

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Petunt Food Processors Private Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Petunt Food Processors Private Limited ("the Company"), which comprise the Balance Sheet as of 31 March 2024, and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Material Uncertainty Related to Going Concern**

We draw attention to Note 38 to the financial statements wherein it is stated that, as of 31 March 2024 the Company's net worth has eroded and has net working capital deficit of Rs. 182,460.02 thousand. These conditions indicate existence of a material uncertainty about the Company's ability to continue as going concern. However, Bikaji Foods International Limited (the 'Holding Company') has confirmed to provide financial and operational support for at least next twelve months from the date of balance sheet. In view of the above, the financial statements of the Company have been prepared on going concern basis.

Our report is not modified in respect of this matter.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board Report, but does not include the financial statements and our auditor's report thereon.





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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The





risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:



- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
- e) In our opinion, matter reported in "Material Uncertainty Related to Going Concern" above may have adverse impact on functioning of the Company.
- f) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by





**Vishal Chaturvedi & Co**  
Chartered Accountant

the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year. Accordingly, the provisions of Section 123 of the Companies Act, 2013, are currently not applicable to Company.
- i) Based on our examination of application levels for MS Dynamics which is the accounting software being used by the Company used for maintaining its books of account during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, and the same has been enabled and operated throughout the year for all relevant transactions recorded in the accounting software. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.

Based on our examination of database level for MS Dynamics, the audit trail feature was enabled for specific modules only from January 13, 2024 and not operated throughout the year. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, post enablement of the audit trail facility.

- j) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

For **Vishal Chaturvedi & Co.**

Chartered Accountant

Firm Registration No.: 031179C



**Vishal Chaturvedi**

Proprietor

Membership No.: 410058

UDIN: 24410058BKCMHA8472



Place: Greater Noida West

Date: 22 May 2024

**Vishal Chaturvedi & Co**  
Chartered Accountant

**ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
FINANCIAL STATEMENTS OF PETUNT FOOD PROCESSORS PRIVATE LIMITED FOR THE  
YEAR ENDED 31 MARCH 2024**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

i.

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

The Company has maintained proper records showing full particulars of intangible assets.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties in the name of the Company. Building improvements appearing in the financial statements have been developed on leased land.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii.

- (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under Clause 3(ii)(b) of the Order is not applicable.





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- iii. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, provisions stated in Paragraphs 3 (iii) (a) to (f) of the Order are not applicable.
- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not either directly or indirectly, granted any loans, made any investment, provided any guarantee and given any security to which Section 185 or Section 186 would apply. Accordingly, provisions stated in Paragraph 3(iv) of the Order are not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year. Accordingly, provisions stated in Paragraph 3(v) of the Order are not applicable.
- vi. The provisions of Sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in Paragraph 3 (vi) of the Order are not applicable.
- vii.
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including employees' state insurance, goods and services tax, provident fund, tax deducted at source, tax collected at source, Income tax, duty of customs, cess and other statutory dues as applicable to it.

According to the information and explanations given to us and the records of the Company examined by us, no undisputed amounts are payable in respect of provident fund, Income-tax, duty of customs, cess, employees' state insurance, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, no amounts are payable in respect of provident fund, employees' state insurance, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, Income tax, duty of customs, cess and other statutory dues, at the year end, on account of dispute except as below:

Name of the Statute	Nature of the dues	Amount (INR in thousands) *	Period to which amount relate (Financial year)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	13,630.90	2020-21	Assessing offer (For effect of CIT(A) order to reduce the demand)



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- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix.
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of inter-corporate deposits / loans and borrowing or in the payment of interest thereon to any lender. The Company has not defaulted on payment of interest on loans repayable on demand.
- (b) According to the information and explanation given to us and examination of records of the Company, the Company has not been declared as a willful defaulter by any financial institution or other lender.
- (c) According to the information and explanation given to us and examination of records of the Company term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanation given to us and examination of records of the Company, short term loan obtained has not been utilized for long-term purpose.
- (e) According to the information and explanation given to us and examination of records of the Company, there are no subsidiary, associate or joint venture of the Company. Accordingly, the provisions stated in Paragraph 3 (ix)(e) of the Order are not applicable.
- (f) According to the information and explanation given to us and examination of records of the Company, there are no subsidiary, associate or joint venture of the Company. Accordingly, the provisions stated in Paragraph 3 (ix)(f) of the Order are not applicable.
- x.
- (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in Paragraph 3 (x)(a) of the Order are not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable.
- xi.
- (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.





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Chartered Accountant

- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Based on information and explanation provided to us by the Company, Section 177 of the Act is not applicable to it.
- xiv. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act. Accordingly, provisions stated in Paragraph 3(xiv)(a) and Paragraph 3(xiv)(b) of the Order are not applicable.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xvi.
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Paragraph 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Paragraph 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, Paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Paragraph 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses amounting to ₹ 20,727.81 thousand during the financial year covered by our audit and ₹ 18,510.23 thousand in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditor of the Company during the year.
- xix. We draw attention to Note 38 to the financial statements wherein it is stated that, as of 31 March 2024 the Company's net worth has eroded and has net working capital deficit of ₹ 182,460.02 thousand. These conditions indicate existence of a material uncertainty as at date of this audit report about the Company's ability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

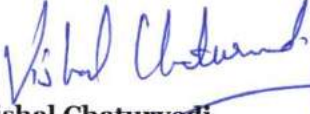
Also, refer "Material Uncertainty Related to Going Concern" paragraph in our "Independent Auditor's Report" of even date.



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Chartered Accountant

- xx. The Company has incurred losses during the three immediately preceding financial years and hence it is not required to spend any money under sub-section (5) of section 135 of the Act. Accordingly, reporting under Paragraph (xx) of the Order is not applicable to the Company for the year.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Vishal Chaturvedi & Co**  
Chartered Accountant  
Firm Registration No.: 031179C

  
**Vishal Chaturvedi**  
Proprietor  
Membership No.: 410058  
UDIN: 24410058BKCMHA8472



Place: Greater Noida West  
Date: 22 May 2024



**Vishal Chaturvedi & Co**  
Chartered Accountant

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
FINANCIAL STATEMENTS OF PETUNT FOOD PROCESSORS PRIVATE LIMITED**

[Referred to in Paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143  
of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Petunt Food Processors Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



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**Vishal Chaturvedi & Co**  
Chartered Accountant

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

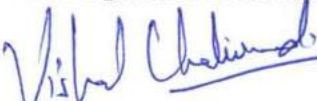
### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of 31 March 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Vishal Chaturvedi & Co**  
Chartered Accountant  
Firm Registration No.: 031179C



**Vishal Chaturvedi**

Proprietor

Membership No.: 410058

UDIN: 24410058BKCMHA8472



Place: Greater Noida West

Date: 22 May 2024

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Address: Flat Jo81, Gulshan Bellina, Sector 16, Greater Noida West - 201318



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**

**Balance Sheet as at 31 March 2024**

(All amounts in INR thousand, unless stated otherwise)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	309,011.91	302,590.33
Right-of-use assets	4	5,143.49	5,657.84
Capital work in progress	3	-	-
Other intangible assets	3	-	28.47
Financial assets			
Others	5	83.00	83.00
Deferred tax assets (net)	24	-	-
Non-current tax assets		4,701.26	3,124.27
Other non current assets	6	2,446.07	6,973.60
		<u>321,385.73</u>	<u>318,457.51</u>
<b>Current assets</b>			
Inventories	7	34,147.56	20,211.18
Financial assets			
Trade receivables	8	8,692.85	5,438.81
Cash and cash equivalents	9	264.96	1,588.89
Others	5	154.80	150.00
Other current assets	6	43,907.36	51,669.20
		<u>87,167.53</u>	<u>79,058.08</u>
<b>Total Assets</b>		<u><b>408,553.26</b></u>	<u><b>397,515.59</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	73,780.98	73,780.98
Other equity			
Securities premium	11	31,699.61	31,699.61
Retained earnings and others	11	(163,677.51)	(133,562.26)
Share based payment reserve	11	-	572.53
<b>Total Equity</b>		<u>(58,196.92)</u>	<u>(27,509.14)</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	13	161,668.93	238,646.08
Others	15	-	12,706.78
Provisions	12	1,665.77	1,226.56
Deferred tax liabilities (net)	24	-	-
Other non current liabilities	16	33,787.93	36,498.17
		<u>197,122.63</u>	<u>289,077.59</u>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	13	124,059.15	58,311.13
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	14	12,904.93	9,738.27
- total outstanding dues of creditors other than micro enterprises and small enterprises	14	52,181.51	59,516.84
Others	15	5,684.66	5,013.54
Other current liabilities	16	74,652.35	3,201.62
Provisions	12	144.95	165.74
		<u>269,627.55</u>	<u>135,947.14</u>
<b>Total Liabilities</b>		<u><b>466,750.18</b></u>	<u><b>425,024.73</b></u>
<b>Total Equity and Liabilities</b>		<u><b>408,553.26</b></u>	<u><b>397,515.59</b></u>



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Balance Sheet as at 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

Summary of significant accounting policies

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached  
For **Vishal Chaturvedi & Co**  
Chartered Accountant  
ICAI Firm Registration No.: 031179C

  
**Vishal Chaturvedi**  
Proprietor  
Membership No.: 410058



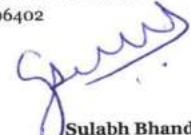
Place: Greater Noida West  
Date: 22 May 2024

Note No.

