

Britannia Dairy Holdings Pvt Ltd

Statement of profit or loss and other comprehensive income for the year ended 31 March 2022

		<u>2022</u>	<u>2021</u>
	Notes	USD	USD
Expenses			
Professional fees		699	699
Audit fees		1,500	1,500
Licence fees		302	300
Directors' remuneration		2,150	2,150
Registered and secretarial fees		752	753
Other Operating expenses		1,350	-
Total expenses		<u>6,753</u>	<u>5,402</u>
Loss before taxation		(6,753)	(5,402)
Taxation	5	-	-
Loss for the year		<u>(6,753)</u>	<u>(5,402)</u>
Other comprehensive income		-	-
Total comprehensive loss for the year		<u><u>(6,753)</u></u>	<u><u>(5,402)</u></u>

The notes on pages 10 to 21 form part of these financial statements.

Britannia Dairy Holdings Pvt Ltd

Statement of financial position

As at 31 March 2022

	Notes	<u>2022</u> USD	<u>2021</u> USD
ASSETS			
Current assets			
Prepayments	7	<u>255</u>	<u>2,284</u>
Total assets		<u><u>255</u></u>	<u><u>2,284</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital	8	7,413,000	7,413,000
Accumulated losses		<u>(7,459,499)</u>	<u>(7,452,746)</u>
Total equity		<u><u>(46,499)</u></u>	<u><u>(39,746)</u></u>
Current liabilities			
Accruals and other payables	9	<u>46,754</u>	<u>42,030</u>
Total equity and liabilities		<u><u>255</u></u>	<u><u>2,284</u></u>

21 April, 2022

These financial statements have been approved by the Board of Directors on and signed on behalf of the board by:

Sd/-
.....
Director

Sd/-
.....
Director

The notes on pages 10 to 21 form part of these financial statements.

Britannia Dairy Holdings Pvt Ltd**Statement of changes in equity**
for the year ended 31 March 2022

	Share capital	Accumulated losses	Total
	USD	USD	USD
At 01 April 2020	7,413,000	(7,447,344)	(34,344)
<i>Total comprehensive loss for the year</i>			
Loss for the year	-	(5,402)	(5,402)
At 31 March 2021	<u>7,413,000</u>	<u>(7,452,746)</u>	<u>(39,746)</u>
At 01 April 2021	7,413,000	(7,452,746)	(39,746)
<i>Total comprehensive loss for the year</i>			
Loss for the year	-	(6,753)	(6,753)
At 31 March 2022	<u>7,413,000</u>	<u>(7,459,499)</u>	<u>(46,499)</u>

The notes on pages 10 to 21 form part of these financial statements.

Britannia Dairy Holdings Pvt Ltd**Statement of cash flows***for the year ended 31 March 2022*

	<u>2022</u>	<u>2021</u>
	USD	USD
Cash flows from operating activities		
Loss before taxation	(6,753)	(5,402)
Adjustment for:		
Amortisation of intangible asset	-	-
	<u>(6,753)</u>	<u>(5,402)</u>
<i>Changes in working capital</i>		
Decrease/(increase) in prepayments	2,029	(1,209)
Increase in accruals and other payables	4,724	6,611
Net cash from operating activities	<u>-</u>	<u>-</u>
Net movement in cash and cash equivalents	-	-
Cash and cash equivalents at start of the year	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of the year	<u><u>-</u></u>	<u><u>-</u></u>

The notes on pages 10 to 21 form part of these financial statements.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements

for the year ended 31 March 2022

1. General information

Britannia Dairy Holdings Pvt Ltd (the "Company"), previously known as Britannia New Zealand Holdings Pvt Ltd, is a company incorporated under the laws of Mauritius on 23 March 2005, as a private company limited by shares, regulated and licensed by the Financial Services Commission of Mauritius (the "FSC"). It held a Category 2 Global Business Licence ("GBC 2") under the Financial Services Act 2007. Being the holder of a GBC 2 licence issued by the FSC, the Company was subject to the provisions of the Financial Services (Authorised Company) Rules 2018 and the Financial Services (Consolidated Licensing and Fees) (Amendment) Rules 2018 (the "Rules") enacted by the FSC and coming into operation on 01 October 2018 for purposes of the phasing out of the GBC 2 regime and its conversion into the Authorised Company regime which is regulated under Section 71A of the Financial Services Act 2007 ("Authorised Company").

