

Britchip Foods Limited
Balance Sheet

Rs. in crores

As at	Note	31 March 2018
I Assets		
(1) Non-current assets		
(a) Property, plant and equipment	4	1.47
(b) Capital work-in-progress	4	1.03
(c) Other non-current assets	5	15.07
Total non-current assets		17.57
(2) Current assets		
(a) Financial assets		
(i) Cash and cash equivalents	6	0.58
(ii) Bank balances other than (i) above	6	8.00
(b) Other current assets	7	0.13
Total current assets		8.71
Total assets		26.28
II Equity and liabilities		
Equity		
(a) Equity share capital	8	27.00
(b) Other equity	9	(0.80)
Total equity		26.20
Liabilities		
(1) Current liabilities		
(a) Financial liabilities		
(i) Trade payables	10	0.06
(ii) Other financial liabilities	11	0.02
Total current liabilities		0.08
Total liabilities		0.08
Total equity and liabilities		26.28
Significant accounting policies	3	

See accompanying notes to financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 101248W/ W-100022

for and on behalf of the Board of Directors
Britchip Foods Limited
CIN No.: U15490WB2017PLC219389

Sd/-
Vikash Gupta
Partner
Membership number: 064597

Sd/-
N Venkataraman
Director
DIN No.: 05220857

Sd/-
Vinay Singh Kushwaha
Director
DIN No.: 03480249

Place : Bangalore
Date : 14 May 2018

Place : Bangalore
Date : 14 May 2018

Place : Bangalore
Date : 14 May 2018

Britchip Foods Limited
Statement of profit and loss

Rs. in crores

For the period	Note	10 February 2017 to 31 March 2018
I Revenue from operations		
Sale of goods		-
II Other income	12	0.07
III Total income (I+II)		0.07
IV Expenses:		
Depreciation and amortisation expense	4	0.01
Other expenses	13	0.86
Total expenses		0.87
V Profit before tax (III-IV)		(0.80)
VI Tax expense:		
(i) Current tax		-
(ii) Deferred tax		-
VII Profit for the period (V-VI)		(0.80)
VIII Other comprehensive income, net of tax		-
IX Total comprehensive income for the period (VII-VIII)		(0.80)
Earnings per Share (nominal value of Rs. 10 each) (not annualised)		
Basic [in Rs]		(1.48)
Diluted [in Rs]		(1.48)
Weighted average number of equity shares used in computing earnings per share:		
- Basic		5,412,410
- Diluted		5,412,410
Significant accounting policies	3	

See accompanying notes to financial statements

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Britchip Foods Limited
Statement of changes in equity

Rs. in crores

Particulars	Equity share capital	Other Equity			Total equity attributable to equity holders of the Company
		Reserves and surplus		Other comprehensive income	
		Securities premium	Retained earnings	Other Items of OCI	
Balance as at 09 February 2017	-	-	-	-	-
Share Capital issued	27.00	-	-	-	27.00
Profit for the period	-	-	(0.80)	-	(0.80)
Balance as at 31 March 2018	27.00	-	(0.80)	-	26.20

See accompanying notes to financial statements

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

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Vikash Gupta

Partner

Membership number: 064597

Place : Bangalore

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Vinay Singh Kushwaha

Director

DIN No.: 03480249

Place : Bangalore

Date : 14 May 2018

Britchip Foods Limited
Statement of cash flow

Rs. in crores

For the period	Notes	10 February 2017 to 31 March 2018
Cash flow from operating activities		
Profit before tax		(0.80)
Adjustments for :		
Depreciation and amortisation		0.01
		(0.79)
Changes in		
Other assets		(0.13)
Accounts payable and other liabilities		0.08
Cash generated from operating activities		(0.84)
Income tax paid, net of refund		-
Net cash from operating activities		(0.84)
Cash flow from investing activities		
Acquisition of property, plant and equipment		(17.58)
Movement in bank deposits, net		(8.00)
Net cash used in investing activities		(25.58)
Cash flow from financing activities		
Proceeds from share allotment		27.00
Net cash used in financing activities		27.00
Net change in cash and cash equivalents		0.58
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at end of the period		0.58
Note:		
Cash and cash equivalent at the end of the period (Refer note 6)		0.58

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

for **and on behalf of the Board of Directors**

Britchip Foods Limited

CIN No.: U15490WB2017PLC219389

Sd/-

Vikash Gupta

Partner

Membership number: 064597

Place : Bangalore

Date : 14 May 2018

Sd/-

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Vinay Singh Kushwaha

Director

DIN No.: 03480249

Place : Bangalore

Date : 14 May 2018

BRITCHIP FOODS LIMITED

Notes to financial statements

1 Reporting entity

Britchip Foods Limited (the 'Company') is a company domiciled in India, with its registered office situated at 5/1A, Hungerford Street, Kolkata, West Bengal - 700017. The Company has been incorporated under the provisions of the Companies Act applicable in India. The Company is a subsidiary of Britannia Industries Limited. The Company is primarily involved in manufacturing and sale of various food products.

