

Independent Auditor's Report and Financial Statements

Britannia Dairy Private Limited

31 March 2022

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Walker Chandiook & Co LLP

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Independent Auditor's Report

To the Members of Britannia Dairy Private limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Britannia Dairy 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 Flows, 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, its profit (including other comprehensive loss), 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 Board's Report, but does not include the financial statements and our auditor's report thereon.

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 is 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors is 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;



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' 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;
10. We communicate with the Board of Directors 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. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.
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 I 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 I, 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 II wherein we have expressed an unmodified opinion;
 - 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:



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- i. The Company, as detailed in note 39 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;
- 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, as disclosed in note 35 to the financial statements, 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 persons or entities, 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 persons or entities, 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 notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year ended 31 March 2022 and until the date of this audit report is in compliance with Section 123 of the Act.

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


Aashesh Arjun Singh
Partner
Membership No.: 210122
UDIN: 22210122AIKMHD9643

Bengaluru
30 April 2022



Walker Chandiook & Co LLP

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Britannia Dairy 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.
- (B) The Company does not have any Intangible assets and accordingly, reporting under Clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The Company has a regular program of physical verification of its property, plant and equipment under which the assets are physically verified once in every three 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, Property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under Clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, plant and equipment 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 not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under Clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under Clauses 3(iii)(a) of the Order is not applicable to the Company.
- (b) In our opinion, and according to the information and explanations given to us, the investments made are prima facie, not prejudicial to the interest of the Company.
- The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has not granted any loans or advances in the nature of loans during the year. Accordingly, reporting under Clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) 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 complied with the provisions of Section 186 of the Act in respect of investments, as applicable. Further, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.



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

- (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.
- (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 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:

(amount in ₹ crores)

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax act , 1956 / Value added tax acts of various states	Sales Tax / Value added tax	0.99	0.29	2002-2017	Appellate Authority up to Commissioner's level of various states
The Central Sales Tax act , 1956 / Value added tax acts of various states	Sales Tax / Value added tax	0.15	-	2003-2015	Tribunal of various states
Income tax Act,1961	Income tax	3.34	-	2016-2018	Appellate Authority up to Commissioner's level

- (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) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) 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.



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Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Britannia Dairy 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 Section 188 of the Act. 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. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under Section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under Section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (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)(a) and Clause 3(xvi)(b) of the Order is not applicable to the Company .

(c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has only one CICs as part of the Group.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (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.



Chartered Accountants

Walker Chandiook & Co LLP

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

- (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 and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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 have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under Clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under Clause (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 Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Aashesh Arjun Singh
Partner
Membership No.: 210122
UDIN: 22210122AIKMHD9643

Bengaluru
30 April 2022



Walker Chandiook & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Britannia Dairy Private limited on the financial statements for the year ended 31 March 2022

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 Britannia Dairy 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 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 issued by the Institute of Chartered Accountants of India. 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 Institute of Chartered Accountants of India ('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 on Audit of Internal Financial Controls Over Financial Reporting ('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.



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Annexure II to the Independent Auditor's Report of even date to the members of Britannia Dairy Private limited on the financial statements for the year ended 31 March 2022 (cont'd)

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 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 issued by the Institute of Chartered Accountants of India.

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

Aasheesh Arjun Singh
Partner
Membership No.: 210122
UDIN: 22210122AIKMHD9643

Bengaluru
30 April 2022



BRITANNIA DAIRY PRIVATE LIMITED

Balance Sheet

(all amounts in ₹ crores, unless otherwise mentioned)

