our Shareholders dated August 1, 2018 approving the Offer and other related matters.

6. Consent letter dated August 10, 2018and resolution of the board of directors of Linus Private Limited, dated July 25, 2018 approving the participation of Linus Private Limited in the Offer and other related matters.

7. Consent letter dated July 25, 2018 and resolution of the board of directors of Mabel Private Limited, dated August 1, 2018 approving the participation of Mabel Private Limited in the Offer and other related matters.

8. Consent letter dated July 25, 2018 and resolution of the board of directors of GW Crown Pte. Ltd., dated August 1, 2018 approving the participation of GW Crown Pte. Ltd., in the Offer and other related matters.

9. Consent letter dated July 25, 2018 and resolution of the board of directors of GW Confectionary Pte. Ltd., dated August 1, 2018 approving the participation of GW Confectionary Pte. Ltd., in the Offer and other related matters.

10. Consent letter dated August 10, 2018 from Mr. Anoop Bector approving his participation in the Offer and other related matters.

11. Employment Agreement dated December 8, 2015 entered into with Mr. Anoop Bector.

12. Employment Agreement dated December 8, 2015 entered into with Mr. Ishaan Bector.

13. Board Resolution dated March 5, 2018 approving the remuneration of Mr. Anoop Bector.

14. Board Resolution dated March 5, 2018 approving the remuneration of Mr. Ishaan Bector.

15. Board Resolution dated April 20, 2018 approving the remuneration of Mr. Parveen Kumar Goel.

16. Business Transfer Agreement dated October 11, 2006 entered between our Company and Cremica Agro Foods Limited.

17. Share Subscription Agreement dated October 11, 2006 entered between our Company and Cremica Agro Foods Limited.

18. Employee Stock Option Plan of the Company as approved by the Board on June 30, 2017.

19. Scheme of Amalgamation and Arrangement filed by 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 .

20. Copies of annual reports for the last five Financial Years, i.e., Financial Years 2018, 2017, 2016, 2015 and 2014.

21. Shareholders Agreement dated August 24, 2015, as amended by Deed of Adherence and Amendment Agreement dated December 4, 2015 and executed by and amongst our Company, Mr. Anoop Bector, Mr. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF, Mr. Suvir Bector, Linus Private Limited, Mabel Private Limited, GW Crown Pte. Ltd. and GW Confectionary Pte. Ltd.

22. Amendment and supplemental agreement dated August 10, 2018, executed by and amongst, GW Crown Pte. Ltd., GW Confectionary Pte. Ltd., Linus Private Limited, Mabel Private Limited, our Company, Mr. Anoop Bector, Ms. Rashmi Bector, Mr. Ishaan Bector, Anoop Bector HUF and Mr. Suvir Bector.

23. Upside Sharing Agreement dated August 6, 2018 executed by and amongst GW Crown Pte. Ltd., GW Confectionary Pte. Ltd., Mabel Private Limited, Linus Private Limited and Mr. Anoop Bector.

24. Statement of tax benefits dated August 9, 2018 from the Statutory Auditors included in this Draft Red Herring Prospectus.

25. Consent of the Statutory Auditors, BSR & Co. LLP, Chartered Accountants, as referred to, in their capacity and for inclusion of their examination report August 1, 2018 on our Restated Standalone Financial Information, examination report August 1, 2018 on our Restated Standalone Consolidated Statements and the statement of tax benefits in the form and context in which it appears in this Draft Red Herring Prospectus.

26. Consents of our Directors, Bankers to our Company, the BRLMs, Syndicate Members, Registrar to the Offer, Banker(s) to the Offer/ Anchor Escrow Banks, Refund Banks, Bankers to our Company, legal counsels, lenders to the Company, Directors of our Company, Company Secretary and Compliance Officer of our Company, Chief Financial Officer as referred to act, in their respective capacities.

27. Consent letter dated August 7, 2018 from Technopak Advisors Private Limited to use their report titled "*Indian Biscuit & Bread Industry*".

28. Chartered Engineer Certificate from Soni Associates dated August 8, 2018.

29. In-principle listing approval dated [●] from BSE, respectively.

30. Tripartite Agreement dated July 27, 2018 among our Company, NSDL and the Registrar to the Offer.

31. Tripartite Agreement dated July 25, 2018 among our Company, CDSL and the Registrar to the Offer.

32. Due diligence certificate to SEBI from the BRLMs, dated August 10, 2018.

33. SEBI final observation letter number [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring 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 Draft Red Herring 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 Draft Red Herring 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)

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd.
Mr. Parveen Kumar Goel
(Chief Financial Officer)

Date: August 10, 2018

Place: Gurgaon

DECLARATION

I, Anoop Bector, certify that all statements and undertakings made or confirmed by me in this Draft Red Herring Prospectus about me or in relation to myself and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

Sd.____________________________

Mr. Anoop Bector

Date: August 10, 2018.

DECLARATION

LINUS PRIVATE LIMITED certifies that all statements and undertakings made or confirmed by it in this Draft Red Herring 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 Draft Red Herring Prospectus.

For and on behalf of LINUS PRIVATE LIMITED

Sd.___________________________
Authorised Signatory

Name: Jay Prakash Pertab

Designation: Director

Date: August 10, 2018.

DECLARATION

MABEL PRIVATE LIMITED certifies that all statements and undertakings made or confirmed by it in this Draft Red Herring 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 Draft Red Herring Prospectus.

For and on behalf of MABEL PRIVATE LIMITED

Sd.____________________________
Authorised Signatory

Name: Jay Prakash Pertab

Designation: Director

Date: August 10, 2018.

DECLARATION

GW CONFECTIONARY PTE. LTD. certifies that all statements and undertakings made or confirmed by it in this Draft Red Herring 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 Draft Red Herring Prospectus.

For and on behalf of GW CONFECTIONARY PTE. LTD.

Sd.__________________________
Authorised Signatory

Name: Rahul Goswamy

Designation: Director

Date: August 10, 2018.

DECLARATION

GW CROWN PTE. LTD. certifies that all statements and undertakings made or confirmed by it in this Draft Red Herring 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 Draft Red Herring Prospectus.

For and on behalf of GW CROWN PTE. LTD.

Sd.

Authorised Signatory

Name: Rahul Goswamy

Designation: Director

Date: August 10, 2018