

Walker Chandiok & Co LLP

Financial Statements and Independent Auditors' report

Apricot Foods Private Limited

31 March 2022

Walker Chandiook & Co LLP
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India
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**Independent Auditor's Report
To the Members of Apricot Foods Private Limited**

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Apricot Foods Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's 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.



Apricot Foods Private Limited

Independent Auditor's Report to the Members of Apricot Foods Private Limited Report on the Audit of the Financial Statements for the year ended 31 March 2022 (cont'd)

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. 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

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 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;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;



Apricot Foods Private Limited

Independent Auditor's Report to the Members of Apricot Foods Private Limited Report on the Audit of the Financial Statements for the year ended 31 March 2022 (cont'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;
 - 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;
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the Company to express an opinion on the financial statements.
10. 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.

Report on Other Legal and Regulatory Requirements

11. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - 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 financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us;
 - i. the Company, as detailed in note 40 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022.}

Walker Chandiook & Co LLP

Apricot Foods Private Limited

Independent Auditor's Report to the Members of Apricot Foods Private Limited Report on the Audit of the Financial Statements for the year ended 31 March 2022 (cont'd)

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;
- iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013


Vikram Phani
Partner
Membership No.: 060568

UDIN: 22060568AHQQDA1284

Place: Noida

Date: 23 April 2022



Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Apricot Foods Private Limited on the financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has a working capital limit in excess of ₹ 5 crore sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits, have been filed by the Company with such banks and there are no material discrepancies between such statements and the books of account of the Company for the respective periods, which were not subject to audit.

The Company has not filed the quarterly statement with such bank as required by the sanction letter for the quarter ended 31 March 2022, since the due date for the same is 15 May 2022 and accordingly, we are unable to comment on the same.
- iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- iv. The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.



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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Apricot Foods Private Limited on the financial statements for the year ended 31 March 2022 (cont'd)

- vii. (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ Lakhs)	Amount paid under Protest (₹ Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	68.84	13.77	A.Y. 2014-15	Commissioner of Income Tax (Appeals)
Gujarat Value added Tax Act, 2003	Value added tax	33.75	4.07	F.Y. 2016-17 and F.Y. 2017-18	Deputy Commissioner of State Tax. Value Added Tax Appellate Authorities

- viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings to any lender or in the payment of interest thereon.
- (b) According to the information and explanations given to us including confirmations received from banks and other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3 (x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year. Accordingly, reporting under clause 3 (x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.



Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Apricot Foods Private Limited on the financial statements for the year ended 31 March 2022 (cont'd)

- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3 (xvi) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses in the current and immediately preceding financial years amounting to ₹ 686.53 lakhs and ₹ 346.08 lakhs respectively.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3 (xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3 (xx) of the Order is not applicable to the Company.




Walker Chandiok & Co LLP

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Apricot Foods Private Limited on the financial statements for the year ended 31 March 2022 (cont'd)

- xxi. The reporting under clause 3 (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Vikram Dhanania
Partner
Membership No.: 060568

UDIN: 22060568AHQQDA1284

Place: Noida
Date: 23 April 2022



Annexure B to the Independent Auditor's Report of even date to the members of Apricot Foods Private Limited on the financial statements for the year ended 31 March 2022

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Apricot Foods Private Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. 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.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013



Vikram Dhanania

Partner

Membership No.: 060568

UDIN No.: 22060568AHQQDA1284

Place: Noida

Date: 23 April 2022



Apricot Foods Private Limited
Balance Sheet as at 31 March 2022
(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	2,958.30	3,129.10
(b) Intangible assets	4	23.80	-
(c) Right-of-use asset	6	60.81	62.23
(d) Deferred tax assets (net)	7	1,280.80	923.79
(e) Income-tax assets (net)	8	29.53	26.75
(f) Other financial assets	9 (A)	47.41	33.22
Sub-total (A)		4,400.65	4,175.09
Current assets			
(a) Inventories	10	919.13	927.07
(b) Financial assets			
(i) Trade receivables	11	535.50	375.30
(ii) Cash and cash equivalents	12	20.95	29.38
(iii) Other financial assets	9 (B)	-	578.50
(d) Other current assets	13	47.86	28.67
Sub-total (B)		1,523.44	1,938.92
Total Assets (A+B)		5,924.09	6,114.01
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	40.00	40.00
(b) Other equity	15	1,319.71	2,088.73
Sub-total (C)		1,359.71	2,128.73
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(A)	70.51	33.85
(ii) Lease liabilities	17(A)	8.77	7.59
(b) Provisions	18(A)	23.86	-
Sub-total (D)		103.14	41.44
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(B)	2,881.53	2,272.96
(ii) Lease liabilities	17(B)	56.38	61.52
(iii) Trade payables	19		
- total outstanding dues of micro enterprises and small enterprises		396.00	412.62
- total outstanding dues of creditors other than micro enterprises and small enterprises		500.46	640.91
(iv) Other financial liabilities	20	433.15	373.60
(b) Other current liabilities	21	117.53	101.90
(c) Provisions	18(B)	76.19	80.33
Sub total (E)		4,461.24	3,943.84
Total Equity and Liabilities (C+D+E)		5,924.09	6,114.01

The accompanying notes are integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No.: 0010/6N/N500013

Vikram Dhanania
Partner
Membership No. 061868

Place: Noida
Date: 23 April 2022

For and on behalf of the Board of Directors of
Apricot Foods Private Limited

Mallikarjun Vilas Patil
Director
(DIN : 09022183)

Place: Rajkot
Date: 23 April 2022

Rajeev Khandelwal
Director
(DIN: 08763979)



Apricot Foods Private Limited
Statement of Profit and Loss for the year ended 31 March 2022
(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations	22	18,259.71	16,654.77
Other income	23	47.27	51.75
Total income		18,306.98	16,706.52
Expenses			
Cost of materials consumed	24	14,647.03	13,226.72
Change in inventories of finished goods and work-in-progress	25	31.14	(126.66)
Employee benefits expense	26	1,086.36	1,093.83
Finance costs	27	252.76	207.25
Depreciation and amortisation expense	28	449.35	421.78
Other expenses	29	2,954.63	2,665.45
Total expenses		19,421.27	17,488.37
Loss before tax		(1,114.29)	(781.85)
Tax expenses:	30		
(a) Deferred tax		(354.38)	(227.46)
(b) Tax for earlier years		1.62	0.07
Total tax expenses		(352.76)	(227.39)
Loss after tax		(761.53)	(554.46)
Other comprehensive income (OCI)			
Items that will not be reclassified to Statement of Profit and Loss:			
(i) Remeasurement benefit of defined benefit plans		(10.12)	15.69
(ii) Income tax (expense)/credit on remeasurement benefit of defined benefit plans		2.63	(4.08)
Total other comprehensive income		(7.49)	11.61
Total comprehensive income for the year		(769.02)	(542.85)
Earnings per equity share:	31		
(a) Basic (₹)		(190.38)	(138.62)
(b) Diluted (₹)		(190.38)	(138.62)

The accompanying notes are integral part of these financial statements.