2 Basis of preparation

- A.** The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

As the Company was incorporated on 10 February 2017, these financial statements have been prepared for the period 10 February 2017 to 31 March 2018.

The financial statements were authorised for issue by the Company's Board of Directors on 14 May 2018.

Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to two decimal places to the nearest crores, unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis.

D. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period ending 31 March 2018 is included in the following notes:

- Note 4 - useful life of property, plant and equipment

E. Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 16 - financial instruments.

3. Significant accounting policies

(a) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment, are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

BRITCHIP FOODS LIMITED

Notes to financial statements (continued)

3. Significant accounting policies (continued)

(a) Property, plant and equipment (continued)

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using straight line method over the useful lives of assets estimated by the Company based on an internal technical evaluation performed by the management and is recognised in the statement of profit and loss. Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Depreciation for assets purchased / sold during the period is proportionately charged.

The range of estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life
Leasehold land	Lease period

iv. Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

(b) Financial instruments

i. Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii. Classification and subsequent measurement

Financial Assets

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the Statement of Profit and Loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

BRITCHIP FOODS LIMITED

Notes to financial statements (continued)

3. Significant accounting policies (continued)

(c) Impairment

Non -financial assets

Property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognized for the asset in prior years.

(d) Revenue recognition

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statement of Profit and Loss.

e) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous periods. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction.
- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

f) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

BRITCHIP FOODS LIMITED
Notes to financial statements (continued)

3. Significant accounting policies (continued)

(h) Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(i) Provisions and contingent liabilities

i. General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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

ii. Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii. Onerous contracts

Provision for onerous contracts, i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(j) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(k) Short term employee benefits

The Company did not have any employees during the period. Hence, the relevant provisions of the Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1975 and the Minimum Wages Act, 1948 do not apply.

(l) Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

(m) Recent accounting pronouncements

Standards issued but not yet effective:

Ind AS 115, Revenue from Contracts with Customers

Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and Guidance Note on Accounting for Real Estate Transactions. Ind AS 115 is effective for annual periods beginning on or after 1 April 2018 and will be applied accordingly.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition.

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Company has completed an initial assessment of the potential impact of the adoption of Ind AS 115 on accounting policies followed in its financial statements. The quantitative impact of adoption of Ind AS 115 on the financial statements in the period of initial application is not reasonably estimable as at present.

BRITCHIP FOODS LIMITED

Notes to financial statements (continued)

3. Significant accounting policies (continued)

(l) Recent accounting pronouncements (continued)

i. Sales of goods

For the sale of goods, revenue is currently recognised when related risks and rewards of ownership are transferred. Revenue is recognised at this point provided that the revenue and costs can be measured reliably, the recovery of the consideration is probable and there is no continuing management involvement with the goods.

Under Ind AS 115, revenue will be recognised when a customer obtains control of the goods.

For certain contracts that permit the customer to return an item, revenue is currently recognised when a reasonable estimate of the returns can be made, provided that all other criteria for revenue recognition are met. If a reasonable estimate cannot be made, then revenue recognition is deferred until the return period lapses or a reasonable estimate of returns can be made.

Under Ind AS 115, revenue will be recognised for these contracts to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Company is unable to make a reasonable estimate of return, revenue is expected to be recognised sooner than when the return period lapses or a reasonable estimate can be made. A refund liability and an asset for recovery will be recognised for these contracts and presented separately in the balance sheet.

ii. Transition

The Company plans to apply Ind AS 115 using the cumulative effect method, with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 April 2018) in retained earnings and NCI. As a result, the Company will not present relevant individual line items appearing under comparative period presentation.