As at	Note	31 March 2022	31 March 2021
I Assets			
(1) Non-current assets			
(a) Property, plant and equipment	4	-	-
(b) Financial assets			
(i) Investments	5	75.00	125.00
(c) Deferred tax assets, net	34	1.85	0.81
(e) Tax assets, net	34	3.49	3.41
(d) Other non-current assets	6	0.97	0.81
Total non-current assets		81.31	130.03
(2) Current assets			
(a) Inventories	7	16.31	15.15
(b) Financial assets			
(i) Investments	8	31.24	100.29
(ii) Trade receivables	9	43.92	31.62
(iii) Cash and cash equivalents	10	1.78	1.48
(iv) Bank balances other than (iii) above	10	0.02	0.02
(v) Loans receivable	11	-	0.50
(vi) Other financial assets	12	5.47	13.98
(c) Other current assets	13	9.64	6.27
Total current assets		108.38	169.31
Total assets		189.69	299.34
II Equity and liabilities			
(1) Equity			
(a) Equity share capital	14	5.78	5.78
(b) Other equity	15	124.11	214.32
Total equity		129.89	220.10
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	16	0.17	0.17
(b) Provisions	20	0.48	0.49
Total non-current liabilities		0.65	0.66
(3) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	17		
(a) total outstanding dues of micro enterprises and small enterprises		0.01	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		40.70	57.53
(ii) Other financial liabilities	18	1.22	7.42
(b) Other current liabilities	19	5.50	4.38
(c) Provisions	20	9.80	4.31
(d) Tax liabilities, net	34	1.92	4.94
Total current liabilities		59.15	78.58
Total liabilities		59.80	79.24
Total equity and liabilities		189.69	299.34

Significant accounting policies

3

See accompanying notes to the financial statements

As per our report of even date attached

for **Walker Chandio & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 001076N/N500013



Aasheesh Arjun Singh

Partner

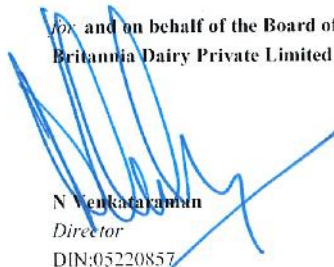
Membership Number: 210122

Place : Bengaluru

Date : 30 April 2022



for and on behalf of the Board of Directors
Britannia Dairy Private Limited



N Venkataraman

Director

DIN:05220857

Piyush Bhandari

Chief Financial Officer

Place : Bengaluru

Date : 30 April 2022



Abhishek Sinha

Director

DIN: 09313745

Sona Rajora

Company Secretary

Membership Number: A35468

Place : Bengaluru

Date : 30 April 2022



BRITANNIA DAIRY PRIVATE LIMITED
Statement of Profit and Loss
(all amounts in ₹ crores, unless otherwise mentioned)

For the year ended	Note	31 March 2022	31 March 2021
I Revenue from operations			
Sale of goods	21A	340.49	333.90
II Other income	21B	12.60	18.12
III Total income (I+II)		353.09	352.02
IV Expenses:			
Purchases of stock in trade	22	252.45	217.67
Changes in inventories of stock in trade	23	(1.16)	3.86
Employee benefits expense	24	7.92	6.09
Depreciation expense	4	-	0.05
Other expenses	25	30.32	31.26
Total expenses		289.53	258.93
V Profit before tax (III-IV)		63.56	93.09
VI Tax expense:			
(i) Current tax	34	16.96	29.03
(ii) Tax relating to earlier years	34	(2.06)	0.65
(ii) Deferred tax	34	(1.05)	(2.50)
		13.85	27.18
VII Profit for the year (V-VI)		49.71	65.91
VIII Other comprehensive income			
<i>Items that will not be reclassified subsequently to Statement of profit or loss</i>			
Remeasurements of the net defined benefit asset / (liability)		(0.02)	0.02
Income-tax relating to items not to be reclassified subsequently to statement of profit or loss		0.00	(0.01)
Other comprehensive (loss) / income, net of tax		(0.02)	0.01
IX Total comprehensive income for the year (VII + VIII)		49.69	65.92
Earnings per share (nominal value of ₹ 10 each)	32		
Basic [in ₹]		86.00	114.03
Diluted [in ₹]		86.00	114.03
Weighted average number of equity shares used in computing earnings per share:			
- Basic		57,80,000	57,80,000
- Diluted		57,80,000	57,80,000
Significant accounting policies	3		

See accompanying notes to the financial statements

As per our report of even date attached

for **Walker Chandio & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 001076N/N500013