2

For and on the behalf of Board of Directors of  
**Petunt Food Processors Private Limited**  
CIN: U15549KA2017PTC106402

  
**Vishrut Rangwala**  
Director  
DIN: 07572669

  
**Sulabh Bhandari**  
Director  
DIN: 02841752

Place: Tumkur  
Date: 22 May 2024



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

Particulars	Note No.	For the year 31 March 2024	For the year 31 March 2023
Revenue from operations	17	427,013.83	363,602.46
Other income	18	18,621.46	17,495.70
<b>Total income</b>		<b>445,635.29</b>	<b>381,098.16</b>
<b>Expenses</b>			
Cost of material consumed	19	324,139.00	255,998.19
Purchase of stock-in-trade		-	-
Changes in inventories of traded goods and finished goods	20	(1,092.43)	737.13
Employee benefit expenses	21	46,470.01	43,075.91
Finance costs	22	24,690.22	23,852.02
Depreciation and amortisation expenses	3 & 4	23,331.76	22,931.92
Other expenses	23	58,929.81	61,497.17
<b>Total expenses</b>		<b>476,468.37</b>	<b>408,092.34</b>
<b>(Loss) before tax</b>		<b>(30,833.08)</b>	<b>(26,994.18)</b>
Tax expenses	24	-	-
Current tax		-	-
Deferred tax		-	-
<b>(Loss) for the year</b>		<b>(30,833.08)</b>	<b>(26,994.18)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains of defined benefit plans	30	23.73	174.21
Income tax effect		-	-
		<u>23.73</u>	<u>174.21</u>
<b>Total other comprehensive income</b>		<b>23.73</b>	<b>174.21</b>
<b>Total comprehensive (loss)</b>		<b>(30,809.35)</b>	<b>(26,819.97)</b>
Basic and diluted (loss) per share (In Rs.)	25	(4.18)	(3.66)
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached  
For **Vishal Chaturvedi & Co**  
Chartered Accountant  
ICAI Firm Registration No.: 031179C

  
**Vishal Chaturvedi**  
Proprietor  
Membership No.: 410058



Place: Greater Noida West  
Date: 22 May 2024

For and on the behalf of Board of Directors of  
**Petunt Food Processors Private Limited**  
CIN: U15549KA2017PTC106402

  
**Vishrut Rangwala**  
Director  
DIN: 07572669

  
**Sulabh Bhandari**  
Director  
DIN: 02841752

Place: Tumkur  
Date: 22 May 2024

**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Statement of Cash Flows for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

Particulars	For the year 31 March 2024	For the year 31 March 2023
<b>A Cash flows from operating activities</b>		
Net (loss) before tax	(30,833.08)	(26,994.18)
<b>Adjustments for:</b>		
Interest expense	13,590.07	13,479.08
Interest expense on Optionally convertible debentures	11,100.15	10,372.94
Depreciation and amortisation expenses	23,331.76	22,931.92
Profit on sale of assets	(335.60)	-
Amortisation of Deferred grant income	(2,710.24)	(2,710.24)
Interest income on income tax refund	(69.02)	(14.24)
Liabilities written back	(938.03)	-
Options fair valuation loss/ (gains), net	(12,706.78)	(13,426.72)
Loss on disposal of Property, plant and equipment	-	561.68
Balances written off	-	1,055.17
Provision for doubtful debts	75.40	1,679.62
Provision for doubtful balances	2,423.43	-
Provision for slow moving inventory	629.73	(1,045.81)
Leave encashment expense/ (reversal) for the year	128.86	96.66
Employee stock options expenses	121.57	442.34
Gratuity expenses for the year	623.58	539.06
<b>Operating profit before working capital changes</b>	<b>4,431.80</b>	<b>6,967.28</b>
Working capital adjustments:		
Movement in trade and other payables	68,456.91	4,509.32
Movement in inventories	(14,566.11)	12,076.58
Movement in trade receivables, other receivables and prepayments	8,533.87	13,568.39
Gratuity and compensated leaves paid during the year	(310.28)	(105.54)
<b>Cash generated from operations</b>	<b>66,546.19</b>	<b>37,016.03</b>
Taxes paid (net of refund including interest on refund)	(1,507.97)	(359.16)
<b>Net cash generated from operating activities</b>	<b>65,038.22</b>	<b>36,656.87</b>
<b>B Cash flows from investing activities:</b>		
Proceeds from sale of Property plant and equipment (including capital work in progress sold)	10,740.09	6,527.08
Purchase of Property plant and equipment and other intangible assets (including movement for capital advances and payable for fixed assets)	(40,155.73)	(13,818.38)
<b>Net cash (used in) investing activities</b>	<b>(29,415.64)</b>	<b>(7,291.30)</b>
<b>C Cash flows from financing activities:</b>		
Interest paid	(14,354.33)	(12,462.19)
Interest paid on Optionally convertible debentures	(2,806.49)	(1,817.44)
Repayment of Long term borrowings from banks	(42,500.00)	(18,750.00)
Proceeds from Long term borrowings from banks	20,000.00	-
Proceeds from/ (Repayment of) short term borrowings from banks, net	2,714.31	(4,345.66)
<b>Net cash (used in) financing activities</b>	<b>(36,946.51)</b>	<b>(37,375.29)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(1,323.93)</b>	<b>(8,009.72)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>1,588.89</b>	<b>9,598.61</b>
<b>Cash and cash equivalents at end of the year (Refer note 9)</b>	<b>264.96</b>	<b>1,588.89</b>





**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Statement of Cash Flows for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**Notes :**

1. The above Cash flow statement has been prepared under the indirect method set out in Ind AS-7, "Statement of Cash Flows".
2. Notes to the financial statements are an integral part of the Cash Flow Statement.
3. Refer note 39 for reconciliation of changes in financial activities.

As per our report of even date attached  
For **Vishal Chaturvedi & Co**  
Chartered Accountant  
ICAI Firm Registration No.: 031179C

**Vishal Chaturvedi**  
Proprietor  
Membership No.: 410058



Place: Greater Noida West  
Date: 22 May 2024

For and on the behalf of Board of Directors of  
**Petunt Food Processors Private Limited**  
CIN: U15549KA2017PTC106402

**Vishrut Rangwala**  
Director  
DIN: 07572669

**Sulabh Bhandari**  
Director  
DIN: 02841752

Place: Tumkur  
Date: 22 May 2024

**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Statement of Changes in Equity for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**A. Equity Share Capital**

Equity shares of INR 10 each issued, subscribed and fully paid	For the year 31 March 2024	For the year 31 March 2023
As at 1 April 2022	73,780.98	73,780.98
Issue of share capital	-	-
As at 1 April 2023	73,780.98	73,780.98
Issue of share capital	-	-
As at 31 March 2024	73,780.98	73,780.98

**B. Other Equity**

**For the year ended 31 March 2023**

	Reserves and surplus				Total
	Securities premium	Retained earnings	Share based payment reserve (Parent Company ESOP)	Others	
As at 1 April 2022	31,699.61	(106,569.28)	130.19	(173.01)	(74,912.49)
Loss for the year	-	(26,994.18)	-	-	(26,994.18)
	31,699.61	(133,563.46)	130.19	(173.01)	(101,906.67)
<b>Others</b>					
Re-measurement gains of defined benefit plans	-	-	-	174.21	174.21
ESOP expense for the year	-	-	442.34	-	442.34
<b>Total others</b>	-	-	442.34	174.21	616.55
<b>As at 31 March 2023</b>	<b>31,699.61</b>	<b>(133,563.46)</b>	<b>572.53</b>	<b>1.20</b>	<b>(101,290.12)</b>

**For the year ended 31 March 2024**

As at 1 April 2023	31,699.61	(133,563.46)	572.53	1.20	(101,290.12)
Loss for the year	-	(30,833.08)	-	-	(30,833.08)
	31,699.61	(164,396.54)	572.53	1.20	(132,123.20)
<b>Others</b>					
Re-measurement gains of defined benefit plans	-	-	-	23.73	23.73
ESOP expense for the period	-	-	121.57	-	121.57
Amount Transferred to equity	-	694.10	(694.10)	-	-
<b>Total others</b>	-	694.10	(572.53)	23.73	145.30
<b>As at 31 March 2024</b>	<b>31,699.61</b>	<b>(163,702.44)</b>	<b>-</b>	<b>24.92</b>	<b>(131,977.90)</b>

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached  
For **Vishal Chaturvedi & Co**  
Chartered Accountant  
ICAI Firm Registration No.: 031179C

**Vishal Chaturvedi**  
Proprietor  
Membership No.: 410058

Place: Greater Noida West  
Date: 22 May 2024



For and on the behalf of Board of Directors of  
**Petunt Food Processors Private Limited**  
CIN: U15549KA2017PTC106402

**Vishrut Rangwala**  
Director  
DIN: 07572669

Place: Tumkur  
Date: 22 May 2024

**Sulabh Bhandari**  
Director  
DIN: 02841752



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**1. Corporate information**

Petunt Food Processors Private Limited (the 'Company') is a Company domiciled in India, with its registered office situated at Vasanthanarasapura Industrial Area, Phase III, Kora Hobli, Tumkur, Karnataka - 572138. The Company was incorporated on 14 September 2017 under the provisions of the Companies Act, 2013. The Company is primarily involved in manufacturing, processing, purchase and sale of snacks food.

These financial statements were authorised for issue in accordance with a resolution of the Directors on 22 May 2024.

Bikaji Foods International Limited which is public company is Holding company of the Company. Accordingly, the Company is deemed to be a public company as per proviso to Section 2(71) of the Companies Act, 2013.

**2.1 Basis of preparation of financial statements and statement of compliance of Ind AS**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments as issued/ notified thereafter (hereinafter referred as 'Ind AS').

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**Basis of measurement**

The financial statements have been prepared on a historical cost basis, except for any other basis explained elsewhere in these financial statements.

The financial statements are presented in INR, which is also the functional currency of the Company, and all values are rounded to two decimal places to the nearest thousand (INR '000) except, when indicated otherwise.

**2.2 Recent accounting pronouncements  
Standards issued but not yet effective**

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, the Ministry of Corporate Affairs (MCA) did not issue any amendments to Ind AS which is effective from 1 April 2024.

**Material changes to Accounting Policy**

The Company adopted amendment to Ind AS 1, Presentation of Financial Statements during the year. The amendment requires companies to disclose material accounting policies rather than their significant accounting policies. Although the same has not resulted in change in accounting policies, it has impacted disclosure of accounting policies in the financial statement.

The Company adopted amendment to Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors during the year. The amendment has replaced definition of 'change in account estimate' with definition of 'accounting estimate', with other related amendments to help entities distinguish changes in accounting policies from changes in accounting estimates. The amendment has no impact on its financial statements.

The Company adopted amendment to Ind AS12, Income Taxes during the year. The amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The amendment has no impact on its financial statements.

**2.3 Summary of material accounting policies**

**Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**Revenue recognition**

**Sales of goods and services**

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is recognised to the extent that it is highly probable a significant reversal will not occur.