BRITCHIP FOODS LIMITED**Notes to financial statements (continued)****Note 4 - Property, plant and equipment and capital work-in-progress****Rs. in crores**

Description	Gross block			Accumulated depreciation			Net block
	Additions	Disposals	As at 31 March 2018	Depreciation for the period	Disposals	As at 31 March 2018	As at 31 March 2018
Leasehold land	1.48	-	1.48	0.01	-	0.01	1.47

Capital work-in-progress

Addition	1.03
Assets capitalised	-
Balance as at 31 March 2018	1.03

BRITCHIP FOODS LIMITED
Notes to financial statements (continued)

Rs. in crores

As at	31 March 2018
Note 5 - Other non-current assets	
Unsecured	
<i>Considered good:</i>	
Capital Advances	15.07
	<u>15.07</u>
Note 6 - Cash and bank balances	
<i>Cash and cash equivalents</i>	
On current accounts	0.58
	<u>0.58</u>
<i>Other bank balances:</i>	
Deposit with original maturity of more than 3 months and less than 12 months	8.00
	<u>8.00</u>
Details of bank deposits:	
Deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	-
Deposits with maturity of more than 3 months and less than 12 months from the reporting date included under 'Other bank balances'	8.00
Deposits with maturity of more than 12 months from the reporting date included under 'Other financial assets'	-
	<u>8.00</u>
Note 7 - Other current assets	
<i>Unsecured considered good:</i>	
<i>Advances other than capital advances</i>	
-Balance with Government authorities	0.13
	<u>0.13</u>

BRITCHIP FOODS LIMITED
Notes to financial statements (continued)

Rs. in crores

As at **31 March 2018**

Note 8 - Share capital

Authorised

Equity shares [75,00,000 equity shares of Rs. 10/- each]	75.00
	75.00

Issued, subscribed and paid-up

Equity shares fully paid-up* [27,00,000 equity shares of Rs. 10/- each]	27.00
	27.00

Equity shares:

* Of the above, 16,20,000 equity shares of Rs. 10/- each are held by Britannia Industries Limited (BIL), the holding company.

Notes

a) Shares in respect of equity in the Company held by its holding company in aggregate:

	31 March 2018	
	Number of shares	Amount
Holding company		
Britannia Industries Limited	1,620,000	16.20

b) Details of shareholders' holding more than 5% of total number of equity shares, including amount:

	31 March 2018	
	Number of shares	% Holding
Britannia Industries Limited	1,620,000	60%
Chipita SA	1,080,000	40%

c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

	31 March 2018	
	Number of shares	Amount
Shares issued during the reporting period	2,700,000	27.00
Closing balance at the end of the reporting period	2,700,000	27.00

d) Rights, preference and restrictions attached to equity shares

The Company has one class of shares referred to as equity shares having a par value of Rs.10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. During the current year, the Company has not declared any dividend.

Note 9 - Other equity

Particulars	Surplus Profit/ Loss balance	Other comprehensive income	Total
Additions:			
Net profit after tax transferred from the statement of profit and loss for the period	(0.80)	-	(0.80)
Balance as at 31 March 2018	(0.80)	-	(0.80)

BRITCHIP FOODS LIMITED
Notes to financial statements (continued)

Rs in crores

As at **31 March 2018**

Note 10 - Trade Payables

Particulars

Total outstanding dues of micro and small enterprises [Refer note below]	-
Total outstanding dues of other than micro and small enterprises*	0.06
	<u>0.06</u>

Note:

There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the period and as at 31 March 2018. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

(a)The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:

- Principal	-
- Interest	-

(b)The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the period -

(c)The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year -

(d)The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006. -

(e)The amount of interest accrued and remaining unpaid at the end of each accounting period. -

(f)The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006 -

Note-11- Other Financial Liabilities

Other payables	0.02
	<u>0.02</u>

BRITCHIP FOODS LIMITED**Notes to financial statements (continued)****Rs in crores****For the period**
10 February 2017 to
31 March 2018**Note 12 - Other income**

Interest income from financial assets carried at amortised cost	0.07
	0.07

Note 13 - Other expenses

Insurance	0.10
Rates and taxes, net	0.66
Auditors' remuneration*	
- Audit fees	0.02
- Expenses reimbursed	-
Miscellaneous	0.08
	0.86

* Excluding applicable taxes

Note 14 - Earnings per share (EPS)**Earnings:**

Profit after tax	(0.80)
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Shares:

Weighted average number of equity shares outstanding during the period for calculation of basic EPS	5,412,410
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Effect of dilutive potential equity shares:

Weighted average number of equity shares for calculation of diluted EPS	5,412,410
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Earnings per share (nominal value of share Rs. 10)

Basic	(1.48)
Diluted	(1.48)

BRITCHIP FOODS LIMITED**Notes to financial statements (continued)****Rs. in crores****Note 15 Financial risk management**

The principal financial assets of the Company include cash and bank balances that derive directly from its operations. The principal financial liabilities of the Company other payables and the main purpose of these financial liabilities is to finance the day to day operations of the Company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the Company is exposed to and policies and framework adopted by the Company to manage these risks:

a. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company does not have any receivables from customers and has not granted any loans as at the balance sheet date.

b. 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, as far as possible, 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 senior management.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Company also monitors the level of expected cash outflows on other payables.