Aasheesh Arjun Singh
Partner
Membership Number: 210122



Place : Bengaluru
Date : 30 April 2022

for and on behalf of the Board of Directors
Britannia Dairy Private Limited



N Venkatesh
Director
DIN:05220857



Piyush Bhandari
Chief Financial Officer

Place : Bengaluru
Date : 30 April 2022



Abhishek Sinha
Director
DIN: 09313745



Sona Rajora
Company Secretary
Membership Number: A35468

Place : Bengaluru
Date : 30 April 2022



BRITANNIA DAIRY PRIVATE LIMITED

Statement of Changes in Equity
(all amounts in ₹ crores, unless otherwise mentioned)

Particulars	Other Equity					Total equity attributable to equity holders of the Company
	Equity share capital		Reserves and surplus		Other comprehensive income	
	Securities premium	Retained earnings	Capital redemption reserve	Other Items of OCI		
Balance as at 01 April 2020	5.78	111.61	36.94	-	(0.15)	154.18
Changes in equity for the year ended 31 March 2021						
Remeasurement of the net defined benefit (liability)/asset, net of tax effect	-	-	-	-	0.01	0.01
Profit for the year	-	-	65.91	-	-	65.91
Balance as at 31 March 2021	5.78	111.61	102.85	-	(0.14)	220.10

Particulars	Other Equity					Total equity attributable to equity holders of the Company
	Equity share capital		Reserves and surplus		Other comprehensive income	
	Securities premium	Retained earnings	Capital redemption reserve	Other Items of OCI		
Balance as at 01 April 2021	5.78	111.61	102.85	-	(0.14)	220.10
Changes in equity for the year ended 31 March 2022						
Transfer from Retained earnings	-	-	-	6.00	-	6.00
Transfer to Capital redemption reserve	-	-	(6.00)	-	-	(6.00)
Remeasurement of the net defined benefit (liability)/asset, net of tax effect	-	-	49.71	-	(0.02)	49.71
Dividends	-	-	(139.90)	-	-	(139.90)
Balance as at 31 March 2022	5.78	111.61	6.66	6.00	(0.16)	129.89

See accompanying notes to the financial statements
As per our report of even date attached

for: **Walker Chandiotk & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 001076/N/NS00013

(Signature)

Aashesh Arjun Singh
Partner
Membership Number: 210122

Place : Bengaluru
Date : 30 April 2022



for and on behalf of the Board of Directors
Britannia Dairy Private Limited

(Signature)
N Venkateshwaran
Director
DIN:05220857

(Signature)
Piyush Bhandari
Chief Financial Officer

Place : Bengaluru
Date : 30 April 2022

(Signature)
Abhishek Sinha
Director
DIN:09313745

(Signature)
Sona Rajora
Company Secretary
Membership Number: A35468

Place : Bengaluru
Date : 30 April 2022

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BRITANNIA DAIRY PRIVATE LIMITED
Statement of Cash Flows
(all amounts in ₹ crores, unless otherwise mentioned)

For the year ended	31 March 2022	31 March 2021
Cash flows from operating activities		
Profit before tax	63.56	93.09
Adjustments for:		
Depreciation expense	-	0.05
Net gain on financial asset measured at fair value through statement of profit and loss	(2.04)	(4.68)
Interest income	(10.56)	(13.23)
	50.96	75.23
Changes in		
Trade receivables	(12.30)	(11.54)
Other financial assets and other assets	(3.53)	4.78
Inventories	(1.16)	3.86
Trade payables, other financial liabilities, other liabilities and provisions	(10.44)	8.33
Cash generated from operating activities	23.53	80.66
Income-tax paid, net of refund	(17.99)	(29.21)
Net cash generated from operating activities	5.54	51.45
Cash flows from investing activities		
(Purchase) / sale of investments, net	121.09	(93.90)
Purchase of property plant and equipment	-	(0.05)
Inter-corporate deposits placed	-	(9.50)
Inter-corporate deposits redeemed	0.50	50.41
Interest received	19.07	0.91
Net cash from / (used in) investing activities	140.66	(52.13)
Cash flows from financing activities		
Dividends paid	(139.90)	-
Redemption of preference shares	(6.00)	-
Net cash used in financing activities	(145.90)	-
Net change in cash and cash equivalents	0.30	(0.68)
Cash and cash equivalents at beginning of the year	1.48	2.16
Cash and cash equivalents at end of the year	1.78	1.48
Note :		
Cash and cash equivalents as at the end of the year [Refer note 10]	1.78	1.48