This is the Statement of Profit and Loss referred to in our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013


Vikram Chandra
Partner
Membership No. 060568

Place: Noida
Date: 23 April 2022

For and on behalf of the Board of Directors of
Apricot Foods Private Limited


Mallikarjun Vilas Patil
Director
(DIN : 09022183)


Rajeev Khandelwal
Director
(DIN: 08763979)

Place: Rajkot
Date: 23 April 2022



Apricot Foods Private Limited
Statement of Cash Flow for the year ended 31 March 2022
(All amounts in ₹ lakhs, unless other wise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
A Cash flow from Operating activities		
Loss before tax	(1,114.29)	(781.85)
Adjustments for:		
Depreciation and amortisation expense	449.35	421.78
Loss on sale of property, plant and equipment	-	0.08
Income on derecognition of right-of-use assets and lease liabilities due to lease modification	(23.98)	(2.32)
Finance costs	228.04	190.43
Interest expense on lease liability	24.72	16.82
Interest income	(0.75)	(4.74)
Provision for doubtful debts/advances	8.46	36.61
Bad debt written off	-	18.94
Liabilities written back	(6.07)	(39.24)
Operating loss before working capital changes	(434.52)	(143.49)
Adjustments for changes in working capital:		
(Increase) / Decrease in assets:		
Trade receivables	(156.42)	(154.52)
Inventories	(30.74)	(103.69)
Other assets	(19.19)	57.61
Increase / (Decrease) in liabilities:		
Provisions	19.72	23.43
Other financial assets	578.50	95.73
Trade payables	(157.07)	(149.16)
Other financial liabilities	63.90	(68.04)
Other current liabilities	21.70	(78.79)
Cash used in operating activities	(114.12)	(520.92)
Income tax paid (net of refunds)	(4.40)	207.25
Net cash used in operating activities	(118.52)	(313.67)
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(159.54)	(241.20)
Sale of property, plant and equipment	-	1.89
Interest received	0.75	4.74
Net cash used in investing activities	(158.79)	(234.57)
C Cash flow from financing activities (*)		
Proceeds from long-term borrowings	108.72	-
Repayment of long term borrowings	(72.06)	(52.27)
Proceeds from short-term borrowings (net)	608.57	970.67
Payment of lease liability	(129.12)	(181.56)
Interest paid on lease liability	(24.72)	(16.82)
Interest paid on loan	(222.51)	(168.31)
Net cash generated from financing activities	268.88	551.71
Net increase / (decrease) in cash and cash equivalents	(8.43)	3.47
Cash and cash equivalents at the beginning of the year	29.38	25.91
Cash and cash equivalents at the end of the year	20.95	29.38
Cash and cash equivalents comprises of:		
Cash on hand	1.19	5.59
Balances with banks in current accounts	19.76	23.79
Cash and cash equivalents (refer note 12)	20.95	29.38

Notes:
(a) The above statement of cash flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flow'.
(b) Reconciliation of liabilities from financing activities:

Particulars	31 March 2022	31 March 2021
Borrowings:		
Balance as at the beginning of the year	2,332.57	1,392.05
Add: Proceeds during the year	717.29	970.67
Add: Interest on borrowings	228.04	190.43
Less: Repayment during the year (including interest)	(294.57)	(220.58)
Balance as at the end of the year	2,983.33	2,332.57
Lease liabilities:		
Balance as at the beginning of the year	69.11	263.52
Add: Leases entered during the year	294.36	2.06
Add: Interest on lease liabilities	24.72	16.82
Less: Leases de-recognised during the year	(169.20)	(14.91)
Less: Payment of lease liability (including interest)	(153.84)	(198.38)
Balance as at the end of the year	65.15	69.11

This is the Statement of Cash Flow referred to in our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Vikram Dhanania
Partner
Membership No. 860568

Place: Noida
Date: 23 April 2022



For and on behalf of the Board of Directors of
Apricot Foods Private Limited

Mallikarjun Vilas Patil
Director
(DIN : 09022183)

Place: Rajkot
Date: 23 April 2022

Rajeev Khandelwal
Director
(DIN: 08763979)

Apricot Foods Private Limited
Statement of Changes in Equity for the year ended 31 March 2022
(All amounts in ₹ lakhs, unless other wise stated)

A) Equity share capital (refer note 14)

Balance as at 1 April 2020
Changes in equity share capital during the year
Balance at 31 March 2021
Changes in equity share capital during the year
Balance at 31 March 2022

Number of Shares	Amount
4,00,000	40.00
-	-
4,00,000	40.00
-	-
4,00,000	40.00

B) Other equity (refer note 15)

Balance as at 31 March 2020
Loss for the year
Other comprehensive loss (net of taxes)
Balance as at 31 March 2021
Loss for the year
Other comprehensive income (net of taxes)
Balance as at 31 March 2022

Reserves and surplus	Total
Retained earnings	
2,631.58	2,631.58
(554.46)	(554.46)
11.61	11.61
2,088.73	2,088.73
(761.53)	(761.53)
(7.49)	(7.49)
1,319.71	1,319.71

The accompanying notes are integral part of these financial statements.

This is the Statement of Changes in Equity referred to in our report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/M500013

Vikram Dhanania
Partner
Membership No. 060568
Place: Noida
Date: 23 April 2022

For and on behalf of the Board of Directors of
Apricot Foods Private Limited

Malikarjun Vilas Patil
Director
(DIN : 09022183)
Place: Rajkot
Date: 23 April 2022

Rajeev Khandelwal
Director
(DIN: 08763979)



Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless other wise stated)

1 Corporate information

Apricot Foods Private Limited (the "Company") is a private limited Company domiciled in India registered under the Companies Act, 1956 and having its registered office at Plot No. 2410, G.I.D.C. Lodhika, Almighty Road, Metoda - 360021 Dist. Rajkot, Gujarat. The Company is engaged in the business of processing, manufacturing and sales of different types of Potato based Snacks, Extruded Snacks and Namkeen under the brand name "Evita". The Company has its manufacturing facilities at Metoda, Hyderabad, Kanpur and Hazaribagh.

2 Significant accounting policies and key accounting estimates and judgements

2.01 Basis of preparation of financial statements

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act, to the extent applicable.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements have been prepared and presented in Indian Rupees, which is also the Company's functional currency. All amounts in the financial statement and accompanying notes are presented in lacs and have been rounded off unless stated otherwise.

Application of new and revised Indian Accounting Standards (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised, have been considered in preparing these financial statements.

Recent accounting pronouncements

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Act. The amendments revised Division I, II and III of Schedule III and are applicable from 1 April 2021. The revised Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015, as amended, prescribes amendments for various additional disclosures. The Company has complied with the applicable changes in the current and previous year.

2.02 Current/Non-current classification

The Company presents all its assets and liabilities in the balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

2.03 Summary of significant accounting policies

(a) Property, plant and equipment

Measurement at recognition

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are added in the asset's carrying amount/recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of such item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of profit and loss in the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Capital work-in-progress and Capital advances

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation

Depreciation in respect of all the assets is provided on straight-line method over their useful lives, as estimated by the management. Useful lives so estimated are in line with the useful lives indicated by Schedule II of the Act. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Depreciation method, useful lives and residual values are reviewed at each financial period-end and adjusted if appropriate. Based on the management evaluation the useful lives as given above best represent the period over which management expects to use these assets.

(b) Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and accumulated impairment loss, if any.

Subsequent expenditure

Subsequent expenditures related to an item of intangible assets are added to its book value only if it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the Statement of Profit and Loss.

Class of assets	Estimated useful life (years)
Computer software	3 years

Amortisation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.



1.3 Summary of significant accounting policies (cont'd)

(c) Leases:

Company as a lessee – Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement of right of use assets

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement of right of use assets

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease liabilities

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these short-term leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(d) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of profit and loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

(e) Revenue

A customer of the Company is a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activities in exchange for consideration. The core principle of recognizing revenue from contracts with customers is that the Company recognizes revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

At contract inception, the Company assesses the goods or services promised in a contract with a customer to identify as a performance obligation each promise to transfer to the customer either a good or service (or a bundle of goods or services) that is distinct; or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

If there is variable consideration, the Company includes in the transaction price some or all of that amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

In determining the transaction price, the Company adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer.

To determine the transaction price for contracts in which a customer promises consideration in a form other than cash, the Company measures the non-cash consideration (or promise of non-cash consideration) at fair value.

The transaction price is allocated by the Company to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

The Company recognises revenue when (or as) it satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

For each performance obligation satisfied over time, the Company recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction is measured using appropriate methods which include input and output methods.

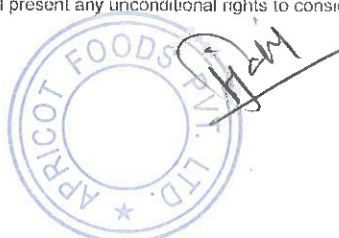
Once the recognition criteria is met, revenue is measured at the amount of the transaction price (which excludes estimates of variable consideration that are constrained) that is allocated to that performance obligation.