In case customers have the contractual right to return goods, an estimate is made for goods that will be returned and a liability is recognised for this amount using the best estimate based on accumulated experience.

**Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

**Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.





**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off tax assets against tax liabilities.

**Property, plant and equipment**

Capital work in progress and property plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual value, over their estimated useful lives. The Company has used the following rates to provide depreciation on its property, plant and equipment which are similar as compared to those prescribed under the Schedule II to the Act:

Plant and machinery: 15 Years

Computers and user devices: 3 years

Electrical installation and equipment: 10 years

Furniture and fittings: 10 years

Office equipment: 5 years

Laboratory Equipment: 10 years

Building improvement (on leased land): Over the lease period or 30 years, whichever is less.

Individual assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Leases**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Company as a lessee

**Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

**Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the year in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**Short-term leases**

The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments of short-term leases are recognised as expense on a straight-line basis over the lease term.

**Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and packing materials: cost includes cost of purchase (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in first-out basis (FIFO).

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on FIFO.

Stores and spare parts are valued at cost. cost includes cost of purchase (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO.

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

**Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The board of directors of the Company assesses the financial performance and position of the Company and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of managing director and other directors. Refer note 34 for segment information presented.

**Finance costs**

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

General and Specific borrowing costs that are attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All the other borrowing costs are expensed in the year they occur.

**Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGU's to which the individual assets are allocated. Impairment losses are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.





**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**Provisions, contingent liabilities and contingent assets**

Provision are recognised when there is a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

**Retirement and other employee benefits**

**Provident Fund:** Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the statement of profit and loss.

**Employee's State Insurance Scheme:** Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the statement of profit and loss.

**Gratuity:** The Company operates a defined benefit gratuity plan in India, which is unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the statement of profit and loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability. The Company recognises service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and net interest expense or income in the net defined benefit obligation as an expense in the statement of profit and loss.

**Compensated absences:** Liabilities recognised in respect of other long-term employee benefits in form of compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

**Share based Payment:** Equity shares-based payments granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employee unconditionally become entitled to the award.

The employee of the Company receive remuneration in form of shares-based payment from the Parent Company, Bikaji Foods International Limited, whereby employee render services as consideration for equity instruments, over a defined vesting period.

The Equity instrument is generally vested in a graded manner over the vesting period. Equity instruments granted are measured by reference to the fair value of the instrument as at the date of grant using appropriate valuation model. The fair value determined at the grant date is expensed over the future vesting period of the respective tranches of such grants in graded manner. The Expenses is recognised in the Statement of Profit and Loss with a corresponding increase in other reserve, a component of other equity.

**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 assets**

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets designated as FVTPL transactions costs are not added. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest 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 in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset, nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortised cost, FVTPL and FVTOCI and for the measurement and recognition of credit risk exposure.

The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises the impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 months ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.





**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward- looking estimate. At every reporting date, the historical observed default rates are updated and changes in the forward- looking estimates are analysed. On that basis, the Company estimates impairment loss allowance on portfolio of its trade receivables. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original effective interest rate (EIR). When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity uses the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/ expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortised cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

**Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives not designated as hedging instruments, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. Fair valuation gains/ losses, on initial recognition of financial liabilities are recognised in Statement of Profit and Loss except in cases of such gains/ losses being occurred on account of transactions with holding/ subsidiary company in which case such gains/ losses are accounted as capital contribution (securities premium) in equity.

The Company's financial liabilities include trade and other payables, optionally convertible debentures, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities classified as held for trading includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit or Loss.

Loans and borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in standalone statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments, Initial recognition and subsequent measurement

The Company has issued Optionally Convertible Debentures. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

**Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, Cash and Cash Equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the after income tax effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
Notes to the Financial Statement for the year ended 31 March 2024  
(All amounts in INR thousand, unless stated otherwise)

**3 Property, plant and equipment, capital work in progress and other intangible assets**

	Building improvements	Computers	Electrical installation and equipment	Furniture and fittings	Office equipment	Lab equipment	Plant and machineries	Total	Other intangible assets (Software)	Capital work in progress
<b>Cost or valuation</b>										
As at 1 April 2022	61,833.43	1,780.03	14,631.81	605.08	776.83	1,073.77	260,862.44	341,563.39	179.32	13,033.57
Additions	4,761.33	276.34	920.40	-	15.68	-	17,772.31	23,746.06	-	16,120.50
Disposals/ adjustments	-	(518.78)	(156.21)	-	-	-	(1,159.50)	(1,834.49)	(38.00)	(29,154.07)
Reclassification	(27.00)	-	449.49	32.00	232.21	(21.00)	(665.70)	-	-	-
As at 31 March 2023	66,567.76	1,537.59	15,845.49	637.08	1,024.72	1,052.77	276,809.55	363,474.96	141.32	-
Additions	590.00	453.89	11,144.71	45.73	75.55	11.00	27,294.14	39,615.02	-	39,615.02
Disposals/ adjustments	(1,180.00)	-	-	-	-	-	(9,656.11)	(10,836.11)	-	(39,615.02)
Reclassification	-	-	-	-	-	-	-	-	-	-
As at 31 March 2024	65,977.76	1,991.48	26,990.20	682.81	1,100.27	1,063.77	294,447.58	392,353.87	141.32	-
<b>Accumulated depreciation</b>										
As at 1 April 2022	1,615.96	858.93	4,037.90	182.09	406.50	332.03	31,253.30	38,686.71	84.94	-
For the year	2,341.32	303.00	1,583.99	62.10	174.07	106.18	17,814.53	22,385.19	32.39	-
Disposals/ adjustments	-	(88.76)	(60.04)	-	-	-	(38.47)	(187.27)	(4.48)	-
Reclassification	(1.75)	-	92.09	3.30	47.84	(6.49)	(134.99)	-	-	-
As at 31 March 2023	3,955.53	1,073.17	5,653.94	247.49	628.41	431.72	48,894.37	60,884.63	112.85	-
For the year	2,201.47	301.55	1,611.00	62.16	152.72	100.83	18,359.22	22,788.95	28.47	-
Disposals/ adjustments	(22.41)	-	-	-	-	-	(409.21)	(431.62)	-	-
Reclassification	-	-	-	-	-	-	-	-	-	-
As at 31 March 2024	6,134.59	1,374.71	7,264.94	309.65	781.13	532.55	66,844.38	83,241.96	141.32	-
<b>Net block</b>										
As at 31 March 2024	59,843.18	616.77	19,725.26	373.16	319.14	531.22	227,603.20	309,011.91	-	-
As at 31 March 2023	62,612.23	464.42	10,191.56	389.59	396.31	621.05	227,915.19	302,590.33	28.47	-

Above mentioned assets are pledged with bank against borrowings. Refer note 13 containing details of borrowing and corresponding securities with banks.



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
 (All amounts in INR thousand, unless stated otherwise)

**4 Right-of-use assets**

	<u>Amount</u>
<b>Cost</b>	
As at 1 April 2022	6,772.26
Additions	-
Disposals/ adjustments	-
<b>As at 31 March 2023</b>	<u>6,772.26</u>
Additions	-
Disposals/ adjustments	-
<b>As at 31 March 2024</b>	<u>6,772.26</u>
<b>Accumulated depreciation</b>	
Up to 1 April 2022	600.07
For the year	514.35
Disposals/ adjustments	-
<b>Up to 31 March 2023</b>	<u>1,114.42</u>
For the year	514.35
Disposals/ adjustments	-
<b>As at 31 March 2024</b>	<u>1,628.77</u>
<b>Net block</b>	
As at 31 March 2024	<u>5,143.49</u>
As at 31 March 2023	<u>5,657.84</u>

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**5 Financial Assets- Others**

	Non- current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Financial assets valued at amortised cost				
-Security deposits	83.00	83.00	154.80	150.00
	<b>83.00</b>	<b>83.00</b>	<b>154.80</b>	<b>150.00</b>

**6 Other Assets**

	Non- current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Balances with government authorities	-	6,432.46	42,251.44	44,324.32
Less: Provisions	-	-	(2,423.43)	-
	-	6,432.46	39,828.01	44,324.32
Advance to suppliers	-	-	3,470.88	4,271.53
Advance refundable	-	-	-	2,578.15
Advance to supplier towards capital goods	2,002.16	-	-	-
Advance to employees	-	-	178.59	156.73
Prepaid expenses	443.91	541.14	429.88	338.47
	<b>2,446.07</b>	<b>6,973.60</b>	<b>43,907.36</b>	<b>51,669.20</b>

**7 Inventories\***

	As at 31 March 2024	As at 31 March 2023
Raw materials [Include in transit inventory of Rs. Nil (31 March 2023: 523.19)]	14,619.47	9,174.17
Finished goods	1,096.33	3.90
Store, spares and consumables	2,049.24	2,493.26
Packing materials [Include in transit inventory of Rs. Nil (31 March 2023: 401.79)]	19,155.73	10,683.33
	<b>36,920.77</b>	<b>22,354.66</b>
Less: Provision for obsolete inventory	(2,773.21)	(2,143.48)
	<b>34,147.56</b>	<b>20,211.18</b>

\*Valued at lower of cost and net realisable value except for Store, spares and consumables and Packing materials which are valued at cost.

During the year ended 31 March 2024: Rs. Nil (31 March 2023: Rs. Nil) was recognised as expense for inventories recognised at net realisable value.