A transitional phase had been introduced with different timelines for the transition from GBC 2 to Authorised Company depending on whether the company had been licensed by the FSC as a GBC 2 before or after 16 October 2017. The Company changed its legal regime to that of an Authorised Company on 30 June 2021.

The registered office and main place of business of the Company is 4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius.

The main activity of the Company is to hold 'Dairy Trademarks' as described in note 6 to the financial statements.

2. Basis of preparation

(a) Basis of preparation of financial statements

The Company's financial statements comply with the requirements of the International Financial Reporting Standards ("IFRS") and interpretations adopted by the International Accounting Standards Board ("IASB").

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis, except for financial assets and financial liabilities measured at fair value through profit or loss.

(c) Functional and presentation currency

The Company's financial statements are presented in United States Dollar ("USD") which is the Company's functional currency.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements *for the year ended 31 March 2022*

3. Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4. Significant accounting policies

(a) New standards, interpretations and amendments to published standards effective 1 April 2021

New IFRS standards and amendments were issued during the year none of which were relevant to the Company. There have not been any changes in accounting policies during the year impacting the Company's financial statements.

(b) Standards, amendments and interpretations that are not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2021 have been issued. These have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Company.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements for the year ended 31 March 2021

4. Significant accounting policies (continued)

(b) Standards, amendments and interpretations that are not yet effective (Continued)

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (continued)

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right

That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Annual Improvements to IFRS Standards 2018-2020

IFRS 9 Financial Instruments - The amendment clarifies that for the purpose of performing the "10 per cent test" for derecognition of financial liabilities - in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted. The directors have considered that the amendments to the definition of material are not expected to have a significant impact on the Company's financial statements.

Disclosure Initiative: Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

Making information in financial statements more relevant and less cluttered has been one of the key focus areas for the International Accounting Standards Board (the Board).

The Board has issued amendments to IAS 1 Presentation of Financial Statements and an update to IFRS Practice Statement 2 Making Materiality Judgements to help companies provide useful accounting policy disclosures.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements for the year ended 31 March 2022

4. Significant accounting policies (continued)

(c) 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.

(i) Recognition and initial measurement

Financial assets and liabilities at fair value through profit or loss are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification

Financial assets and financial liabilities

On initial recognition, a financial asset is classified as measured at: amortised cost or fair value through profit or loss ("FVTPL").

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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 ("SPPI").

The Company did not hold any financial assets measured at amortised cost at the reporting date.

Financial liabilities at amortised cost

The Company classifies accruals and other payables as financial liabilities at amortised cost on initial recognition.

(iii) Subsequent measurement

Category	Subsequent measurement
Financial liabilities at amortised cost	The Company classifies its accruals and other payables as financial liabilities at amortised cost and are subsequently measured at effective cost using the effective interest rate.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements

for the year ended 31 March 2022

4. Significant accounting policies (continued)

(c) Financial instruments (continued)

Derecognition of financial assets and liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

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

(viii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

There is no offsetting of financial instruments applied as on reporting in the statement of financial position.

(d) Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets such as Trademark, meeting the relevant recognition criteria are initially measured at cost and amortised on a systematic basis over their estimated useful lives. Acquired trademarks are carried at cost less accumulated amortisation and impairment. Trademarks with indefinite lives are not amortised but are reviewed annually for impairment. Other trademarks are amortised on a straight-line basis over their remaining useful lives, consistent with the pattern of economic benefits expected to be received, which do not exceed 20 years. Any impairments of trademarks are recognised in the income statement but increases in trademark values are not recognised.