The financial assets of the Company is given below:

Particulars	31 March 2018
(i) Cash and cash equivalents	0.58
(ii) Bank balances other than (i) above	8.00
	<u>8.58</u>

The table below provides details regarding the contractual maturities of significant financial liabilities as at period end:

	As at 31 March 2018	
	Less than 1 year	1-2 years
Trade Payables	0.06	-
Other financial liabilities	0.02	-
	<u>0.08</u>	<u>-</u>

c. Market risk

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

The Company is not exposed to such risk as Company does not have any borrowings, foreign currency transactions and does not have any derivative transactions.

Note 16 Financial instruments - fair values and risk management**Accounting classification and fair values**

There have been no transfers among Level 1, Level 2 and Level 3 during the period. The Company does not have any investments, derivative financial assets and liabilities. Hence, Level 1 and Level 2 hierarchy is not applicable.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2018:

Particulars	Carrying amount				Total carrying amount
	Mandatorily - FVTPL and others	FVOVI - Debt and equity instruments	Other financial assets - amortised cost	Other financial liabilities	
Financial assets not measured at fair value					
(i) Cash and cash equivalents	-	-	0.58	-	0.58
(ii) Bank balances other than (i) above	-	-	8.00	-	8.00
	<u>-</u>	<u>-</u>	<u>8.58</u>	<u>-</u>	<u>8.58</u>
Financial liabilities not measured at fair value #					
(i) Trade Payables	-	-	0.06	-	0.06
(ii) Other financial liabilities	-	-	-	0.02	0.02
	<u>-</u>	<u>-</u>	<u>0.06</u>	<u>0.02</u>	<u>0.08</u>

The Company has not disclosed the fair values for financial instruments such as short-term trade payables, because their carrying amounts are a reasonable approximation of fair value..

Britchip Foods Limited
Notes to financial statements (continued)

Rs. in crores

Note 17-Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure, the Company monitors the return on capital. The Company aims to manage its capital efficiency so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves and debt includes borrowings from bank.

The Company does not have any borrowings/ debt. Hence, Capital management/ monitoring pf gearing ratio is not applicable to the Company.

Note 18 - Contingent liabilities and commitments

- a) Contingent liability : Rs Nil.
b) Estimated amount of contract remaining to be executed on capital account, other commitments and not provided for Rs 5.11

Note 19 - Segmental information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, segment information has been presented for industry classes.

The operating segment of the Company is identified to be "Foods" as the CODM reviews business performance at an overall Company level as one segment.

Note 20- Related Parties

Relationships

1. Ultimate Holding Company	The Bombay Burmah Trading Corporation Limited
2. Holding Company of Britannia Industries Limited	Associated Biscuits International Limited, UK
3. Holding Company	Britannia Industries Limited
4. Other Share holder	Chipita SA
Directors	N. Venkataraman Vinay Singh Kushwaha Varun Berry Spyridon Theodoropoulos Theodoros Furlas

Related party transaction during the period ended:	Relationship	31 March 2018
Britannia Industries Limited (BIL)	Holding Company	
i) Equity Shares issued		16.20
ii) Expenses reimbursed		3.30
iii) Purchase of leasehold land		1.48
Chipita SA	Shareholder	
i) Equity Shares issued		10.80
ii) Capital advances forwarded		15.07
Related party closing balances as on balance sheet date	Relationship	31 March 2018
Chipita SA	Shareholder	
Capital Advances		15.07

Note 21 The Company has not create any provision for gratuity or compensated absences, as there was no employee on the payroll as at 31 March 2018.

Note 22 During the period ended 31 March 2018, no material foreseeable loss was incurred for any long-term contract including derivative contracts.

Note 23 In accordance with the requirements of Section 203 of the Companies Act, 2013, the Company is required to appoint a Company Secretary for the period ended 31 March 2018. The Company has made efforts to select and appoint a Company Secretary, however, it has not been able to achieve the requirement till date. The Company will make reasonable efforts to comply with this in the near future.

Note 24 The Company was incorporated as a limited company on 10 February 2017. As this is the first period of the Company's formation, prior period comparison is not applicable.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

Sd/-

Vikash Gupta

Partner

Membership number: 064597

Place : Bangalore

Date : 14 May 2018

for **and on behalf of the Board of Directors**

Britchip Foods Limited

CIN No.: U15490WB2017PLC219389

Sd/-

N Venkataraman

Director

DIN No.: 05220857

Place : Bangalore

Date : 14 May 2018

Sd/-

Vinay Singh Kushwaha

Director

DIN No.: 03480249

Place : Bangalore

Date : 14 May 2018