**8 Financial Asset - Trade receivable**

	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	9,426.41	6,871.98
Less: Allowance for expected credit losses	(733.56)	(1,433.17)
	<b>8,692.85</b>	<b>5,438.81</b>
Trade receivables - Unsecured, credit impaired	1,120.86	1,248.04
Less: Allowance for expected credit losses	(1,120.86)	(1,248.04)
	<b>8,692.85</b>	<b>5,438.81</b>
Further classified as:		
Receivable from companies with common director	466.19	491.96
Receivable from others	10,081.08	7,628.06
Less: Allowance for expected credit losses	(1,854.42)	(2,681.21)
	<b>8,692.85</b>	<b>5,438.81</b>

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
 (All amounts in INR thousand, unless stated otherwise)

**Trade receivables ageing schedule:**

**As at 31 March 2024**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	2,293.82	6,313.43	819.16	-	-	-	9,426.41
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	654.67	466.19	-	1,120.86
	<b>2,293.82</b>	<b>6,313.43</b>	<b>819.16</b>	<b>654.67</b>	<b>466.19</b>	<b>-</b>	<b>10,547.27</b>

**As at 31 March 2023**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	11.62	4202.78	2,657.58	-	-	-	6,871.98
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	463.42	-	784.62	1,248.04
	<b>11.62</b>	<b>4,202.78</b>	<b>2,657.58</b>	<b>463.42</b>	<b>-</b>	<b>784.62</b>	<b>8,120.02</b>

**9 Financial Asset - Cash and cash equivalents**

	As at 31 March 2024	As at 31 March 2023
Balances with banks - in current accounts	-	1,449.77
Cash on hand	264.96	139.12
	<b>264.96</b>	<b>1,588.89</b>

Footnote i: For the purpose of the Statement of cash flows, cash and cash equivalents comprise following:

	As at 31 March 2024	As at 31 March 2023
Balances with banks - in current accounts	-	1,449.77
Cash on hand	264.96	139.12
	<b>264.96</b>	<b>1,588.89</b>

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**10 Share capital**

The Company has only one class of share capital having a par value of Rs. 10 per share, referred to herein as equity shares.

	As at 31 March 2024		As at 31 March 2023	
	Number (absolute figure)	Amount	Number (absolute figure)	Amount
<b>Authorised</b>				
Equity shares of Rs. 10 each	8,000,000	80,000.00	8,000,000	80,000.00
<b>Issued, subscribed and fully paid-up</b>				
Equity shares of Rs. 10 each	7,378,098	73,780.98	7,378,098	73,780.98
	<b>7,378,098</b>	<b>73,780.98</b>	<b>7,378,098</b>	<b>73,780.98</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year.**

	For the year 31 March 2024		For the year 31 March 2023	
	Number (absolute figure)	Amount	Number (absolute figure)	Amount
Shares outstanding at the beginning of the year	7,378,098	73,780.98	7,378,098	73,780.98
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>7,378,098</b>	<b>73,780.98</b>	<b>7,378,098</b>	<b>73,780.98</b>

**b. Terms/rights attached to shares**

Voting: Each holder of equity shares is entitled to one vote per share held.

Dividends: The Company declares and pays dividends in Indian rupees. Interim dividend declared in Board of Directors' meeting is distributed within stipulated time mandated by the law. Distribution of final dividend as proposed by the Board of Directors is paid after approval of the shareholders in General Meeting.

Liquidation: In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

**c. Details for shares held by holding/ ultimate holding company and/ or their subsidiaries/associates are as**

Equity shares of Rs. 10 each, fully paid	As at 31 March 2024		As at 31 March 2023	
	Holding in numbers	% of total equity shares	Holding in numbers	% of total equity shares
Bikaji Foods International Limited (Holding company)	3,779,100	51.22%	3,779,100	51.22%

**d. Detail of shareholders holding more than 5% of equity share of the Company**

Equity shares of Rs. 10 each, fully paid	As at 31 March 2024		As at 31 March 2023	
	Holding in numbers	% of total equity shares	Holding in numbers	% of total equity shares
Bikaji Foods International Limited	3,779,100	51.22%	3,779,100	51.22%
Sulabh Bhandari	428,500	5.81%	428,500	5.81%
Vishrut Rangwala	1,799,518	24.39%	1,799,518	24.39%
Dolphin Communications Private Limited	770,715	10.45%	770,715	10.45%

**e. Shareholding of Promoters**

**As at 31 March 2024**

Name	As at 31 March 2024		As at 31 March 2023		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Bikaji Foods International Limited	3,779,100	51.22%	3,779,100	51.22%	-

**As at 31 March 2023**

Name	As at 31 March 2023		As at 31 March 2022		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Bikaji Foods International Limited	3,779,100	51.22%	3,779,100	51.22%	-



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**f.** No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the reporting date.

**g.** No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting date.

**h. Shares reserved for Optionally Convertible Debentures:**

For Optionally Convertible Debentures : The OCDs may be converted into equity shares being allotted at par and credited as fully paid up.

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**11 Other equity**

	As at 31 March 2024	As at 31 March 2023
Retained earnings and others (Refer footnote i)	(163,677.51)	(133,562.26)
Securities premium (Refer footnote ii)	31,699.61	31,699.61
Share based payment reserve (Parent Company ESOP) (Refer footnote iii)	-	572.53
	<b>(131,977.90)</b>	<b>(101,290.12)</b>

**Footnote i: Retained earnings and others\***

	As at 31 March 2024	As at 31 March 2023
As at beginning of the year	(133,562.26)	(106,742.29)
Add: (loss) for the year	(30,833.08)	(26,994.18)
Add: Re-measurement gains of defined benefit plans	23.73	174.21
Add: Transfer from ESOP Reserve	694.10	-
	<b>(163,677.51)</b>	<b>(133,562.26)</b>

\*Represent deficit reserves due to accumulated losses since incorporation and accumulated re-measurement (losses)/ gains of defined benefit plans.

**Footnote ii: Securities premium\***

	As at 31 March 2024	As at 31 March 2023
As at beginning of the year	31,699.61	31,699.61
Add: changes during the year	-	-
	<b>31,699.61</b>	<b>31,699.61</b>

\*The Company issued OCD Series A and Series B in previous period. Such amounts were classified as financial liability in accordance with terms and conditions of such debentures. Financial liability is recognised at fair value which represents the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument with a similar credit rating and options were valued using Pricing Model. This amount represent fair valuation gain on initial recognition presented as notional capital contribution by holding company.

**Footnote iii: Share based payment reserve (Parent Company ESOP)^**

	As at 31 March 2024	As at 31 March 2023
As at beginning of the year	572.53	130.19
Add: ESOP expense for the year	121.57	442.34
Less: Transfer to Retained Earnings	(694.10)	-
	<b>-</b>	<b>572.53</b>

^The Share based payment reserve (Parent Company ESOP) is used to recognise the grant date fair value of parent company's options issued to employee under Parent Company Employee Stock Option Plan (Refer note 40).

**12 Provisions**

	Non- current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Compensated absences	-	-	59.89	135.40
Gratuity (Refer note 30)	1,665.77	1,226.56	85.06	30.34
	<b>1,665.77</b>	<b>1,226.56</b>	<b>144.95</b>	<b>165.74</b>

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**13 Financial Liabilities - Borrowings**

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
<b>Secured, from bank (Refer footnote i)</b>				
-term loan	128,475.79	150,712.88	-	-
-Overdraft	-	-	18,368.65	15,654.34
<b>Unsecured, from related parties (Refer footnote ii)</b>				
-0.001% Optionally convertible debentures (OCD Series A)	75,693.14	69,763.27	-	-
-Optionally convertible debentures with variable coupon rates (OCD Series B)	63,190.50	60,826.72	-	-
	<u>267,359.43</u>	<u>281,302.87</u>	<u>18,368.65</u>	<u>15,654.34</u>
(Less)/ add: Current maturities of long term borrowings	(105,690.50)	(42,656.79)	105,690.50	42,656.79
	<u>161,668.93</u>	<u>238,646.08</u>	<u>124,059.15</u>	<u>58,311.13</u>

**Footnotes:**

- i Term loan, working capital loan and overdraft are from Citibank.  
Term loan is secured by way of:  
First charge on moveable fixed assets (Plant and machinery), and  
Working capital loan and overdrafts are secured by way of:  
First charge over inventory and receivables.  
Both loans are guaranteed by the Holding Company.  
- The interest rates for both facilities are 7.80% - 8.90% (31 March 2023: 4.80%-8.30%).  
-term loan is repayable in 16 equal quarterly instalments post 12 months moratorium, to be serviced from 15th month from the date of drawdown.
- ii 10,490,000, Optionally convertible debentures (OCD Series A) have been issued to the Holding Company at face value of Rs. 10 each and carry a cumulative coupon rate of 0.001%. These OCD Series A also contain option to convert redemption proceedings to variable number (at discount) of equity share of the Company at option of Investor between 1 April 2028 to 31 March 2031.
- 6,580,700, Optionally convertible debentures (OCD Series B) have been issued to the Holding Company at face value of Rs. 10 each and carry varying non cumulative monthly coupon rates. These OCD Series B also contain option to convert redemption proceedings to variable number (at discount) of equity share of the Company at option of Investor between 1 April 2024 to 31 March 2027. Coupon rates of OCD Series B are 0%, 3%, 4%, 6%, 7%, 8% for period up to 31 March 2022, 1 April 2022 to 31 March 2023, 1 April 2023 to 31 March 2024, 1 April 2024 to 31 March 2025, 1 April 2025 to 31 March 2026 and 1 April 2026 to 31 March 2027, respectively.

**14 Financial Liabilities - Trade payable**

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises	12,904.93	9,738.27
Total outstanding dues of trade payables other than micro enterprises and small enterprises #	52,181.51	59,516.84
	<u>65,086.44</u>	<u>69,255.11</u>

#Refer footnote i of note 15.

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**Trade payable ageing schedule**

<b>As at 31 March 2024</b>						
<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>Not due*</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) MSME	9,295.90	3,417.71	191.32	-	-	12,904.93
(ii) Others	9,291.36	22,418.19	20,188.29	283.67	-	52,181.51
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

\* Not due (Others) and Not due (MSME) include unbilled dues amounting Rs. 2,690.69 and 1,045.92, respectively.

<b>As at 31 March 2023</b>						
<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>Not due*</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) MSME	4,929.82	4,773.54	-	34.91	-	9,738.27
(ii) Others	12,550.91	45,879.48	119.13	825.95	141.37	59,516.84
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

\* Not due (Others) and Not due (MSME) include unbilled dues amounting Rs. 1,884.81 and 397.93, respectively.