Significant accounting policies [Refer note 3]

See accompanying notes to the financial statements

As per our report of even date attached

for **Walker Chandio & Co. I.L.P**
Chartered Accountants
ICAI Firm registration number: 001076N/N500013

for and on behalf of the Board of Directors
Britannia Dairy Private Limited



Aashceesh Arjun Singh
Partner
Membership Number: 210122



N Venkataraman
Director
DIN:05220857



Piyush Bhandari
Chief Financial Officer



Abhishek Sinha
Director
DIN: 09813745



Sona Rajora
Company Secretary
Membership Number: A35468

Place : Bengaluru
Date : 30 April 2022

Place : Bengaluru
Date : 30 April 2022

Place : Bengaluru
Date : 30 April 2022




BRITANNIA DAIRY PRIVATE LIMITED

Notes to financial statements

1 Reporting entity

Britannia Dairy Private Limited (the 'Company') is a private Company domiciled in India with its registered office situated at 5/1A, Hungerford Street, Kolkata, West Bengal - 700001. The Company has been incorporated under the provisions of the Indian Companies Act. The Company is a wholly owned subsidiary of Britannia Industries Limited. The Company is involved in trading of dairy products.

2 Basis of preparation

A. Statement of compliance

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

The financial statements were authorised for issue by the Company's Board of Directors on 30 April 2022.

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

B. Functional & presentation currency

These financial statements are presented in Indian Rupees (₹), 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 except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair Value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D. Use of estimates

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.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 31 - leases: whether an arrangement contains a lease and lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

Note 26 - measurement of defined benefit obligations: key actuarial assumptions;

Note 39 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

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 prices).

- 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 or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

Note 36 - 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 cost 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 the Statement of 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.



BRITANNIA DAIRY PRIVATE 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 as per schedule II of the Companies Act, 2013 and is recognised in the Statement of Profit and Loss. Assets acquired under 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:

Assets	Useful life
Plant and equipment	7.5-15 years

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

(b) Impairment**(i) Financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the Statement of Profit or Loss.

(ii) 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 amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(c) Leases

The Company at the inception of a contract, assesses whether a contract, is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A lessee recognises a Right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The Company does not recognise right-of-use of assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term. Lessor accounting remains similar to the accounting under the previous standard i.e. lessor continues to classify leases as finance or operating 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

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. Subsequent to initial measurement, the liability is reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. On the Balance Sheet, right-of-use assets have been included under property, plant and equipment and lease liabilities have been included under financial liabilities.

As a lessor

Lease income from operating leases, where the Company is a lessor, is recognised on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

(d) Inventories

Inventories are valued at the lower of cost (including prime cost and other overheads incurred in bringing the inventories to their present location and condition), computed on a first-in-first-out basis, and estimated net realisable value, after providing for obsolescence, where appropriate. The comparison of cost and net realisable value is made on an item-by-item basis.

The provision for inventory obsolescence is assessed regularly based on the estimated shelf life of the product.



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BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
3. Significant accounting policies (continued)

(e) 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.

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.

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3. Significant accounting policies (continued)

(f) Revenue Recognition

The Company recognises 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. A 5-step approach is used to recognise revenue as below:

- 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

(i) Sale of goods:

Revenue is recognised when a customer obtains control of the goods which is mainly upon delivery at the customer premises. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognised 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 recognised sooner than when the return period lapses or a reasonable estimate can be made. A refund liability and an asset for recovery is recognised for these contracts and presented separately in the balance sheet.

(ii) Others:

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend. 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.

(g) 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.

(h) Income-tax

Income-tax comprises current and deferred tax. It is recognised in the statement of 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 year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income-taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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.

(i) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the statement of profit and loss.



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3. Significant accounting policies (continued)

(j) 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.