The Company recognises as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs. However, as a practical expedient, the incremental costs of obtaining a contract are recognized as an expense when incurred if the amortisation period of the asset otherwise would have been one year or less.

The costs to fulfil a contract are recognized as an asset if the costs relate directly to a contract or to an anticipated contract that the Company can specifically identify; the costs generate or enhance resources of the Company that will be used in satisfying performance obligations in the future; and the costs are expected to be recovered.

The asset recognized for costs to obtain a contract and costs to fulfil a contract is amortised on a systematic basis that is consistent with transfer to the customer of the goods or services to which the asset relates.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment. An entity shall present any unconditional rights to consideration separately as a receivable.



1.3 Summary of significant accounting policies (cont'd)

(f) Inventory

Raw materials, work-in-progress, finished goods and packing materials are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

In determining the cost of raw materials and packing materials, FIFO method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

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. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods.

(g) 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

The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in case of financial assets not recorded through fair value through profit and loss (FVTPL), transaction cost that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- The Company's business model for managing the financial asset and
- The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- financial assets measured at amortised cost.
- financial assets measured at fair value through profit and loss.

1) Financial assets measured at amortised cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of profit and loss.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of profit and loss.

2) Financial assets measured at fair value through profit and loss (FVTPL)

Financial assets measured at fair value through profit and loss category are measured initially as well as at each reporting period at fair value. Fair value movements are recorded in Statement of profit and loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- The contractual rights to cash flows from the financial asset expires;
- The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.



Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

1.3 Summary of significant accounting policies (cont'd)

(g) Financial instruments (cont'd)

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Financial liabilities

Initial recognition and measurement

The Company recognizes a financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit and loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Classification and subsequent measurement

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognized 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 between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and 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.

(h) Foreign currency translation

Initial recognition

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.



1.3 Summary of significant accounting policies (cont'd)

(i) Taxation

Tax expense recognized in Statement of Profit or Loss comprises the sum of deferred tax and current tax except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income-tax Act, 1961. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income-tax Act, 1961. Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(j) Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

(k) Cash and cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

(l) Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post employment benefits

Defined Contribution plans:

The Company provides defined contribution plans for post-employment benefits in the form of provident fund administered by Regional Provident Fund Commissioner. The Company's contributions to defined contribution plans are charged to the Statement of profit and loss as and when incurred. Provident fund are classified as defined contribution plans as the Company has no further obligation beyond making the contributions, even if the assets of the fund is not enough to pay all the employee benefits.

Defined Benefit plans:

(i) Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.



Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless other wise stated)

1.3 Summary of significant accounting policies (cont'd)

(l) Employee benefits (cont'd)

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the financial statements. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

Other employee benefits

Entitlements to annual leave are recognized when they accrue to employees. The accumulated balance of annual leave at the end of the reporting period is paid to the employees in the subsequent month. The Company determines the liability for such accumulated leaves on the basis of the last drawn salary and leave balance to the credit of the employee which would be encashed in the subsequent month.

(m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the costs of asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(n) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is in a single business segment (primary segment) of fast moving consumer goods dealing with packaged food products. The entire revenues are billable within India and there is only one geographical segment (secondary segment).

(o) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(p) Earnings per equity share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources. For the purpose of calculating diluted earnings per share, net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. As on the balance sheet date, the Company has no dilutive potential equity shares.

(q) Fair value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

(r) Cash Flow Statement

Cash Flows are reported using indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals and accruals of past or future operating cash receipts and payments and item of income and expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.4 Key accounting estimates and judgements

The preparation of the Company's financial statements requires the 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.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer note 31).



Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless other wise stated)

1.4 Key accounting estimates and judgements (cont'd)

b. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

c. Depreciation and amortisation

The Company has changed the method of depreciation for Property, Plant and Equipment from Written Down Value Method to Straight Line Method from 1st July 2019. This change is a change in an accounting estimate as specified under Ind AS 8, "Accounting Policies, Changes in Accounting Estimates and Errors", the effect of which is to be recognised prospectively. This change did not have any significant impact on the overall results of the Company.

d. Defined benefit obligation

The costs of post-employment benefits are charged to the Statement of profit and loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 26, 'Employee benefits'.

e. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

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Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

3 Property, plant and equipment

	Freehold land	Buildings	Electrical installation equipment	Plant and equipment	Furniture and fixtures	Computer and data processing units	Office equipment	Vehicles	Total
Gross block									
Balance as at 1 April 2020	282.09	1,348.64	58.98	3,240.42	2.25	13.00	72.00	371.00	5,386.39
Additions	-	18.75	1.60	130.54	4.35	4.77	2.85	50.76	243.63
Disposals/adjustments	-	-	-	-	-	0.25	-	6.73	6.98
Balance as at 31 March 2021	282.09	1,367.39	58.58	3,370.96	6.61	17.52	74.86	445.03	5,623.04
Additions	-	-	-	3.50	11.62	-	0.81	159.94	125.87
Disposals/adjustments	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	282.09	1,367.39	58.58	3,374.46	18.23	17.52	75.67	554.97	5,748.91
Accumulated depreciation									
Balance as at 1 April 2020	-	235.36	1.32	1,785.35	0.08	8.96	64.48	158.17	2,253.72
Depreciation charge for the year	-	40.03	5.52	145.59	0.63	3.67	2.57	47.22	245.23
Disposals/adjustments	-	-	-	-	-	0.17	-	4.84	5.01
Balance as at 31 March 2021	-	275.39	6.84	1,930.94	0.71	12.46	67.05	200.55	2,493.94
Depreciation charge for the year	-	37.79	5.58	59.83	2.60	3.90	2.28	84.69	296.67
Disposals/adjustments	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	-	313.18	12.42	2,090.77	3.31	16.36	69.33	285.24	2,790.61
Net block									
Balance as at 31 March 2021	282.09	1,092.00	51.74	1,440.02	5.90	5.06	7.81	244.48	3,129.10
Balance as at 31 March 2022	282.09	1,054.21	46.16	1,283.69	14.92	1.16	6.34	269.73	2,956.30

Note:

- (a) For contractual obligations, refer note 40(b) for disclosure of capital commitments for acquisition of property, plant and equipment.
(b) The title deeds of all immovable properties are held in the name of the Company.



4 Intangible assets

	Computer Software
Gross block	
Balance as at 1 April 2020	-
Additions	-
Disposals/adjustments	-
Balance as at 31 March 2021	-
Additions	25.92
Disposals/adjustments	-
Balance as at 31 March 2022	25.92
Accumulated amortisation	
Balance as at 1 April 2020	-
Amortisation for the year	-
Disposals/adjustments	-
Balance as at 31 March 2021	-
Amortisation for the year	2.12
Disposals/adjustments	-
Balance as at 31 March 2022	2.12
Net block	
Balance as at 31 March 2021	-
Balance as at 31 March 2022	23.80

5 Capital work-in-progress

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	-	-
Add: Additions during the year	8.41	84.88
Less: Capitalised during the year	(8.41)	(84.88)
Balance at the end of the year	-	-

6 Right-of-use assets

	Leases
Balance as at 1 April 2020	427.36
Addition during the year	2.95
Adjustments during the year [refer note (a) below]	(84.95)
Balance as at 31 March 2021	345.36
Addition during the year	294.37
Adjustments during the year [refer note (a) below]	(209.13)
Balance as at 31 March 2022	430.60
Accumulated depreciation	
Balance as at 1 April 2020	178.09
Depreciation for the year	176.55
Adjustments during the year [refer note (a) below]	(71.51)
Balance as at 31 March 2021	283.13
Depreciation for the year	150.56
Adjustments during the year [refer note (a) below]	(63.90)
Balance as at 31 March 2022	369.79
Net carrying value as at 31 March 2021	62.23
Net carrying value as at 31 March 2022	60.81

Notes:

(a) During the current year, the Company has de-recognised right-of-use assets and lease liabilities on account of discontinuation of the job work agreement amounting to ₹ 145.23 lakhs (31 March 2021: ₹ 13.44 lakhs) and ₹ 169.20 lakhs (31 March 2021: ₹ 14.81 lakhs) respectively. The differential amount has been recognised in the Statement of Profit and Loss.