(e) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the recoverable amount of assets is below the carrying amount. In case that the carrying value of an asset exceeds its recoverable amount, the Company recognises the impairment in the statement of profit or loss and other comprehensive income.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements

for the year ended 31 March 2022

4. Significant accounting policies (continued)

(f) Revenue

The Company recognises revenue based on the following principles:

- (i) Identify the contract(s) with a customer;
- (ii) Identify the performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations in the contract;
- (v) Recognise revenue when (or as) the entity satisfies a performance obligation.

Royalties are recognised when contractual performance obligations are satisfied.

The Company did not derive income from royalties during the year.

(g) Provisions

A provision is recognised if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(h) Expenses

Expenses are accounted under the accrual basis.

(i) Prepayments

Prepayments are stated at cost or fair value where such value can be reliably estimated.

(j) Accruals and other payables

Accruals and other payables are recognised initially at cost and subsequently measured at amortised cost using the effective interest method, unless this is not appropriate, in which case they are measured at cost.

(k) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(l) Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly to control the other party or exercise significant influence over the party in making financial and operating decisions.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements

for the year ended 31 March 2022

4. Significant accounting policies (continued)

(m) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments, which are recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(n) Critical Accounting judgement and assumption when applying the Company's accounting policies

In the process of applying the Company's accounting policies, which are described in Note 2, the directors have made the following judgement and assumption that have the most significant effect on the amounts recognised in the financial statements:

Going Concern

At 31 March 2022, the Company's total liabilities exceeded its total assets by USD 46,499 (2021: USD 39,746). The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the support of its shareholder to continue in business for the foreseeable future. The Company has received a letter of support from its shareholder whereby the latter has committed to provide continuous financial support for at least the twelve months from the date of approval of these financial statements. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

5. Taxation

The Company is an Authorised Company and is considered as non-resident for treaty purposes. However, it should exchange information if the agreement so provides. The company shall submit a return as prescribed in the Income Tax Act.

6. Intangible asset

Intangible asset consists of a trademark that had been assigned to the Company on 31 March 2005. The Directors had estimated the useful life of the asset to be of 20 years. The intangible asset was being amortized over its estimated useful life using the straight-line method. The Holding Company was in the process to expand its Dairy operations in India. A significant amount of Capital Expenditure had been planned with regards to the Integrated Food Park project in Maharashtra. However, since the plans are fluid with respect to the usage of the brand and there is considerable uncertainty as to when economic benefits would be derived, the Directors decided to amortize the intangible asset to the full extent of its remaining useful life at 31 March 2020.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements

for the year ended 31 March 2022

7. Prepayments

	<u>2022</u>	<u>2021</u>
	USD	USD
Prepayments from related party (Note 11)	-	2,177
Other prepayments	<u>255</u>	<u>107</u>
	<u>255</u>	<u>2,284</u>

8. Share capital

	<u>2022</u>	<u>2021</u>
	USD	USD
<i>Authorised and issued</i>		
Ordinary shares fully paid (2021: 2,000 ordinary shares) of USD 1 each issued	2,000	2,000
Class C shares fully paid (2021: 7,411,000 Class C shares) of USD 1 each issued	<u>7,411,000</u>	<u>7,411,000</u>
	<u>7,413,000</u>	<u>7,413,000</u>

The ordinary shares confer the following rights:

- (a) the right to receive notice of and to vote at any meeting of the shareholders, with each ordinary share having one vote;
- (b) an equal right on the distribution of income and capital as amongst themselves; and
- (c) in a winding, up shall have the rights set out in paragraph 23 of the constitution.