(k) Employee benefits

i. Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

ii. Post-employment benefits

Contributions to defined contribution schemes such as Provident Fund, Pension Fund, etc., are recognised as expenses in the period in which the employee renders the related service. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Remeasurement of the net benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interests) and the effect of the assets ceiling (if any, excluding interest) are recognised in other comprehensive income. The effect of any plan amendments are recognized in the Statement of Profit and Loss.

iii. Other long term employee benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary as at 1 January every year using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

(l) Cash and cash equivalents

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

(m) 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 year. 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 year, 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.

(n) Statement of cash flows

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.

(o) Recent accounting pronouncements

Standards issued but not effective on Balance Sheet date:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below;

Ind AS 109 - Financial Instruments

The amendment clarifies that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. 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.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets - The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The Company has evaluated the amendment and there is no impact on its financial statements.



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BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

Note 4 -Property, plant and equipment

Reconciliation of carrying amount

Description	Gross carrying amount			Accumulated depreciation			Carrying amounts, net As at 31 March 2022
	As at 1 April 2021	Additions	Disposals	As at 31 March 2022	Depreciation for the year	Disposals	
<i>Owned</i>							
Building	0.05	-	0.05	-	0.05	0.05	-
Plant and equipment	0.79	-	-	0.79	-	-	0.79
Total	0.84	-	0.05	0.79	-	0.05	0.79

Description	Gross carrying amount			Accumulated depreciation			Carrying amounts, net As at 31 March 2021
	As at 1 April 2020	Additions	Disposals	As at 31 March 2021	Depreciation for the year	Disposals	
<i>Owned</i>							
Building	-	0.05	-	0.05	0.05	-	0.05
Plant and equipment	0.79	-	-	0.79	-	-	0.79
Total	0.79	0.05	-	0.84	0.05	-	0.84



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BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

As at	31 March 2022	31 March 2021
Note 5 - Non current investments		
Unquoted		
At fair value through profit and loss		
Investments in equity instruments (fully paid)		
International Bakery Products Limited*	0.00	0.00
At amortised cost		
Investments in debentures / bonds	75.00	125.00
Aggregate value of non-current investments	75.00	125.00
Total quoted non-current investment	-	-
Total unquoted non-current investment	75.00	125.00
Aggregate market value of quoted non-current investments	-	-
* Refer Note 30 & 37		
Note 6 - Other non-current assets		
Unsecured		
Advances to statutory authorities	0.74	0.58
Other advances	0.23	0.23
	0.97	0.81
Note 7 - Inventories*		
Stock-in-trade (**)	11.96	13.44
Goods-in-transit	4.35	1.71
	16.31	15.15
* Refer note 3(d) for mode of valuation for inventories.		
** Net of provisions amounting to ₹ 0.46 (31 March 2021: ₹ 0.40)		
The write down of inventories to net realisable value amounted to ₹ 0.04 (31 March 2021: ₹ 0.27).		
Note 8 - Current investments		
Unquoted		
At fair value through profit and loss		
(i) Investments in mutual funds	31.24	25.29
At amortised cost		
(i) Investments in debentures / bonds	-	75.00
Aggregate value of current investments	31.24	100.29
Total quoted current investment	-	-
Total unquoted current investment	31.24	100.29
Aggregate market value of quoted current investments	-	-
Note 9 - Trade receivables		
Unsecured, considered good:*	44.27	31.97
Less: Loss Allowances	0.35	0.35
	43.92	31.62
The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in note 35.		
*Includes dues from related party (refer note 30)		
[Refer note 41(a)]		
Note 10 - Cash and bank balances		
Cash and cash equivalents:		
Cheques on hand	0.04	0.06
Current accounts	1.74	1.42
	1.78	1.48
Other bank balances:		
Deposits with original maturity for more than 3 months but not more than 12 months	0.02	0.02
	0.02	0.02
Note 11 - Current loans receivable		
Considered good unsecured:		
Inter-corporate deposits [Refer note 27(a)]	-	0.50
	-	0.50
Note 12 - Other current financial assets		
Interest accrued but not due	5.47	13.98
	5.47	13.98
Note 13 - Other current assets		
Balance with Government authorities	3.45	3.01
Other advances	6.19	3.26
	9.64	6.27



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BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