(b) For maturity analysis of lease liabilities refer note 32.

(c) Cash outflows for leases included:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Total cash outflow for lease payments (including interest)	153.84	198.38



6 Right-of-use assets (cont'd)

(d) Amount recognised in the balance sheet

The balance sheet shows the following amount relating to leases:

Particulars	As at 31 March 2022	As at 31 March 2021
Right-of-use assets		
Vehicles	-	34.69
Buildings	60.81	27.54
Total	60.81	62.23

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liabilities		
Current	56.38	61.52
Non-current	8.77	7.59
Total	65.15	69.11

(e) Amount recognised in the Statement of Profit or Loss

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Interest expense (included in finance costs)	27	24.72	16.82
Expense relating to leases of low value assets that are not shown as short-term leases (included in other expenses)	29	2.78	6.22
Depreciation expense	28	150.56	176.55

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	As at 31 March 2022	As at 31 March 2021
7 Deferred tax assets (net)		
Deferred tax asset arising on account of:		
Provision for employee benefits expense	25.65	20.88
Provisions for doubtful advances	10.74	9.52
Provision for slow moving and obsolete inventories	16.68	6.63
Unabsorbed losses and depreciation	1,269.61	902.42
Other adjustments	1.39	2.05
Total deferred tax assets	1,324.07	941.50
Deferred tax liability arising on account of:		
Property, plant and equipment and intangible assets	43.27	17.71
Total deferred tax liabilities	43.27	17.71
Total deferred tax assets (net)	1,280.80	923.79

(a) Movement in deferred tax assets/(liabilities)

	As at the beginning of the year	Recognized in Other Comprehensive Income ('OCI')	Recognised in Statement of Profit or Loss	As at the end of the year
For the year ended 31 March 2022:				
Deferred tax asset arising on account of:				
Provision for employee benefits expense	20.88	2.63	2.14	25.65
Provisions for doubtful advances	9.52	-	1.22	10.74
Provision for slow moving and obsolete inventories	6.63	-	10.05	16.68
Unabsorbed losses and depreciation	902.42	-	367.19	1,269.61
Other adjustments	2.05	-	(0.66)	1.39
Deferred tax liability arising on account of:				
Property, plant and equipment and intangible assets	(17.71)	-	(25.56)	(43.27)
Total deferred tax assets (net)	923.79	2.63	354.38	1,280.80
For the year ended 31 March 2021:				
Deferred tax asset arising on account of:				
Property, plant and equipment	51.40	-	(51.40)	-
Provision for employee benefits expense	18.87	(4.08)	6.09	20.88
Provisions for doubtful advances	14.13	-	(4.61)	9.52
Provision for slow moving and obsolete inventories	6.67	-	(0.04)	6.63
Unabsorbed losses and depreciation	605.64	-	296.78	902.42
Other adjustments	3.70	-	(1.65)	2.05
Deferred tax liability arising on account of:				
Property, plant and equipment and intangible assets	-	-	(17.71)	(17.71)
Total deferred tax assets (net)	700.41	(4.08)	227.46	923.79

	As at 31 March 2022	As at 31 March 2021
8 Income-tax assets (net)		
Taxes deducted at source recoverable (net of provision)	29.53	26.75
	29.53	26.75
9 Other financial assets		
(A) Non-current:		
Security and other deposits	43.34	33.22
Payments made under protest	4.07	-
	47.41	33.22
(B) Current:		
Insurance claim receivables (refer note below)	-	578.50
	-	578.50

Note:

Pursuant to a fire incident on 17 March 2020 in one of the manufacturing facilities of the Company, certain property, plant and equipment and inventories were damaged. The Company had lodged an insurance claim of ₹ 768.88 lakhs towards the same, out of which an adhoc amount of ₹ 200.00 lakhs was paid by the insurer during the previous year. During the current year, the claim has now been settled by the insurer, and the final payment of ₹ 545.73 lakhs was received towards such claim.



	As at 31 March 2022	As at 31 March 2021
10 Inventories (valued at lower of cost and net realisable value)		
Raw materials (including goods-in-transit of ₹ Nil; 31 March 2021: ₹ 4.63 lakhs)	387.02	434.90
Work-in-progress	5.85	6.97
Finished goods	273.90	302.49
Packing materials	316.53	208.20
	983.30	952.56
Less: Provision for slow moving and obsolete inventories [Refer note (a) below]	(84.17)	(25.49)
	919.13	927.07
(a) Movement in provision for slow moving and obsolete inventories		
Opening balance	25.49	25.65
Add: Provision made during the year	64.17	25.49
Less: Provision reversed during the year	(25.49)	(25.65)
Closing balance	64.17	25.49
11 Trade receivables		
Considered good - unsecured	535.50	375.30
Trade receivables - credit impaired	32.83	36.61
	568.33	411.91
Less: Allowance for credit losses	(32.83)	(36.61)
	535.50	375.30

Note:

(a) Refer note 32 for information about credit risk and market risk of trade receivables.

(b) Trade receivables ageing schedule is as follows:

Particulars	Outstanding for following periods					Total
	Less than 6 months	6 months - 1 year	1 year - 2 year	2 year - 3 year	Above 3 year	
Ageing for trade receivable outstanding as on 31 March 2022						
Undisputed Trade receivables						
- Considered good	535.50	-	-	-	-	535.50
- Which have significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	9.90	-	2.94	19.99	-	32.83
Disputed Trade receivables						
- Considered good	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
	545.40	-	2.94	19.99	-	568.33
Ageing for trade receivable outstanding as on 31 March 2021						
Undisputed Trade receivables						
- Considered good	375.30	-	-	-	-	375.30
- Which have significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	5.37	2.46	28.78	-	-	36.61
Disputed Trade receivables						
- Considered good	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
	380.67	2.46	28.78	-	-	411.91

	As at 31 March 2022	As at 31 March 2021
12 Cash and cash equivalents		
Balances with banks	19.76	23.79
- In current accounts	1.19	5.59
Cash on hand	20.95	29.38
13 Other current assets (Unsecured, considered good, unless otherwise stated)		
Advance to suppliers	15.96	3.63
Less: Provision for doubtful advances (refer note below)	(8.46)	-
	7.50	3.63
Other advances	2.02	8.39
Prepaid expenses	23.10	10.63
Balances with statutory authorities	15.24	6.02
	47.86	28.67
Note:		
(a) Movement in provision for doubtful advances		
Opening balance	-	-
Add: Provision made during the year	8.46	-
Less: Provision reversed during the year	-	-
Closing balance	8.46	-



Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
14 Equity share capital				
Authorised share capital				
1 equity shares of ₹ 10 each	4,00,000	40.00	4,00,000	40.00
	4,00,000	40.00	4,00,000	40.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	4,00,000	40.00	4,00,000	40.00
	4,00,000	40.00	4,00,000	40.00

(a) Reconciliation of equity share capital

There is no movement in the equity share capital during the current and previous year.