**15 Financial Liabilities - Others**

	<b>Non-current</b>		<b>Current</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
<b>Liabilities designated at amortised cost</b>				
Employee related payables	-	-	2,081.33	1,844.48
Payables for acquisition of Property Plant and Equipment (Refer footnote i)	-	-	3,433.67	1,972.23
Interest accrued but not due on borrowings	-	-	169.66	1,196.83
<b>Liabilities designated at fair value through profit and loss</b>				
Option (call) on OCD Series A	-	6,718.34	-	-
Option (call) on OCD Series B	-	5,988.44	-	-
	<b>-</b>	<b>12,706.78</b>	<b>5,684.66</b>	<b>5,013.54</b>

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**Footnote i: Total outstanding dues of micro enterprises and small enterprises:**

**Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):**

	As at 31 March 2024	As at 31 March 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
-the principal amount		
Included in trade payables	12,904.93	9,738.27
Included in payables for acquisition of Property Plant and Equipment	3,058.78	-
-the interest due thereon	-	-
(b) the amounts paid by the buyer during the year		
-interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
-Principal repaid to suppliers beyond the appointed day during each accounting year	-	-
(c) 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 year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	620.38	118.24
(e) 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.	998.28	377.90

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 correspondence with its customers the Entrepreneurs Memorandum Number (now Udyam Registration Number) as allocated after filing of the Memorandum. Based on the information available with the management, there are no over dues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, other than those disclosed above. Further, the Company has not received any claim for interest from any supplier under the said Act.

**Breakup of financial liabilities carried at amortised cost:**

	As at 31 March 2024	As at 31 March 2023
Borrowings (Refer note 13)	285,728.09	296,957.20
Trade payable (Refer note 14)	65,086.44	69,255.11
Other payables (Refer note 15)	5,684.66	5,013.54
	<b>356,499.19</b>	<b>371,225.85</b>

**Terms and conditions of the above financial liabilities:**

Borrowings: Refer note 13 for detailed terms and conditions.

Trade payable: These are non interest bearing and are normally settled in 0-60 days depending upon terms with respective vendors.

Other payable: These are non interest bearing and are normally settled in 0-60 days depending upon terms with respective vendors.

**16 Other Liabilities**

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Deferred grant income	33,787.93	36,498.17	2,710.24	2,710.24
TDS and TCS payable	-	-	470.66	318.06
Goods and services tax payable	-	-	-	6.85
Advance from customers	-	-	71,294.00	-
Provident fund payable	-	-	167.29	158.10
Employee state insurance payable	-	-	5.96	7.57
Professional tax payable	-	-	4.20	0.80
	<b>33,787.93</b>	<b>36,498.17</b>	<b>74,652.35</b>	<b>3,201.62</b>

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**

**Notes to the Financial Statement for the year ended 31 March 2024**

(All amounts in INR thousand, unless stated otherwise)

**17 Revenue from operations\***

	For the year 31 March 2024	For the year 31 March 2023
Sales of manufacturing goods		
-Sales of products	347,457.65	321,858.66
-Sales of raw material	25,499.98	15,031.60
-Sales of packing material	9,899.82	6,294.60
-Sales of service	43,839.35	17,650.80
Other operating revenue		
- Sales of scrap	317.03	2,766.80
	<u>427,013.83</u>	<u>363,602.46</u>

\*Above revenue has been earned in respect of single business of the Company i.e. Foods and Snacks.

**18 Other income**

	For the year 31 March 2024	For the year 31 March 2023
Interest income on		
-Income tax refund	69.02	14.24
Miscellaneous income		
-Liabilities written back	938.03	166.13
-Amortisation of Deferred grant income	2,710.24	2,710.24
-Sublease rental income	1,861.79	132.56
-Options fair valuation gain	12,706.78	13,426.72
-Provision for obsolete inventory written back	-	1,045.81
-Profit on sale of assets	335.60	-
	<u>18,621.46</u>	<u>17,495.70</u>

**19 Cost of material consumed**

	For the year 31 March 2024	For the year 31 March 2023
<b>Raw materials consumed</b>		
Raw material at the beginning of the year	9,174.17	10,505.93
Add: Purchases	250,617.29	183,487.51
Less: Raw material at the end of the year	(14,619.47)	(9,174.17)
Total cost of Raw material consumed (A)	<u>245,171.99</u>	<u>184,819.27</u>
<b>Packing materials consumed</b>		
Packing material at the beginning of the year	10,683.33	20,143.58
Add: Purchases	87,439.41	61,718.67
Less: Packing material at the end of the year	(19,155.73)	(10,683.33)
Total cost of packing material consumed (B)	<u>78,967.01</u>	<u>71,178.92</u>
Total cost of material consumed (A+B)	<u>324,139.00</u>	<u>255,998.19</u>

**20 Changes in inventories of finished goods and stock-in-trade**

	For the year 31 March 2024	For the year 31 March 2023
<b>Inventories at the beginning of the year</b>		
-Finished goods	3.90	741.03
-Traded goods	-	-
	<u>3.90</u>	<u>741.03</u>
<b>Less: Inventories at the end of the year</b>		
-Finished goods	(1,096.33)	(3.90)
-Traded goods	-	-
	<u>(1,096.33)</u>	<u>(3.90)</u>
	<u>(1,092.43)</u>	<u>737.13</u>



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**21 Employee benefit expenses**

Salary, wages, bonus and other benefits (including on-contract employee)
Contribution to provident and other funds
Gratuity expenses (Refer note 30)
Leave encashment expense
Employee stock options expenses (Refer note 40)
Staff welfare expenses

For the year 31 March 2024	For the year 31 March 2023
40,701.30	38,624.87
1,146.17	1,024.82
623.58	539.06
128.86	96.66
752.51	442.34
3,117.59	2,348.16
<b>46,470.01</b>	<b>43,075.91</b>

**22 Finance costs**

**Interest expenses on Borrowings measured at amortised cost**

-on Term loan
-on Working capital loan
-on Optionally convertible debentures
-on Cash credit

**Others**

-on Statutory dues
-on dues to Micro and Small enterprises
-others

For the year 31 March 2024	For the year 31 March 2023
11,565.65	12,034.05
-	781.53
11,100.15	10,372.94
1,357.14	496.47
46.90	37.24
620.38	118.24
-	11.55
<b>24,690.22</b>	<b>23,852.02</b>

**23 Other expenses**

Power and fuel expense
Stores and spares consumed
Water expenses
Freight outward and forwarding charges
Repairs and maintenance - machinery
Repairs and maintenance - others
Rates, taxes and fees
Rent expense
Legal and professional expense (Refer footnote i)
Balances written off (other than trade receivables)
Travelling expenses
Loss on sale of Property plant and equipments
Insurance expense
Bank charges
Provision for obsolete inventory
Provision for doubtful debt
Provision for doubtful balances
Other expenses

For the year 31 March 2024	For the year 31 March 2023
29,873.24	30,422.35
4,973.89	6,988.76
2,629.59	2,539.08
2,048.95	2,430.89
1,449.06	2,975.03
3,838.70	4,110.45
202.33	289.77
1,790.52	1,959.92
3,081.09	1,084.38
-	1,055.17
3,874.85	3,670.23
-	561.68
750.80	775.52
242.27	321.11
629.73	-
75.40	1,679.62
2,423.43	-
1,045.96	633.21
<b>58,929.81</b>	<b>61,497.17</b>

**Footnote i:** Details of payments to auditors (exclude GST)^:

**As auditors for:**

Statutory audit fees
Group audit reporting fees
Tax audit fees
Certificates
Quarterly reviews
Out of pocket expenses

For the year 31 March 2024	For the year 31 March 2023
230.00	230.00
20.00	-
20.00	30.00
35.00	10.00
200.00	150.00
2.00	10.50
<b>507.00</b>	<b>430.50</b>





**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**24 Income tax**

Major components of Income tax expense for the year ended 31 March 2024 and year ended 31 March 2023:	For the year 31 March 2024	For the year 31 March 2023
<b>Profit and loss section</b>		
Current income tax:		
Current income tax charge	-	-
Adjustment in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Adjustment in respect of previous year	-	-
<b>Income tax expense reported in profit and loss section</b>	<b>-</b>	<b>-</b>
<b>OCI section</b>		
Deferred tax related to items recognised in OCI during the year:		
Re-measurement gains of defined benefit plans	-	-

Neither deferred tax nor current tax relating to any component has been charged or credited directly to equity.

Reconciliation of tax expense with the accounting tax based on India's domestic tax rate for 31 March 2024 and 31 March 2023:

	For the year 31 March 2024	For the year 31 March 2023
Accounting (loss) before income tax	(30,833.08)	(26,994.18)
Accounting (loss) taxable at India's domestic tax rates	<b>(30,833.08)</b>	<b>(26,994.18)</b>
Tax calculated at India's standard statutory tax rates 26.00% (31 March 2023: 26.00%)	(8,016.60)	(7,018.49)
Difference in tax as per books and tax as per table above	<b>8,016.60</b>	<b>7,018.49</b>
<b>Reason for differences:</b>		
Non recognition of deferred tax assets in absence of reasonable certainty of reversal	8,016.60	7,018.49
	<b>8,016.60</b>	<b>7,018.49</b>

**Deferred tax**

The Company has not recognised Deferred Tax assets in absence of reasonable certainty of its reversal in near future.

**25 Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit (or loss, as applicable) for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting effect of dilutive shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares. Due to losses, OCDs have been considered as anti dilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year 31 March 2024	For the year 31 March 2023
Loss after tax attributable to the Equity shareholders (in Rs. thousands)	(30,833.08)	(26,994.18)
Basic and diluted average equity shares (in numbers)	7,378,098	7,378,098
Nominal value of equity shares (in Rs.)	10.00	10.00
Basic and diluted earnings loss per shares (in Rs.)	(4.18)	(3.66)

**26 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Judgements**

There are no significant judgements involved in preparation of these financial statement.



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
 (All amounts in INR thousand, unless stated otherwise)

**Estimates and assumptions**

**Useful life, method and residual value of property plant and equipment**

Plant and machineries and factory buildings contribute significant portion of the Company's Property, plant and equipment. The Company capitalises its plant and machineries and factory buildings in accordance with the accounting policy disclosed under note 2.3 above. The Company estimates the useful life and residual value of assets as mentioned in note 2.3. However the actual useful life and residual value may be shorter/ less or longer/ more depending on technical innovations and competitive actions. Further, Company is depreciating its plant and machineries and factory buildings by using straight line method based on the management estimate that repairs/ wear and tear to plant and machineries and factory buildings are consistent over useful life of assets.