Note 14 - Equity share capital

As at	31 March 2022	31 March 2021
Authorised		
Equity shares	6.00	6.00
[6,000,000 equity shares of ₹ 10/- each (31 March 2021: 6,000,000 equity shares of ₹ 10/- each)]	<u>6.00</u>	<u>6.00</u>
Issued, subscribed and paid-up		
Equity shares fully paid-up	5.78	5.78
[5,780,000 equity shares of ₹ 10/- each (31 March 2021: 5,780,000 equity shares of ₹ 10/- each)] ⁹	<u>5.78</u>	<u>5.78</u>

Equity shares:

* Of the above, 5,779,999 equity shares of ₹ 10/- each (31 March 2021: 5,779,999 equity shares of ₹ 10/- each) are held by Britannia Industries Limited (BIL), the holding company and 1 equity share of ₹ 10/- each (31 March 2021: 1 equity share of ₹ 10/- each) is held by a nominee of Britannia Industries Limited. The Bombay Burmah Trading Corporation Limited is the ultimate holding company.

Rights, preferences and restrictions attached to the equity shares:

- The equity shares have a par value of ₹ 10/- . Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts (represented by the preference shares outstanding). The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes

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

	31 March 2022		31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Holding company				
Britannia Industries Limited *	57,80,000	5.78	57,80,000	5.78
* Includes one equity share held by a nominee of Britannia Industries Limited				

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

	31 March 2022		31 March 2021	
	Number of shares	% Holding	Number of shares	% Holding
Holding company				
Britannia Industries Limited *	57,80,000	100%	57,80,000	100%
* Includes one equity share held by a nominee of Britannia Industries Limited				

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

	31 March 2022		31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the reporting year	57,80,000	5.78	57,80,000	5.78
Movement during the reporting year		-		-
Closing balance at the end of the reporting year	<u>57,80,000</u>	<u>5.78</u>	<u>57,80,000</u>	<u>5.78</u>

d) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the year of five years immediately preceding the reporting date is Nil (31 March 2021 : Nil).

e) Promoter shareholding pattern

As at	31 March 2022		
	Number of shares	% of total shares	% change during the year
Britannia Industries Limited*	57,80,000	100.00%	0.00%
* Includes one equity share held by Mr. N. Venkataraman as a nominee of Britannia Industries Limited			
	<u>57,80,000</u>	<u>100.00%</u>	<u>0.00%</u>

As at	31 March 2021		
	Number of shares	% of total shares	% change during the year
Britannia Industries Limited*	57,80,000	100.00%	0.00%
* Includes one equity share held by Mr. N. Venkataraman as a nominee of Britannia Industries Limited			
	<u>57,80,000</u>	<u>100.00%</u>	<u>0.00%</u>



BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

Note 15 - Other equity

Particulars	Securities premium	Capital redemption reserve	Retained earnings	Other Items of OCI	Total
Balance as at 1 April 2020	111.61	-	36.94	(0.15)	148.40
Additions:					
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	0.01	0.01
Net profit after tax transferred from the statement of profit and loss	-	-	65.91	-	65.91
Balance as at 31 March 2021	111.61	-	102.85	(0.14)	214.32
Balance as at 1 April 2021	111.61	-	102.85	(0.14)	214.32
Additions:					
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	(0.02)	(0.02)
Transfer from retained earnings	-	6.00	-	-	6.00
Net profit after tax transferred from the statement of profit and loss	-	-	49.71	-	49.71
	111.61	6.00	152.56	(0.16)	270.01
Deductions:					
Dividend paid	-	-	139.90	-	139.90
Transfer to Capital redemption reserve	-	-	6.00	-	6.00
Balance as at 31 March 2022	111.61	6.00	6.66	(0.16)	124.11

Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained earnings

Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves if any, dividend and other distributions made to the shareholders.