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

(d) Details of shareholders holding more than 5% shares in the Company:

	As at 31 March 2022		As at 31 March 2021	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each:				
Guilfree Industries Limited	2,80,000	70%	2,80,000	70%
Rajesh Kumar Arunbhai Patel	63,000	16%	63,000	16%
Anjanaben Rajesh Patel	44,000	11%	44,000	11%

(e) Details of equity shares held by the Holding company:

Name of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Holding %	No. of shares	Holding %
Guilfree Industries Limited	2,80,000	70%	2,80,000	70%

(f) Shareholding of promoters of the Company, is as follows:

Promoter Name	No. of shares	% of total shares	% change during the year
As at 31 March 2022:			
Guilfree Industries Limited	2,80,000	70%	0%
Rajesh Kumar Arunbhai Patel	63,000	16%	0%
Anjanaben Rajesh Patel	44,000	11%	0%
As at 31 March 2021:			
Guilfree Industries Limited	2,80,000	70%	
Rajesh Kumar Arunbhai Patel	63,000	16%	
Anjanaben Rajesh Patel	44,000	11%	

15. Other equity

	As at 31 March 2022	As at 31 March 2021
Reserves and surplus		
Retained earnings (refer note (a) below)	1,319.71	2,088.73
	1,319.71	2,088.73

(a) Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Retained earnings:

Surplus at the beginning of the year	2,088.73	2,631.58
Add: Loss for the year	(761.53)	(554.46)
Less: Items that will not be reclassified to Statement of profit or loss		
Remeasurement benefit of defined benefit plan (net of tax)	(7.49)	11.61
	1,319.71	2,088.73



Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
16 Borrowings		
(A) Non-current		
Term loan (secured)		
Vehicle loans from a bank [refer note (a) below]	133.81	104.98
Less: Current maturity of non-current borrowings	63.30	71.13
	<u>70.51</u>	<u>33.85</u>
(B) Current		
Loans repayable on demand:		
- from Banks (secured) [refer note (b) below]	1,167.52	1,411.13
Loan from related parties (unsecured) [refer note 35 and note (c) below]	1,650.71	790.70
Current maturities of non-current borrowings	63.30	71.13
	<u>2,881.53</u>	<u>2,272.96</u>
Notes:		
Terms and conditions:		
(a) Vehicle loans from a bank are secured by way of hypothecations of vehicles financed thereagainst. The tenure of these loans range from 36 to 48 months (31 March 2021 - 36 months) and the rate of interest ranges from 8.25% p.a. to 9.01% p.a. (31 March 2021: 9.01% p.a.)		
(b) Working capital facility from bank is secured by first pari-passu charge on the entire current assets of the Company and is repayable on demand. The facility carries an interest rate of 8.65% p.a. (31 March 2021: 8.65% p.a.)		
(c) Unsecured loan from Holding company and a director of the Company, is repayable on demand and carries an interest rate of 10.25% p.a (31 March 2021: 10.25% p.a.)		
(d) There has been no default in repayment of principal amount and interest thereon, during the current year and previous year.		
17 Lease liabilities		
(A) Non-current		
Lease liabilities (refer note 6)	8.77	7.59
	<u>8.77</u>	<u>7.59</u>
(B) Current		
Lease liabilities (refer note 6)	56.38	61.52
	<u>56.38</u>	<u>61.52</u>
18 Provisions		
(A) Non-current		
Provision for employee benefits (refer note 26)		
- Gratuity	21.43	
- Compensated absences	2.43	-
	<u>23.86</u>	<u>-</u>
(B) Current		
Provision for employee benefits (refer note 26)		
- Gratuity	42.83	40.41
- Compensated absences	33.36	39.92
	<u>76.19</u>	<u>80.33</u>
19 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer note 37)	396.00	412.62
Total outstanding dues of creditors other than micro enterprises and small enterprises	500.46	640.91
	<u>896.46</u>	<u>1,053.53</u>

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Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless other wise stated)

					As at 31 March 2022	As at 31 March 2021
19 Trade payables (cont'd)						
Note:						
(a) Refer note 34 for information about liquidity risk and market risk of trade payables						
(b) Trade payable ageing schedule:						
Particulars	Less than 1 year	1 - 2 years	2 - 3 years	Above 3 years	Total	
As on 31 March 2022:						
MSME	396.00	-	-	-	396.00	
Others	499.72	0.10	0.64	-	500.46	
Disputed - MSME	-	-	-	-	-	
Disputed - Others	-	-	-	-	-	
	895.72	0.10	0.64	-	896.46	
As on 31 March 2021:						
MSME	412.62	-	-	-	412.62	
Others	640.27	0.64	-	-	640.91	
Disputed - MSME	-	-	-	-	-	
Disputed - Others	-	-	-	-	-	
	1,052.89	0.64	-	-	1,053.53	
20 Other financial liabilities						
Interest accrued and due on borrowings					31.29	25.76
Dues to employees					141.56	160.94
Trade deposits from dealers and distributors					16.74	15.90
Capital creditors					22.64	30.39
Other payables					220.92	140.61
					433.15	373.60
21 Other current liabilities						
Advance from customers					35.84	26.16
Statutory dues					81.69	75.74
					117.53	101.90

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	Year ended 31 March 2022	Year ended 31 March 2021
22 Revenue from operations		
Sale of products	18,259.71	16,654.77
	18,259.71	16,654.77
23 Other income		
Interest income on deposits and others	0.75	4.74
Provisions/liabilities written back	6.07	39.24
Miscellaneous income	16.47	5.45
Income on derecognition of right-of-use assets and lease liabilities due to lease modification	23.98	2.32
	47.27	51.75
24 Cost of materials consumed		
Raw materials consumed:		
Opening stock (net of provisions of ₹ 10.06 lakhs and excluding goods-in-transit of ₹ 4.63 lakhs) (1 April 2020: net of provisions of ₹ 3.36 lakhs and excluding goods-in-transit of ₹ Nil)	420.21	485.61
Add: Purchases during the year	10,445.38	9,871.33
	10,865.59	10,356.94
Less: Closing stock (net of provisions of ₹ 33.38 lakhs and excluding goods-in-transit of ₹ Nil) (31 March 2021: net of provisions of ₹ 10.06 lakhs and excluding goods-in-transit of ₹ 4.63 lakhs)	353.64	420.21
	10,511.95	9,936.73
Packing materials consumed:		
Opening stock (net of provisions of ₹ 14.93 lakhs; 1 April 2020 - ₹ 18.08 lakhs)	193.27	155.46
Add: Purchases during the year	4,229.50	3,327.80
	4,422.77	3,483.26
Less: Closing stock (net of provisions ₹ 28.84 lakhs; 31 March 2021 - ₹ 14.93 lakhs)	287.69	193.27
	4,135.08	3,289.99
Total cost of materials consumed	14,647.03	13,226.72
25 Changes in inventories of finished goods and work-in-progress		
Inventories as at the beginning of the year:		
Finished goods (net of provisions of ₹ 0.49 lakhs; 1 April 2020 - ₹ 3.71 lakhs)	302.00	160.23
Work-in-progress (net of provisions of ₹ Nil; 1 April 2020 - ₹ 0.51 lakhs)	6.97	22.08
	308.97	182.31
Inventories as at the end of the year:		
Finished goods (net of provisions of ₹ 1.92 lakhs; 31 March 2021 - ₹ 0.49 lakhs)	271.98	302.00
Work-in-progress (net of provisions of ₹ Nil; 31 March 2021 - ₹ Nil)	5.85	6.97
	277.83	308.97
Decrease / (Increase) in inventories of finished goods and work-in-progress	31.14	(126.66)
26 Employee benefits expense		
Salaries, wages and bonus	1,014.90	1,029.95
Contribution to provident and other funds [Refer note (a) below]	53.36	45.20
Staff welfare expenses	18.10	18.68
	1,086.36	1,093.83

(a) Defined contribution plans:

Eligible employees of the Company receive benefits under the Provident Fund which is a defined contribution plan wherein both the employee and the Company make monthly contributions equal to a specific percentage of covered employees' salary. These contributions are made to the Fund administered and managed by the Government of India and the Company has no further obligation beyond making its contribution. The Company's monthly contributions are charged to statement of profit and loss in the period in which they are incurred;

	Year ended 31 March 2022	Year ended 31 March 2021
Employer's contribution to provident fund	53.27	45.13
Labour welfare fund	0.09	0.07
	53.36	45.20

(b) Defined benefit plans:

Gratuity is a post employment benefit and is a defined benefit plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. The liability recognised in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date, less the fair value of plan assets (if any), together with adjustment for unrecognised actuarial gains or losses and past service cost. Independent actuaries calculate the defined benefit obligation annually using the projected unit credit method. Actuarial gains and losses are credited/ charged to the Statement of Other Comprehensive Income in the year in which such gains or losses arise.