**Income taxes**

In assessing the realizability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax-planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company may not realize the benefits of those deductible differences.

**Fair value measurement of OCD - option in convertible debentures**

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Changes in assumptions relating to these inputs could affect the fair value of financial instruments.

**27 Commitments and contingencies**

**a. Commitments**

Estimated amount of contracts remaining to be executed on capital account [Net of advances of Rs. 2,002.16 (31 March 2023: Rs.19,651.48 )]

	<b>For the year 31 March 2024</b>	<b>For the year 31 March 2023</b>
	15,519.87	19,651.48
	<b>15,519.87</b>	<b>19,651.48</b>

**b. Contingencies- contingent liabilities**

**Claims against the Company not acknowledged as debt:**

The Company has estimated Contingent Liabilities in respect of show-cause notices received from Government Authorities in respect of the following:

(i) Goods and Service Tax (GST) exposure based on show cause notice received from authorities during the GST audit performed by them for the period 01 July 17 till 31 March 20. These matters are detailed as follows:

- a. Interest on delayed reversal of excess input credit availed  
 b. Availment of blocked input tax credits  
 c. Duty payable as per Reverse Charge Mechanism

	<b>For the year 31 March 2024</b>	<b>For the year 31 March 2023</b>
	4,904.71	5,550.20
	811.79	811.79
	70.20	79.45
	<b>5,786.70</b>	<b>6,441.44</b>

Based on favourable decisions in similar cases and discussions with the consultants etc., the Company believes that it has good cases in respect of all the items listed above and hence no provision against these is considered necessary.

**c. Contingencies- contingent assets**

There is no contingent assets as at 31 March 2024 (31 March 2023: nil).

**d. Other litigations (not considered as provision or contingent liability)**

The Company has ongoing disputes with income tax authorities for assessment year 2021-22 relating to tax treatment of certain transaction which has been added as income in assessment order under section 143(1) twice. Against this order the Company filed an appeal which was decided in favour of the Company during the year. Effect of same on demand order issued by Assessing Officer is pending to be issued. As at March 31, 2024, these amount to Rs. 13,630.90 thousand (31 March 2023: 13,630.90) excluding applicable interest post date of such demand. Considering the fact of the matter, the Company believes that these demands will be reversed and hence no liability has been accounted for.





**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**28 Related Party Disclosures**

In accordance with the requirement of Ind AS- 24 on "Related Party Disclosures", the names of the related parties where control exists along with the aggregate transactions/ year end balances with them as identified and certified by the management are given below:

**A) Name of related parties and description of relationship**

**i. Parties that exercise common control**

<b>Relationship</b>	<b>Name</b>
Holding company	Bikaji Foods International Limited*
	(Note : Hanuman Agrofood Private limited has been merged in Bikaji foods International Limited w.e.f 14 February 2024 with appointed date being 1 April 2022. Accordingly, all transactions and balances relating to Hanuman Agrofoods Private Limited have been clubbed with Bikaji Foods International Limited).

**ii. Key Management Personnel and their relatives:**

<b>Relationship</b>	<b>Name</b>
Director	Sulabh Bhandari
Director	Vishrut Rangwala
Director	Deepak Agarwal
Director	Shweta Agarwal

**B) Transactions with related parties (excluding GST, as applicable):**

	<b>For the year 31 March 2024</b>	<b>For the year 31 March 2023</b>
<b><u>Expenditure</u></b>		
Key Management Personnel	2,102.46	768.59
<b><u>Interest expenditure</u></b>		
Bikaji Foods International Limited	11,100.15	10,372.94
<b><u>Expenditure recharged</u></b>		
Bikaji Foods International Limited	5,649.19	16,725.03
<b><u>Expenditure paid</u></b>		
Bikaji Foods International Limited	630.94	1,113.85
<b><u>Purchases</u></b>		
Bikaji Foods International Limited*	58,233.49	65,725.14
<b><u>Sales</u></b>		
Bikaji Foods International Limited	321,701.24	294,545.23
<b><u>Sales of capital goods</u></b>		
Bikaji Foods International Limited	3,996.31	3,262.97
<b><u>Purchase of capital goods</u></b>		
Bikaji Foods International Limited	-	352.79
<b><u>Remuneration - Short term employee benefits</u></b>		
Vishrut Rangwala	3,024.00	3,024.00
<b><u>Remuneration - ESOP expenses</u></b>		
Vishrut Rangwala	401.99	442.34
<b><u>Remuneration - Contribution to defined contribution plan</u></b>		
Vishrut Rangwala	21.60	21.60
<b><u>Remuneration - Expenses accrued/ (reversed) towards defined benefit plans</u></b>		
Vishrut Rangwala	385.32	126.85



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
(All amounts in INR thousand, unless stated otherwise)

**C) Balance outstanding as at year end**

	<b>For the year 31 March 2024</b>	<b>For the year 31 March 2023</b>
<b><u>Borrowings (including OCD)</u></b>		
Bikaji Foods International Limited	138,883.64	130,589.98
<b><u>OCD call option derivatives</u></b>		
Bikaji Foods International Limited	-	12,706.78
<b><u>Trade Payable (Including Capital assets purchase related payable and Advance from customer)</u></b>		
Bikaji Foods International Limited	100,476.39	45,538.91
Key Management Personnel	136.19	141.67
<b><u>Salary payable</u></b>		
Key Management Personnel	187.33	184.25

In addition to above mentioned outstanding balances as at year end, Holding Company has also given guarantee for borrowings obtained by the Company (refer footnote i to Note 13).

**29 Defined contribution plan**

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

	<b>For the year 31 March 2024</b>	<b>For the year 31 March 2023</b>
Employer's contribution to provident fund	1,081.92	947.78
Employer's contribution to employee state insurance fund	62.57	77.04
Employer's contribution to labour welfare fund	1.68	-
	<b>1,146.17</b>	<b>1,024.82</b>

**30 Defined employment benefits (Gratuity)**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employee who are in continuous service for a period of more than 5 years are eligible for gratuity. The amount of gratuity on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

**i. Changes in the present value of the defined benefit obligation are as follows:**

	<b>For the year 31 March 2024</b>	<b>For the year 31 March 2023</b>
Present value of defined benefit obligation as at the beginning of the year	1,256.91	982.91
Interest cost	109.99	89.46
Current service cost	513.59	449.60
Benefits paid	(105.93)	(90.85)
Actuarial loss on obligations	(23.73)	(174.21)
Present value obligation as at the end of the year	<b>1,750.83</b>	<b>1,256.91</b>

**ii. Reconciliation of present value of defined benefit obligation and fair value of assets**

	<b>For the year 31 March 2024</b>	<b>For the year 31 March 2023</b>
Present value of defined benefit obligation as at the end of the year	(1,750.83)	1,256.91
Fair value of plan assets as at the end of the year	-	-
Net funded surplus	<b>(1,750.83)</b>	<b>1,256.91</b>





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**iii. Expenses recognized in the Statement of Profit and Loss**

	<b>For the year 31 March 2024</b>	<b>For the year 31 March 2023</b>
Current service cost	513.59	449.60
Interest cost	109.99	89.46
<b>Total recognised in profit and loss</b>	<b>623.58</b>	<b>539.06</b>
Remeasurements		
-(Gain) from change in demographic assumptions	-	-
-(Gain)/ loss from change in financial assumptions	39.23	16.76
-Experience loss/ (gain) adjustments	(62.96)	(190.97)
<b>Total recognised in other comprehensive income</b>	<b>(23.73)</b>	<b>(174.21)</b>

iv. The Company's defined benefit plan is unfunded and hence disclosure relating to 'Employers best estimate of contribution to defined benefit plan (gratuity) for next reporting period' is not applicable.

v. The weighted average duration of defined benefit obligation is 13.81 years (31 March 2023: 14.59 years).

**vi. The expected maturity analysis of defined benefit obligation (gratuity) is as follows:**

**For the year 31 March 2024**

	<b>Less than 1 year</b>	<b>Between 1-2 years</b>	<b>Between 2-5 years</b>	<b>Over 5 years</b>	<b>Total</b>
Defined benefit obligation (gratuity)	88.02	119.37	454.75	816.02	1,478.16

**For the year 31 March 2023**

	<b>Less than 1 year</b>	<b>Between 1-2 years</b>	<b>Between 2-5 years</b>	<b>Over 5 years</b>	<b>Total</b>
Defined benefit obligation (gratuity)	31.43	75.91	330.97	608.62	1,046.93

**vii. Actuarial assumptions**

	<b>For the year 31 March 2024</b>	<b>For the year 31 March 2023</b>
Discount rate (per annum)	7.09%	7.34%
Expected Rate of increase in compensation levels	10%	10%
Mortality Rate	IALM (2012-14)	IALM (2012-14)
Withdrawal Rate	Ultimate 10.00%	Ultimate 10.00%

The discount rate assumed is 7.09% per annum (31 March 2023: 7.34% per annum) which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

A quantitative sensitive analysis for significant assumptions are as follows:

**For the year 31 March 2024**

	<b>Increase by %</b>	<b>Impact on PBO</b>	<b>Decrease by %</b>	<b>Impact on PBO</b>
Discount rate	1%	(148.59)	1%	172.75
Future salary increase	1%	120.20	1%	(128.12)

**For the year 31 March 2023**

	<b>Increase by %</b>	<b>Impact on PBO</b>	<b>Decrease by %</b>	<b>Impact on PBO</b>
Discount rate	1%	(112.26)	1%	130.98
Future salary increase	1%	91.78	1%	(88.35)

The sensitivity analyses above have been determined on a method that extrapolates the impact of defined benefit obligation as result of reasonable changes in key assumptions occurring at the end of the reporting period. Sensitivity in respect of withdrawal rate and mortality is insignificant.