The Class "C" shares have the following rights:

- (a) the Class "C" shares will confer on the holder thereof the right to receive, as and when declared by the board out of funds legally available thereof, a dividend (cash or otherwise), provided however that such right to dividend shall be subject to payment of dividend to holders of equity shares carrying voting rights at such rate as may be deemed appropriate by the Board;
- (b) each member holding Class "C" shares shall be entitled to receive notice of an attend meeting of members, but this right shall not confer on such members the right to vote on any resolution or other matter affecting the Company except on a resolution to terminate and dissolve the Company and on a resolution to vary the rights of the Class "C" shares; and
- (c) in a winding up, the holders of the Class "C" shares shall not be entitled for repayment of the capital paid on the Class "C" shares but shall be entitled to participate in the distribution of surplus assets pari passu with the ordinary shares in accordance with paragraph 23 of the constitution.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements for the year ended 31 March 2022

9. Accruals and other payables

	<u>2022</u>	<u>2021</u>
	USD	USD
Accruals	2,925	2,200
Payable to related party (Note 11)	<u>43,829</u>	<u>39,830</u>
	<u>46,754</u>	<u>42,030</u>

10. Financial risk management

Overview

This note presents information about the Company's exposure to financial risk, the Company's objectives, policies and processes for measuring and managing risks, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to mainly the following risk from its use of financial instruments:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The validity of this assumption depends on the continued support of the parent as the Company is in a net current liability position. The directors are of the opinion that this support will be forthcoming over the next reporting period.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Carrying amount	Less than 1 year
	USD	USD
At 31 March 2022		
<i>Non-derivative financial instruments</i>		
Accruals and other payables	<u>46,754</u>	<u>46,754</u>
	<u>46,754</u>	<u>46,754</u>

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements
for the year ended 31 March 2022

10. Financial risk management (continued)

Liquidity risk (continued)

At 31 March 2021	Carrying amount	Less than 1 year USD
<i>Non-derivative financial instruments</i>	USD	
Accruals and other payables	42,030	42,030
	<u>42,030</u>	<u>42,030</u>

Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value and analyses it by the level in the fair value hierarchy into which each fair value measurement is categorized:

31 March 2022	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
<i>Financial liabilities</i>				
Accruals and other payables	-	-	46,754	46,754
31 March 2021	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
<i>Financial liabilities</i>				
Accruals and other payables	-	-	42,030	42,030

Capital risk management

The Company's objective when managing capital are to safeguard the Company's ability to continue as going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to shareholders, return capital to shareholders or issue new shares.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements for the year ended 31 March 2022

11. Related party disclosures

During the year under review, the Company transacted with related parties. Details of the nature, volume of transactions and balances with the related parties are as follows:

Name of related parties	Relationship	Nature of transactions	Volume of transactions	Closing balance	
				Prepayments/(payables)	
		USD	USD	USD	USD
Britannia and Associates (Mauritius) Pvt Ltd	Related company	Expenses paid on behalf Accounting, directors and registered office fees	(3,999)	(43,829)	(39,830)
Apex Fund Services (Mauritius) Ltd	Administrator		(3,602)	(1,425)	2,177

The directors of the Company are also key management personnel of the Company.

12. Holding and ultimate holding company

The directors consider Britannia Industries Limited, a company incorporated in India and a company listed on the National Stock Exchange of India, as the ultimate holding company.

13. Consolidated financial statements

The holding company, Britannia Industries Limited, prepares consolidated financial statements, for public use, in accordance with Indian GAAP. Its registered office is at 5/1A Hungerford Street, Kolkata - 700 017 West Bengal, India.

14. Impact of COVID-19

The Directors acknowledge the current outbreak of Coronavirus (COVID-19) and its adverse economic impact on the countries, industries and markets in which the Company invests. The global impact of the outbreak is still evolving.

Going Concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of the parent as the Company is in a net current liability position. The directors are of the opinion that this support will be forthcoming over the next financial year. The Company has received a letter of support from its shareholder whereby the latter has committed to provide continuous financial support for at least the twelve months from the date of approval of these financial statements. They therefore believe that it is appropriate for the financial statements to be prepared on the going concern basis.

Britannia Dairy Holdings Pvt Ltd

Notes to and forming part of the audited financial statements
for the year ended 31 March 2022

15. Events after the reporting date

The Directors are not aware of material events since the end of the reporting period which would require disclosure or adjustment to the financial statements for the year ended 31 March 2022.