Capital redemption reserve

The Company has redeemed its redeemable preference shares and as per the provisions of the applicable laws, a sum equal to the nominal value of the shares so redeemed was required to be transferred to the capital redemption reserve. [refer note 16]

Dividends

The following dividends were declared and paid by the Company during the year:

As at	31 March 2022	31 March 2021
1) ₹ 165 per equity share of face value of ₹ 10 each (31 March 2021: ₹ Nil per equity share of face value of ₹ 10 each) to equity shareholders	95.37	-
2) ₹ 76 per equity share of face value of ₹ 10 each (31 March 2021: ₹ Nil per equity share of face value of ₹ 10 each) to equity shareholders	43.93	-
3) ₹ 1 per 10% Redeemable non-cumulative preference shares of face value of ₹ 10 each (31 March 2021: ₹ Nil per 10% Redeemable non-cumulative preference shares of face value of ₹ 10 each) to preference shareholders. [refer note 16]	0.60	-
	139.90	-

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BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

As at	31 March 2022	31 March 2021
Note 16 - Other non current financial liabilities		
Deposits from customers	0.17	0.17
10% Redeemable non-cumulative preference shares fully paid-up ^a [(31 March 2021: 6,000,000 10% Redeemable non-cumulative preference shares of ₹ 10/- each)]	-	-
	0.17	0.17

***Preference shares:**

Preference share balance consist of:

Non current	-	-
Current maturities [Refer note 18]	-	6.00
	-	6.00

Rights, preferences and restrictions attached to the preference shares:

The preference shares do not carry any voting rights except in case of class meetings of preference shareholders.

The preference shares have right for dividend. In the case of winding up, they have the right of repayment of the amount of capital.

The preference shares are redeemable and shall not be converted into equity shares of the Company under any circumstances. Preference shares are redeemable 20 years from the date of allotment of the preference shares at a premium as may be decided by the Board of Directors and permitted by the then prevailing law. Also, the Company can redeem the preference shares prior to the expiry of the term of 20 years within 60 days of approval of the audited accounts for each financial year but not later than 30 September in each year, at a value determined by the Board of Directors. During the current year on expiry of 20 years term, the company has redeemed the shares at face value.

Shares in respect of preference in the company held by its holding company in aggregate:

Holding company

Britannia Industries Limited

31 March 2022		31 March 2021	
Number of shares	Amount	Number of shares	Amount
-	-	60,00,000	6.00

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

31 March 2022		31 March 2021	
Number of shares	Amount	Number of shares	Amount
-	-	60,00,000	6.00

Britannia Industries Limited

Reconciliation of the number of preference shares outstanding at the beginning and at the end of the reporting year:

31 March 2022		31 March 2021	
Number of shares	Amount	Number of shares	Amount
60,00,000	6.00	60,00,000	6.00
(60,00,000)	(6.00)	-	-
-	-	60,00,000	6.00

Opening balance at the beginning of the reporting year

Redemption during the reporting year

Closing balance at the end of the reporting year



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BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

As at 31 Mar 2022 31 March 2021

Note 17 - Trade Payables

Particulars

Total outstanding dues of micro and small enterprises [Refer note below]*	0.01	0.00
Total outstanding dues of other than micro and small enterprises**	40.70	57.53
	<u>40.71</u>	<u>57.53</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 year and as at 31 March 2022. 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.

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

- Principal*	0.01	0.00
- Interest	-	-

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 year

- -

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

- -

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

- -

The amount of interest accrued and remaining unpaid at the end of each accounting year.

- -

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

- -

*refer note 37

**Includes dues to related party (refer note 30)

[Refer note 41(b)]

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 35.

Note 18 - Other current financial liabilities

Employee related liabilities	0.66	0.94
Other payables	0.56	0.48
10% Redeemable non-cumulative preference shares fully paid-up*	-	6.00
(31 March 2021: 6,000,000 10% Redeemable non-cumulative preference shares of ₹ 10/- each)]		
	<u>1.22</u>	<u>7.42</u>

* Refer note-16

Note 19 - Other current liabilities

Statutory liabilities	0.79	0.50
Advance from customers	4.71	3.88
	<u>5.50</u>	<u>4.38</u>

Note 20 - Provisions

Non current

Employee benefits - gratuity, net [Refer note 26 (b)(4)]	0.48	0.49
--	------	------

Current

Provision for compensated absences	0.39	0.51
Employee benefits - gratuity, net [Refer note 26 (b)(4)]	0.10	0.01
Employee benefits (unfunded pension liability)	0.05	0.05
<i>Others:</i>		
Excise and service tax related issues (a)	0.05	0.05
Sales tax and other issues (a)	0.10	0.08
Trade and other issues (a)	9.11	3.61
	<u>9.80</u>	<u>4.31</u>