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**

**Notes to the Financial Statement for the year ended 31 March 2024**

(All amounts in INR thousand, unless stated otherwise)

**31 Fair values**

The management assessed that carrying value of cash and cash equivalents, trade receivables, borrowings, trade payable, other current financial liabilities and other current financial assets approximates their fair value amounts largely due to short term maturities of these instruments except for long term borrowings. In case of long term borrowing, there has been no significant movement in interest rates applicable on those borrowings and interest rates prevailing as at reporting dates and accordingly carrying value and fair value of these long term values as at balance sheet dates are similar. Security deposits classified as non current financial assets are for perpetuity and shall be refundable on surrendering of electricity connection only, which is highly unlikely and hence fair value of the same cannot be determined in absence of definite period of such deposits. Comparison of the carrying value and fair value of the Company's financial instruments are as follows:

	Carrying values		Fair values	
	For the year 31 March 2024	For the year 31 March 2023	For the year 31 March 2024	For the year 31 March 2023
<b>Financial assets at amortised cost (Level 3)</b>				
Cash and cash equivalents	264.96	1,588.89	264.96	1,588.89
Trade receivables	8,692.85	5,438.80	8,692.85	5,438.80
Others	237.80	233.00	237.80	233.00
	<b>9,195.61</b>	<b>7,260.69</b>	<b>9,195.61</b>	<b>7,260.69</b>
<b>Financial Liabilities at amortised cost (Level 3)</b>				
Borrowings other than OCD	146,844.44	166,367.21	146,844.44	166,367.21
Borrowings-OCD	138,883.64	130,589.98	136,693.68	126,888.28
Trade payables	65,086.44	69,255.10	65,086.44	69,255.10
Others	5,684.66	5,013.54	5,684.66	5,013.54
	<b>356,499.18</b>	<b>371,225.83</b>	<b>354,309.22</b>	<b>367,524.13</b>

The fair value of the financial assets above is included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in distress sale or liquidation sale. The following methods and assumptions were used to estimate the fair value:

-Bank deposits, borrowing, loans and other financial liabilities and assets are evaluated by the Company based on Interest rates prevailing with scheduled banks for similar denomination and remaining duration of deposits/ borrowings (as applicable to assets and liabilities, respectively). As there has been no significant movement in interest rates, fair valued amount is also likely to be similar to carrying value. Hence, carrying amounts of these deposits have been determined as fair valued amounts.

**32 Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

**Quantitative disclosures fair value measurement hierarchy as at 31 March 2024:**

	Date of valuation	Total	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Value of call options of OCD Series A	31 March 2024	-	-	-	-
Value of call options of OCD Series B	31 March 2024	-	-	-	-
		-	-	-	-

**Quantitative disclosures fair value measurement hierarchy as at 31 March 2023:**

	Date of valuation	Total	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Value of call options of OCD Series A	31 March 2023	6,718.34	-	-	6,718.34
Value of call options of OCD Series B	31 March 2023	5,988.44	-	-	5,988.44
		<b>12,706.78</b>	-	-	<b>12,706.78</b>



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
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**Level 3 fair values**

The following table shows a breakdown of the total gains (losses) recognised in respect of Level 3 fair values (Call options of Series A and Series B OCDs):

	For the year 31 March 2024	For the year 31 March 2023
<b>Gain included in 'other income'</b>		
Change in fair value (realised)	-	-
Change in fair value (unrealised)	(12,706.78)	(13,426.72)
<b>Gain included in 'other expenses'</b>		
Change in fair value (realised)	-	-
Change in fair value (unrealised)	-	-

The fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on unobservable market parameters. The valuation models used by the Company reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, volatility etc. These models do contain a high level of subjectivity as the valuation techniques used require significant judgement and inputs thereto are unobservable.

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value
Call options of OCD Series A and Series B	Discounted cash flows: The valuation model considers the present value of the net cash flows expected to be generated by the Company. The cash flow projections include specific estimates for 6 years. The expected net cash flows are discounted using a risk adjusted discount rate. Terminal value (earnings post 6th years till perpetuity) has been arrived using the Gordon Growth method. In the previous year, Computation of Option value of OCD has been arrived using Black-Scholes-Merton model. In the current year, the value has been determined as negative. Accordingly, value of options have been reduced to zero.	Key Inputs to Business Model: -Free cash flows -Volatility of stock	-An increase in free cash flows increases the valuation on option, and vice versa. -An increase in risk free rate increases the valuation, and vice versa. -An increase in volatility of stock increase the valuation, and vice versa.

**Sensitivity analysis of significant unobservable input on the fair value of Call options of OCD Series A and Series B:**

**Sensitivity to fair value as at 31 March 2024:**

Particulars	Increase %	Decrease %	Increase amount	Decrease amount
Free cash flows	+1%	-1%	-	-
Volatility of stock	+2%	-2%	-	-

**Sensitivity to fair value as at 31 March 2023:**

Particulars	Increase %	Decrease %	Increase amount	Decrease amount
Free cash flows	+1%	-1%	3,384.38	(6,768.76)
Volatility of stock	+2%	-2%	670.00	(690.00)

**Level 2 fair values**

The Company uses the Discounted Cash Flow valuation technique which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates prevailing in market. The fair value so determined are classified as Level 2 and has been used for disclosure purposes only.





**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
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 (All amounts in INR thousand, unless stated otherwise)

**33 Financial risk management objectives and policies**

The Company's principal financial liabilities comprise borrowings, operating lease liabilities, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and term deposits that derive directly from its operations and contributions.

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

**i. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings, OCDs and term deposits.

**a. Foreign currency risk**

The Company is not exposed to foreign exchanges and related risks.

**b. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company in accordance with its policy, take borrowing and invest in deposits for periods lesser than 5 year to avoid any significant interest rate movements due to very longer maturity duration of instruments.

The Company's major borrowings are variable rate borrowings.

**Interest rate sensitivity analysis**

	Increase by %	Impact on (amount) loss for the period	Decrease by %	Impact on (amount) loss for the year
For the year 31 March 2024	0.50%	659.77	0.50%	(659.77)
For the year 31 March 2023	0.50%	826.71	0.50%	(826.71)

**ii. Credit risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

**Trade receivables**

Customer credit risk is managed by the Company subject to the Company's established receivable management policy. The policy details how credit will be managed, past due balances collected, allowances and reserves recorded and bad debt written off. Credit terms are the established timeframe in which customers pay for purchased product. Outstanding customer receivables are regularly monitored by the Management.

An impairment analysis is performed at each reporting date on an individual basis for customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Company evaluates the concentration of risk with respect to trade receivables as high, as its customers are located in common jurisdictions and operate in common markets.

At 31 March 2024, the Company had 3 customer (31 March 2023: 2 customers) that owed the Company more than Rs. 1,000 each and accounted for approximately 77% (31 March 2023: 73%) of all the receivables outstanding.

**Movement in expected credit loss on trade receivables during the year:**

	For the year 31 March 2024	For the year 31 March 2023
Opening balance		
Add: Provision created during the year	2,681.22	1,001.60
Less: Provision utilised during the year	75.40	1,679.62
Closing	(902.20)	-
	<b>1,854.42</b>	<b>2,681.22</b>

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Director of the Company. Investments of surplus funds are made only in bank deposits. The management continuously assess credit ratings in banks as risk assessment tool.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2024 and 31 March 2023 is the carrying amounts.



**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
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**iii. 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. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

**As at 31 March 2024**

	Less than 3 month	3 - 12 months	1 - 5 years	More than 5 years	Total
Borrowings	92,184.15	31,875.00	161,668.93	-	285,728.08
Trade payables	65,086.44	-	-	-	65,086.44
Employee related payables	2,081.33	-	-	-	2,081.33
Interest accrued but not due on borrowings	169.66	-	-	-	169.66
Payables for acquisition of Property plant and equipment	3,433.67	-	-	-	3,433.67
	<b>162,955.25</b>	<b>31,875.00</b>	<b>161,668.93</b>	<b>-</b>	<b>356,499.18</b>

**As at 31 March 2023**

	Less than 3 month	3 - 12 months	1 - 5 years	More than 5 years	Total
Borrowings	26,436.13	31,875.00	108,212.87	130,433.20	296,957.20
Trade payables	69,255.10	-	-	-	69,255.10
Employee related payables	1,844.48	-	-	-	1,844.48
Interest accrued but not due on borrowings	1,196.83	-	-	-	1,196.83
Payables for acquisition of Property Plant and	1,972.23	-	-	-	1,972.23
	<b>100,704.77</b>	<b>31,875.00</b>	<b>108,212.87</b>	<b>130,433.20</b>	<b>371,225.84</b>

Above amounts contain discounted values and undiscounted values. Undiscounted values are very short term in nature and hence values above approximately represent discounted values.

**Collateral**

The Company has pledged part of its deposits, Inventories, trade receivables and portion of its property, plant and equipment in order to fulfil the collateral requirements for the borrowings. The counterparties have an obligation to return the securities to the Company. There are no other significant terms and conditions associated with the use of collateral.

**34 Segment reporting**

The Company primarily operates in the Foods and Snacks segment. The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no separate reportable segments for the Company as per the requirement of Ind AS 108 "Operating Segments".

Geographical locations (secondary segment): The Company's entire sales is in single location i.e. 'within India'.

**Segment revenue with major customers**

During the period ended 31 March 2024, 96.92% (31 March 2023: 99.99%) of the Company's revenue was generated from three customers (31 March 2023: two customers).

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED****Notes to the Financial Statement for the year ended 31 March 2024**

(All amounts in INR thousand, unless stated otherwise)

**35 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 25% and 50%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	As at 31 March 2024	As at 31 March 2023
Borrowings	285,728.09	296,957.20
Trade payables	65,086.44	69,255.10
Others	5,684.66	5,013.54
Less: cash and cash equivalents	(264.96)	(1,588.89)
<b>Net debt</b>	<b>356,234.23</b>	<b>369,636.95</b>
Total equity	(58,196.92)	(27,509.14)
<b>Total capital</b>	<b>(58,196.92)</b>	<b>(27,509.14)</b>
<b>Total capital and net debt</b>	<b>298,037.31</b>	<b>342,127.81</b>
<b>Gearing ratio</b>	<b>119.53%</b>	<b>108.04%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2024 and year ended 31 March 2023.

**36 Leases**

The Company has taken land and building on operating leases. These lease arrangements range for a period between 11 months to 15.83 years (31 March 2023: 11 months to 15.83 years), which include both cancellable and non-cancellable leases. Information about the leases for which the Company is a lessee is presented below:

**(i) Right-of-use asset**

Details of movement in carrying amounts of right of use assets is as detailed in note 4.

**(ii) Lease liabilities**

There are no operating lease liabilities as at reporting date.