The following table summarises the components of defined benefit expense recognized in the Statement of Profit and Loss/Other Comprehensive Income ('OCI') and the funded status and amounts recognised in the Balance Sheet for the respective plans:



26 Employee benefits expense (cont'd)

	Year ended 31 March 2022	Year ended 31 March 2021
(i) Change in present value of the defined benefit obligation:		
Obligations at the beginning of the year	43.71	39.41
Current service cost	15.63	17.29
Interest cost	2.98	2.70
Actuarial (gain)/loss on obligations arising from assumption changes	12.79	0.11
Actuarial (gain)/loss on obligations arising from experience adjustments	(4.45)	(15.80)
Actuarial (gain)/loss on obligations arising due to change in demographic assumptions	(0.03)	-
Benefit paid directly by the employer	(2.97)	-
Benefit paid from the fund	-	-
Obligations at the end of the year	67.66	43.71
(ii) Change in fair value of plan assets:		
Obligations at the beginning of the year	3.30	3.09
Interest income on plan assets	0.22	0.21
Contribution by employer	1.69	-
Expected return on plan assets (*)	(1.81)	-
Actuarial (gains) / loss	-	-
Benefit paid from the fund	-	-
Fair value of plan assets as at the end of the year	3.40	3.30
(iii) Reconciliation of present value of defined benefit obligation and the fair value of plan assets		
Present value obligation as at the end of the year	67.66	43.71
Fair value of plan assets as at the end of the year	3.40	3.30
Net liabilities recognised in balance sheet	64.26	40.41
(iv) Components of net cost charged to the Statement of Profit and Loss:		
Employee benefits expense:		
Service cost	15.63	17.29
Finance costs:		
Interest costs	2.98	2.70
Interest income	(0.22)	(0.21)
Net impact on profit before tax	18.39	19.78
(v) Components remeasurement losses / (gains) in other comprehensive income		
Return (differential) on plan assets, excluding interest income	1.81	-
Actuarial (gain)/loss	8.31	(15.69)
Remeasurement losses / (gains) recognised in other comprehensive income	10.12	(15.69)
(vi) Assumptions used		
With the objective of presenting plan assets and obligations of the defined benefit plans at their fair value at balance sheet date, assumptions used under Ind AS 19 are set by reference to market conditions at the valuation date.		
Discount rate (per annum)	7.25%	6.82%
Expected rate of return on plan assets	7.25%	6.82%
Salary escalation rate (per annum)	7.00%	5.00%
Withdrawal rate (per annum)	For Officer category 2% p.a. and for Workers category 15% p.a.	
Expected average remaining working lives of employees (years)	14	14
Mortality	IALM(2012-14) Ultimate table	IALM(2006-08) Ultimate table

(vii) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate - Decrease by 1%	10.20	6.23
Discount rate - Increase by 1%	(8.41)	(5.17)
Salary escalation rate - Decrease by 1%	(8.50)	(5.29)
Salary escalation rate - Increase by 1%	10.12	6.29
Employee turnover rate - Increase by 1%	(0.47)	0.40
Employee turnover rate - Decrease by 1%	0.44	(0.56)

Methods and assumptions used in preparing sensitivity analysis and their limitations:

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.



26 Employee benefits expense (cont'd)**(viii) Maturity analysis of the benefit payments:**

Weighted average duration of both year gratuity plan is 15 years. Expected benefits payments for each such plans over the years is given in table below:

Particulars	Gratuity (funded)	
	As at 31 March 2022	As at 31 March 2021
Year 1	2.05	2.04
Year 2	1.39	0.70
Year 3	1.63	1.22
Year 4	3.07	1.47
Year 5	2.54	2.52
Next 5 years	23.06	16.01

Expected employer contribution in gratuity plan for the year ending 31 March 2022 is ₹ 42.82 lakhs (31 March 2021: ₹ 42.44 lakhs)

Aforesaid defined benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A fall in the discount rate which is linked to the Government security's rates will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Longevity risk	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

	Year ended 31 March 2022	Year ended 31 March 2021
27 Finance cost		
Interest on borrowings	225.22	190.43
Interest expense on lease liability	24.72	16.82
Other borrowing costs	2.82	-
	252.76	207.25
28 Depreciation and amortisation expenses		
Depreciation on property, plant and equipment	296.67	245.23
Depreciation on right-of-use assets	150.56	176.55
Amortisation of intangible assets	2.12	-
	449.35	421.78
29 Other expenses		
Power and fuel	580.57	502.72
Factory expenses	103.09	125.02
Freight outward charges	1,517.05	1,257.81
Job work expenses	65.94	74.44
Contractual employee expenses	291.62	277.24
Repairs and maintenance:		
- Buildings	-	2.47
- Plant and machinery	47.27	67.41
- Others	11.10	2.65
Rent	2.78	6.22
Rates and taxes	2.25	10.75
Insurance	38.35	28.20
Travelling and conveyance	109.75	78.24
Sales promotion	49.42	58.47
Commission on sales	56.17	39.29
Legal and professional	36.55	19.40
Auditor remuneration [refer note (a) below]	16.50	14.50
Provision for doubtful debts/advances	8.46	36.61
Loss on sale of property, plant and equipment (net)	-	0.08
Bad debts written off (net of amounts provided thereagainst ₹ Nil; 31 March 2020 ₹ 37.97 lakhs)	-	18.94
Miscellaneous expenses	17.76	44.99
	2,954.63	2,665.45
(a) Payment to auditors (excluding GST)		
Statutory audit	9.00	8.50
Tax audit	1.50	1.50
Limited review	6.00	4.50
	16.50	14.50



Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
30 Tax expenses		
Deferred tax	(354.38)	(227.46)
Tax for earlier years	1.62	0.07
	(352.76)	(227.39)
(a) The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 26 % (31 March 2021: 26%) and the reported tax expense in profit or loss are as follows:		
Reconciliation of income tax provision to the amount computed by applying the statutory tax rate:		
Loss before tax	(1,114.29)	(781.85)
Enacted tax rates in India (%)	26.00%	26.00%
Computed expected tax expense	(289.72)	(203.28)
Effect due to non-deductible expenses	-	(1.88)
Tax impact of Ind AS adjustment	-	(1.65)
Tax expense of earlier years	1.62	0.07
Tax impact of unabsorbed losses	(84.66)	(20.65)
Income tax expense	(352.76)	(227.39)
(b) Details of income tax assets		
Income tax assets	29.53	26.75
	29.53	26.75
31 Earnings per equity share		
Net (loss) attributable to equity shareholders:		
Net loss for the year	(761.53)	(554.46)
Nominal value of equity share (₹)	10	10
Weighted average number of equity shares outstanding	4,00,000	4,00,000
Basic earnings per share	(190.38)	(138.62)
Diluted earnings per share	(190.38)	(138.62)

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(All amounts in ₹ lakhs, unless otherwise stated)

32 Financial risk management

(a) Category-wise classification of financial instruments

Category-wise classification of financial instruments					
Particulars	Note	Non-Current		Current	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Financial assets measured at amortised cost					
Trade receivables	11	-	-	535.50	375.30
Cash and cash equivalents	12	-	-	20.95	29.38
Other financial assets	9 (B)	47.41	33.22	-	578.50
Total financial assets		47.41	33.22	556.45	983.18
Financial liabilities measured at amortised cost					
Borrowings (including accrued interest)	16	70.51	33.85	2,912.82	2,298.72
Lease liabilities	17	8.77	7.59	58.38	61.52
Trade payables	19	-	-	896.46	1,053.53
Other financial liabilities	20	-	-	401.86	347.84
Total financial liabilities		79.28	41.44	4,267.52	3,761.61

(b) Fair value measurement hierarchy

The fair value measurement hierarchy of the Company's financial assets and liabilities are as follows:

There are no financial assets or financial liabilities of the Company which have been measured at fair value through profit or loss. Accordingly, there are no reportable disclosures under Level 1 (Quoted prices in active markets), Level 2 (significant observable inputs) or Level 3 (significant unobservable inputs) fair value hierarchy respectively.