**(iii) Amounts recognised by the Company in statement of profit and loss**

	For the year 31 March 2024	For the year 31 March 2023
Right of use assets	514.35	514.35
Income from subleasing right-of-use assets	(1,861.79)	(132.56)
Expense relating to short term leases	1,790.52	1,959.92
	<b>443.08</b>	<b>2,341.71</b>

**(iii) Amounts recognised by the Company in statement of cash flows**

	For the year 31 March 2024	For the year 31 March 2023
Total cash (outflow) for leases (represent short term leases)	(1,790.52)	(1,959.92)





**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
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**Extension options**

Lease contain extension options exercisable by the Company before the end of the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only on mutual agreement. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassess whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
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**37 Ratios as per the Schedule III requirements**

**a) Current ratio = Current assets divided by Current liabilities**

**Particulars**

	As at 31 March 2024	As at 31 March 2023
Current assets	87,167.53	79,058.08
Current liabilities	269,627.55	135,947.14
Ratio	0.32	0.58
% Change from previous year	(44.83%)	

**Reason for change more than 25%:**

This ratio has changed mainly due to losses incurred during the year resulting in increased current liabilities.

**b) Debt equity ratio = Total debt divided by Total equity where total debt refers to sum of current and non current borrowings**

**Particulars**

	As at 31 March 2024	As at 31 March 2023
Total debt	285,728.09	296,957.21
Total equity	(58,196.92)	(27,509.14)
Ratio	(4.91)	(10.79)
% Change from previous year	(54.49%)	

**Reason for change more than 25%:**

This ratio has changed mainly due to losses incurred during the year resulting in decreased equity.

**c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments**

**Particulars**

	For the year 31 March 2024	For the year 31 March 2023
Profit after tax	(30,833.08)	(26,994.18)
<b>Add: Non cash operating expenses and finance cost</b>		
- Depreciation and amortizations	23,331.76	22,931.92
- Finance cost	24,022.95	23,685.00
<b>Earnings available for debt services</b>	<b>16,521.63</b>	<b>19,622.75</b>
Interest paid on borrowings	14,354.33	12,462.19
Principal repayments	42,500.00	18,750.00
Total Interest and principal repayments	<b>56,854.33</b>	<b>31,212.19</b>
Ratio	0.29	0.63
% Change from previous year	(53.97%)	

**Reason for change more than 25%:**

This ratio has changed mainly due to increase in losses and bank repayments during the year.

**d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity**

**Particulars**

	For the year 31 March 2024	For the year 31 March 2023
Net profit after tax	(30,833.08)	(26,994.18)
Total equity	(58,196.92)	(27,509.14)
Ratio	0.53	0.98
% Change from previous year	(45.92%)	

**Reason for change more than 25%:**

This ratio has changed mainly due to losses incurred during the year resulting in decreased equity.

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
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**e) Inventory Turnover Ratio = Cost of materials consumed divided by closing inventory**  
**Particulars**

Cost of materials consumed  
Closing inventory  
Inventory turnover  
% Change from previous year

For the year 31 March 2024	For the year 31 March 2023
324,139.00	255,998.19
34,147.56	20,211.18
9.49	12.67
-25.10%	

**Reason for change more than 25%:**

This ratio has changed due to higher Inventory levels as at current year end.

**f) Trade Receivables turnover ratio = Total Sales divided by Closing trade receivables**  
**Particulars**

Total sales  
Closing trade receivables  
Ratio  
% Change from previous year

For the year 31 March 2024	For the year 31 March 2023
427,013.83	363,602.46
8,692.85	5,438.81
49.12	66.85
-26.52%	

**Reason for change more than 25%:**

This ratio has changed due to lower realisation and higher sales to new customers.

**g) Trade payables turnover ratio = Credit purchases divided by closing trade payables**  
**Particulars**

Total purchases  
Closing trade payables  
Ratio  
% Change from previous year

For the year 31 March 2024	For the year 31 March 2023
338,056.69	245,206.17
65,086.43	69,255.10
5.19	3.54
46.61%	

**Reason for change more than 25%:**

This ratio has changed due to higher payments to vendors due to working capital generated from advances from customer during the year.

**h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities**  
**Particulars**

Total sales  
Net working capital  
Ratio  
% Change from previous year

For the year 31 March 2024	For the year 31 March 2023
427,013.83	363,602.46
(182,460.02)	(56,889.07)
(2.34)	(6.39)
-63.38%	

**Reason for change more than 25%:**

This ration has changed due to lesser payments to vendors due to losses incurred during the year.

**i) Net profit ratio = Net profit after tax divided by Sales**  
**Particulars**

Net profit after tax  
Total Sales  
Ratio  
% Change from previous year

For the year 31 March 2024	For the year 31 March 2023
(30,833.08)	(26,994.18)
427,013.83	363,602.46
(0.07)	(0.07)

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
 (All amounts in INR thousand, unless stated otherwise)

**j) Return on Capital employed (pre cash)=Earnings before interest and taxes(EBIT) divided by Capital Employed (pre cash)**

Particulars	For the year	For the year
	31 March 2024	31 March 2023
Profit before tax (A)		
Finance costs (B)	(30,833.08)	(26,994.18)
Other income (C)	24,690.22	23,852.02
EBIT (D) = (A)+(B)-(C)	18,621.46	17,495.70
Net worth	(24,764.32)	(20,637.86)
Long term debt (including current maturities)	(58,196.92)	(27,509.14)
Less: Cash and cash equivalents	267,359.43	281,302.87
Less: Bank balances other than cash and cash equivalents	(264.96)	(1,588.89)
Capital Employed	-	-
Ratio	208,897.55	252,204.84
% Change from previous year	(0.12)	(0.08)
	50.00%	

**Reason for change more than 25%:**

This ratio has changed mainly on account of losses incurred during the year.

38 The Company has a net working capital deficit of Rs. (182,460.02) as of 31 March 2024 and net worth of the Company has also eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as going concern. However, the financial statements of the Company have been prepared on a going concern basis, since the management believes the Company to be profitable in near future. Further, the Company has also received a support letter from its Holding Company to provide financial support to continue as going concern. Accordingly, these financial statements are prepared on a going concern basis.

**39 Statement of reconciliation between opening and closing balances of balance sheet liabilities arising from financing activities due to cash flow and non-cash changes:**

	Borrowings not considered as cash and cash equivalents and working capital loans	Optionally convertible debentures	Interest accrued (on borrowing)
Balance as at 1 April 2022			
Cash movements	169,163.74	122,034.48	479.08
Non cash movements	(18,750.00)	(1,817.44)	(12,462.19)
Interest expense for the year	-	10,372.94	13,479.08
Deferred fees on borrowings	299.14	-	(299.14)
<b>Closing as at 31 March 2023</b>	<b>150,712.88</b>	<b>130,589.98</b>	<b>1,196.83</b>
Cash movements	(22,500.00)	(2,806.49)	(14,354.33)
Non cash movements			
Interest expense for the year	-	11,100.15	13,590.07
Deferred fees on borrowings	262.91	-	(262.91)
<b>Closing as at 31 March 2024</b>	<b>128,475.79</b>	<b>138,883.64</b>	<b>169.66</b>

**40 Share based payment**

The shareholder of Parent Company, during the financial year 2021-22, approved Bikaji ESOP-I 2021 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Parent Company and its subsidiaries. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The maximum number of share options will not exceed 50 lakhs. The option granted vest over a period of 2 years from the date of grant in proportions specified in the respective ESOP Plans. Options may be exercised by the employee after vesting period within 7 years from the date of Vest. The fair value as on the date of the grant of the options, representing Stock compensation charge, is expensed over the vesting period.

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**PETUNT FOOD PROCESSORS PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31 March 2024**  
 (All amounts in INR thousand, unless stated otherwise)

**Movement in share option during the year**

Particulars	For the year 31 March 2024		For the year 31 March 2023	
	Number of options (absolute)	Weighted average exercise price (INR)	Number of options (absolute)	Weighted average exercise price (INR)
Options outstanding at the beginning of the year	6,000	165	6,000	165
Options granted during the year	13,500	450	-	-
Options forfeited / lapsed during the year	-	-	-	-
Options vested during the year	2,000	165	4,000	165
Options exercised during the year	6,000	165	-	-
Options outstanding at the end of the year	13,500	450	6,000	165
Options vested and exercisable	-	-	4,000	165

The fair value at grant date is determined using the Black- Scholes valuation method which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the average dividend yield and the risk free interest rate for the term of the option. The following tables list the inputs used for fair valuation of options for the ESOP plans:

Grant date	For the year 31 March 2024	For the year 31 March 2023
	13 December 2023	07 January 2022
Weighted average fair value of the options at the grant dates (INR)	245.83	115.68
Dividend yield (%)	0.13	0.91
Risk free interest rate (%)	6.89-6.92	5.78-6.08
Expected life of share options (years)	3.70-4.71	4.51-5.51
Expected volatility (%)	35.00	45.81-46.57
Weighted average share price (INR)	533.25	220.04
Weighted average remaining contractual life (days)	1,517	2,959
Exercise price	450.00	165.00

For ESOPs granted on 07 January 2022, during the year, the Company recorded an employee stock compensation expense of 121.57 thousand (previous year 442.34 thousand) in the Statement of Profit and Loss with corresponding credit to Share based payment reserve (Parent Company ESOP) in other equity. This amount was not payable to Holding Company.

For ESOPs granted on 13 December 2023, during the year, the Company recorded an employee stock compensation expense of 630.94 thousand (previous year: Nil) in the Statement of Profit and Loss with corresponding credit to amount payable to holding company. This amount was payable to the Holding Company.

As per our report of even date attached  
 For **Vishal Chaturvedi & Co**  
 Chartered Accountant  
 ICAI Firm Registration No. 031179C

**Vishal Chaturvedi**  
 Proprietor  
 Membership No.: 410058

Place: Greater Noida West  
 Date: 22 May 2024



For and on the behalf of Board of Directors of  
**Petunt Food Processors Private Limited**  
 CIN: U15549KA2017PTC106402

**Vishrut Rangwala**  
 Director  
 DIN: 07572669

Place: Tumkur  
 Date: 22 May 2024

**Sulabh Bhandari**  
 Director  
 DIN: 02841752