Financial Instrument measured at amortised cost.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(c) Risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's risk management policy is set by the Board of Directors. The Company's activities may expose it to a variety of risks such as Credit Risk, Liquidity Risk and Market Risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

(i) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as cash and cash equivalents, trade receivables and other receivables. The financial assets carried by the Company is summarised above in note (a).

Trade receivables are usually due within 30-60 days. 89.14% of the total trade receivables of the Company are due within 30 days as at 31 March 2021. Generally and by practice most customers enjoy a credit period of approximately 30-60 days and are not interest bearing, which is the normal industry practice. All trade receivables are subject to credit risk exposure. However, the Company does not identify specific concentrations of credit risk with regard to trade and other receivables, as the amounts recognised represent a large number of receivables from various customers.

The Company continuously monitors defaults of customers and other counter parties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's management considers that all the above financial assets that are not impaired for each of the reporting dates and are of good credit quality, including those that are past due. None of the Company's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Company's credit risk exposure towards any single counter party or any group of counter parties having similar characteristics is considered to be negligible. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counter parties are reputable banks/mutual fund houses with high quality external credit ratings.

The movement of the expected loss allowance for bad and doubtful debts made by the Company are as under:

Particulars	Expected credit loss provision	
	As at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	(36.61)	(37.97)
Add: Provisions made during the year (net of reversals)	-	-
Less: Utilisation for write-off	3.78	1.36
Balance as at the end of the year	(32.83)	(36.61)

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32 Financial risk management (cont'd)

(c) Risk management (cont'd)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

The Company's liabilities have contractual maturities which are summarised below:

	Current	Non-current		Total
	Within 1 year	1 to 5 years	more than 5 years	
As at 31 March 2022:				
Borrowings (including accrued interest)	2,912.82	70.51	-	2,983.33
Lease liabilities	56.38	6.77	-	65.15
Trade payables	896.46	-	-	896.46
Other financial liabilities	401.86	-	-	401.86
	4,267.52	79.28	-	4,346.80
As at 31 March 2021:				
Borrowings (including accrued interest)	2,298.72	33.85	-	2,332.57
Lease liabilities	61.52	7.59	-	69.11
Trade payables	1,053.53	-	-	1,053.53
Other financial liabilities	347.84	-	-	347.84
Total	3,761.61	41.44	-	3,803.05

(iii) 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. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Foreign currency risk

The Company can be exposed to currency risk to the extent that there is mismatch between the currencies in which sales, purchase are denominated and the respective functional currencies of Company. During the current year there is no mismatch between the currencies hence Company is not exposed any currency risk.

(v) Price risk

The Company does not have any significant investments in equity instruments which can create an exposure to price risk.

(d) Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to shareholders through the optimization of debt and equity balance. The Board of Directors review the capital structure of the Company on need basis. As part of this review boards evaluates the leverage in Company and assessment of cost of capital.

The Company monitors its capital by using gearing ratio, which is net debt divided to total equity. Net debt includes non-current and current borrowings net of cash and cash equivalents and total equity comprise of equity share capital, other comprehensive income and retained earnings.

(i) The capital composition is as follows:

Particulars	As at	As at
	31 March 2022	31 March 2021
Gross debt (including current maturities and interest)	2,983.33	2,332.57
Less: Cash and cash equivalents	20.95	29.38
Net debt (A)	2,962.38	2,303.19
Total equity (B)	1,359.71	2,128.73
Debt to equity ratio	2.18:1	1.08:1

(ii) Loan covenants

In order to achieve this overall objective, the management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest bearing loans and borrowings in the current year or previous year.

The management ensures that the Company will be able to continue as going concern while maximizing the return to shareholders through the optimization of debt and equity balance. The Board of Directors reviews the capital structure of the Company on a quarterly basis and as part of this review the board evaluates the financial leverage in the Company and also assesses the cost of capital.

33 Collateral/Security pledged

The carrying amount of assets pledged as security for current borrowing of the Company are as follows:

Particulars	As at	As at
	31 March 2021	31 March 2020
Total current assets	1,523.44	1,938.92
Total assets pledged	1,523.44	1,938.92

34 Operating segments

A. Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Company is engaged in the business of processing, manufacturing and sales of different types of Potato based Snacks, Extruded Snacks and Namkeen under the brand name "Evita". The Company has its manufacturing facilities at Metoda, Hyderabad, Kanpur and Hazaribagh. Based on the dominant source and nature of risk and returns of the Company, its internal organisation and management structure and its system of internal financial reporting, business segment has been identified as the primary segment. The Company has only one business segment, viz., sale of snacks and namkeen.

B. Major customer

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31 March 2022 and 31 March 2021.



(All amounts in ₹ lakhs, unless otherwise stated)

35 Related party disclosures (as per Ind AS - 24 - Related Party Disclosures)

(a) List of related parties and their relationship

(i) Parent Company

Name of the Company	Principal place of business	Percentage of holding as on:	
		31 March 2022	31 March 2021
Guillfree Industries Limited (Holding company)	India	70%	70%

(ii) Entity under common control

CESC Limited

(iii) Key management personnel ('KMP')

Name of the person	Designation
Rajesh Kumar Arunbhai Patel	Director
Srikanth Ramachandra Murthy Gopishetty	Director
Rajeev Ramesh Chand Khandelwal	Director
Mallikarjun Vilas Patil	Wholetime Director
Khalil Ahmad Siddiqi	Independent Director
Noshir Naval Framjee	Independent Director

(b) Transactions with related parties

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loan taken		
Guillfree Industries Limited	860.00	726.00
Rajesh Kumar Arunbhai Patel	-	64.70
Loan repaid		
Guillfree Industries Limited	-	98.00
Rajesh Kumar Arunbhai Patel	-	42.00
Purchase of intangible assets		
Guillfree Industries Limited	10.17	-
Interest accrued on loan		
Guillfree Industries Limited	100.26	67.25
Rajesh Kumar Arunbhai Patel	6.63	5.09
Interest paid on loan		
Guillfree Industries Limited	84.67	45.49
Rajesh Kumar Arunbhai Patel	6.29	4.01
Purchase of property, plant and equipment		
Guillfree Industries Limited	-	61.21
Reimbursement of expenses		
Guillfree Industries Limited	15.50	-
Purchase of raw materials		
Guillfree Industries Limited	26.19	-
Expenses incurred on behalf of the Company		
CESC Limited	2.20	0.00
Remuneration to KMP (*)		
Mallikarjun Vilas Patil	134.44	58.55
Rajesh Kumar Arunbhai Patel	-	60.17

(*) Note:

Remuneration to the key management personnel includes salaries and contribution to post-employment defined benefit plan. It does not include gratuity and leave encashment benefits which are actuarially determined on an overall basis for the Company and individual information in respect of the directors is not available.

(c) Balances with related parties

Particulars	As at 31 March 2022	As at 31 March 2021
Payables		
Rajesh Kumar Arunbhai Patel	66.24	66.49
Mallikarjun Vilas Patil	49.71	20.23
Guillfree Industries Limited	1,619.14	749.97

36 Impact of Covid-19 pandemic

The Company continues to closely monitor the impact of the Coronavirus Disease 2019 (COVID-19), which was declared as a pandemic by the World Health Organisation and has made detailed assessment of the impact of the aforementioned pandemic on its liquidity position and recoverability of its assets as at the balance sheet date and currently believes that there will not be any significant adverse impact on the long-term operations, financial position and performance of the Company.



(All amounts in ₹ lakhs, unless otherwise stated)

37 Dues to micro, small and medium enterprises

The dues to micro, small and medium enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

Particulars	As at 31 March 2022	As at 31 March 2021
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
- Principal amount	396.00	412.62
- Interest due	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier 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 has 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; and	-	-
(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.	-	-



Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

38 Disclosure of ratios as per requirements of Schedule III to the Act

(a) Current ratio

[Current assets / Current liabilities]

Current assets (Numerator)

Current liabilities (Denominator)

Current ratio (times)

% Change as compared to the preceding year

	As at 31 March 2022	As at 31 March 2021
Current assets (Numerator)	1,523.44	1,938.92
Current liabilities (Denominator)	4,461.24	3,943.84
Current ratio (times)	0.34	0.49
% Change as compared to the preceding year	(30.54%)	
Refer note (i) below		

Notes:

(i) Variation is owing to settlement of insurance claims receivable during the current year.

(b) Debt-equity ratio

[Total debt / Shareholder's equity]

Total debt (Numerator)

Shareholder's equity (Denominator)

Debt-equity ratio (times)

% Change as compared to the preceding year

Total debt (Numerator)	2,983.33	2,332.57
Shareholder's equity (Denominator)	1,359.71	2,128.73
Debt-equity ratio (times)	2.19	1.10
% Change as compared to the preceding year	100.24%	
Refer note (i) below		

Notes:

(i) Variation is owing to additional borrowings obtained and losses incurred during the year.

(c) Debt service coverage ratio

[Earning for Debt Service = Net Profit after taxes + Finance Costs + Depreciation and amortisation expenses]

Debt service = Interest payments + Principal repayments]

Earnings available for debt service (Numerator)

Debt service (Denominator)

Debt service coverage ratio (times)

% Change as compared to the preceding year

Earnings available for debt service (Numerator)	(59.42)	74.57
Debt service (Denominator)	151.98	132.19
Debt service coverage ratio (times)	(0.39)	0.56
% Change as compared to the preceding year	(169.31%)	
Refer note (i) below		

Notes:

(i) Variation is owing to reduction in gross margins during the year.

(d) Return on equity ratio

Loss after tax for the year (Numerator)

Average shareholder's equity (Denominator)

Return on equity (%)

% Change as compared to the preceding year

Loss after tax for the year (Numerator)	(761.53)	(554.46)
Average shareholder's equity (Denominator)	1,744.22	2,400.16
Return on equity (%)	(43.66%)	(23.10%)
% Change as compared to the preceding year	89.00%	
Refer note (i) below		

Notes:

(i) Variation is largely owing to a reduction in net margins of the Company.

(e) Inventory turnover ratio

[Average Inventory = (Opening balance + Closing balance) / 2]

Sales for the year (Numerator)

Average inventory (Denominator)

Inventory turnover ratio (times)

% Change as compared to the preceding year

Sales for the year (Numerator)	18,259.71	16,654.77
Average inventory (Denominator)	923.10	875.23
Inventory turnover ratio (times)	19.78	19.03
% Change as compared to the preceding year	3.95%	

(f) Trade receivables turnover ratio

[Average trade receivables = (Opening balance + Closing balance) / 2]

Revenue from operations (Numerator)

Average trade receivable (Denominator)

Trade receivables turnover ratio (times)

% Change as compared to the preceding year

Revenue from operations (Numerator)	18,259.71	16,654.77
Average trade receivable (Denominator)	455.40	325.82
Trade receivables turnover ratio (times)	40.10	51.12
% Change as compared to the preceding year	-21.56%	

(g) Trade payables turnover ratio

[Average trade payables = (Opening balance + Closing balance) / 2]

Purchase of raw materials and packing materials (Numerator)

Average trade payables (Denominator)

Trade payables turnover ratio (times) (*)

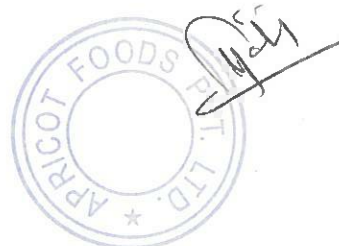
% Change as compared to the preceding year

Purchase of raw materials and packing materials (Numerator)	14,674.88	13,199.13
Average trade payables (Denominator)	975.00	1,128.11
Trade payables turnover ratio (times) (*)	15.05	11.70
% Change as compared to the preceding year	28.64%	

Refer note (i) below

Notes:

(i) Variation is owing to an decrease in the settlement time of the trade payables



Apricot Foods Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

38 Ratios disclosed as per requirement of Schedule III to the Act (cont'd)

	As at 31 March 2022	As at 31 March 2021
(h) Net capital turnover ratio		
[Working capital is calculated as current assets (-) current liabilities]		
Revenue from operations (Numerator)	18,259.71	16,654.77
Working capital (Denominator)	(2,937.80)	(2,004.92)
Net capital turnover ratio (times) (*)	(6.22)	(8.31)
% Change as compared to the preceding year	-25.18%	
	Refer note (i) below	

Notes:

(i) Variation is owing to increase settlement time of trade receivables and increase in current borrowings during the year.

(i) Net profit ratio		
Loss after tax for the year (Numerator)	(761.53)	(554.46)
Revenue from operations (Denominator)	18,259.71	16,654.77
Net profit ratio	-4.17%	-3.33%
% Change as compared to the preceding year	25.27%	
	Refer note (i) below	

Notes:

(i) Variation is owing to increase in level of operations but reduction in gross margins during the year.

(j) Return on capital employed		
[Capital Employed = Total equity + borrowings (including accrued interest)]		
Losses before interest and taxes (Numerator)	(861.53)	(574.60)
Capital employed (Denominator)	4,343.04	4,461.30
Return on capital employed	-19.84%	-12.88%
% Change as compared to the preceding year	54.02%	
	Refer note (i) below	

Notes:

(i) Variation is largely owing to a reduction in net margins of the Company.

Note:

Explanations have been furnished for change in ratio by more than 25% as compared to the preceding year as stipulated in Schedule III to the Act.

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39 Details related to borrowings secured against current assets

Quarter ended	Particulars	Amount as per books of accounts	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material variations
For the year ended 31 March 2022					
31 March 2022					Quarterly statement has not been filed by the management until date.
For the year ended 31 March 2021					
31 March 2021	- Trade receivables	385.75	478.81	(93.06)	Refer note (b)

Note:

(a) For the purpose of these statements, current assets includes inventories, trade receivables (net of advance from customers) and other current financial assets. There are no material discrepancies between the quarterly statements containing details filed with the lenders and the books of account of the Company, other than the ones disclosed above.

(b) Variation is owing to certain debtor balances, which were erroneously reported due to inadvertent error while submission of the year-end return/statements to the banks. However, the same was rectified while finalizing the books of accounts at the year end.

40 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Claims against the Company not acknowledged as debts:		
Income tax demand for assessment year 2014-15 for non-deduction of taxes at source [Refer note (a) below]	68.84	68.84
VAT demand for financial year 2016-17 and 2017-18 [Refer note (a) below]	33.75	33.75

Note:

a) The above matters are lying at appellate forum and the management is confident of succeeding in all these matters based on legal precedence's and expert opinions.

(b) Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of capital contracts remaining to be executed and not provided for as on the Balance Sheet date are:		
- Capital commitments for property, plant and equipments (net of advances given)		
Bank guarantees issued by bankers and outstanding as at year end	82.49	50.97

41 Code of Social Security, 2020

The Code of Social Security, 2020 (Code) relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently, the Ministry of Labour and Employment had released the draft rules on the aforementioned Code. However, the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the Code will come into effect.

42 Going concern

The Company has incurred losses during the current year and previous financial year. It's profitability got impacted due to inflation and high-volatility in raw material prices during the current financial year.

The Company has been continuously expanding its operations in its existing territory as well as in the Eastern region of the Country, via third-party contract manufacturers. The management is presently focusing on increasing its operational cashflows by improving margins via modification of grammages and introducing high-margin packaging, discontinuance of loss making items and certain other cost saving measures.

In view of the above factors, cash flow projections and basis the continued support from the holding Company, the Management is certain about the Company's ability to meet all its financial obligations and continue as a going concern in near future.

43 The financial statements are approved for issue by the Board of Directors in its meeting held on 23 April 2022.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.: 0010761/N500013

Vikram Dhirania
Partner
Membership No. 060568
Place: Noida
Date: 23 April 2022

For and on behalf of the Board of Directors of
Apricot Foods Private Limited

Mallikarjun Vilas Patil
Director
(DIN : 09022183)
Place: Rajkot
Date: 23 April 2022

Rajeev Khandelwal
Director
(DIN: 08763979)