(a) Refer note 29



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BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

For the year ended	31 March 2022	31 March 2021
Note 21A - Revenue from operations		
Sale of goods	340.49	333.90
	340.49	333.90
Note 21B - Other income		
Interest income from financial assets carried at amortised cost	10.56	13.23
Net gain on financial asset measured at fair value through profit and loss*	2.04	4.68
Other receipts	-	0.21
	12.60	18.12
* Includes realised gain on sale of investment of ₹. 1.64 (31 March 2021: ₹. 2.42)		
Note 22 - Purchase of stock-in-trade		
Cheese	138.49	130.93
Dairy whitener	19.84	22.18
Butter	4.92	4.54
Ghee	89.20	60.02
	252.45	217.67
Note 23 - Changes in inventories of stock- in-trade		
Opening inventory	15.15	19.01
Closing inventory	16.31	15.15
(Increase) / decrease in inventory	(1.16)	3.86
Note 24 - Employee benefits expense		
Salaries, wages and bonus*	7.62	5.76
Contribution to provident and other funds (refer note 26)	0.23	0.23
Staff welfare expenses	0.07	0.10
	7.92	6.09
*Refer note 30		
Note 25 - Other expenses		
Rent [Refer note 31]	0.20	0.19
Repairs and maintenance - others	-	0.03
Insurance	0.15	0.14
Rates and taxes, net	0.08	0.08
Carriage, freight and distribution	11.98	10.13
Auditors' remuneration (a):		
- Audit fees	0.11	0.11
Corporate social responsibility [Refer note 36]	1.18	0.86
Legal and professional	0.18	0.40
Advertising and sales promotion	7.03	13.66
Travelling and conveyance	-	0.10
Foreign exchange loss, net	0.01	-
Business support expenses*	8.65	4.64
Miscellaneous	0.75	0.92
	30.32	31.26

(a) Excluding applicable taxes

*Refer note 30



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BRITANNIA DAIRY PRIVATE LIMITED

Notes to financial statements (continued)

(all amounts in ₹ crores, unless otherwise mentioned)

Note 26 - Employee benefits

(a) Post retirement benefit - Defined contribution plans

The Company has recognized an amount of ₹ 0.14 (31 March 2021: ₹ 0.15) as expenses under the defined contribution plans in the statement of profit and loss for the year.

Benefit (contribution to)	31 March 2022	31 March 2021
Provident fund	0.14	0.15
Total	0.14	0.15

(b) Post retirement benefit - Defined benefit plans

The Company makes annual contribution to Britannia Dairy Private Limited Employees Gratuity Fund Trust, a defined benefit plan for qualifying employees, which is maintained by MetLife India Insurance Company Limited. The scheme provides for lumpsum payment to vested employees at retirement, death while in employment or on termination of employment as per provision of Payment of Gratuity Act, 1972.

	31 March 2022	31 March 2021
1. Reconciliation of net defined benefit asset / (liability)		
(a) Reconciliation of present value of defined benefit obligation		
Obligation at 1 April	0.67	0.69
Service cost	0.05	0.06
Interest cost	0.04	0.04
Benefit settled	(0.21)	(0.09)
Actuarial (gain) / loss due to financial assumptions	(0.02)	-
Actuarial (gain) / loss due to experience adjustments	0.05	(0.03)
Obligations as at year end 31 March	0.58	0.67
(b) Reconciliation of present value of Plan Asset		
Plan assets as at 1 April at fair value	0.17	0.25
Interest Income	-	0.02
Employer Contribution	0.04	-
Return on assets excluding interest income	0.01	(0.01)
Benefit settled	(0.21)	(0.09)
Other	(0.01)	-
Plan assets as at 31 March at fair value	0.00	0.17
(c) Reconciliation of net defined benefit asset/(liability):		
Present value of obligation as at 31 March	0.58	0.67
Plan assets as at 31 March at fair value	0.00	0.17
Amount recognised in balance sheet asset / (liability)	(0.58)	(0.50)
2. Expenses recognised in the statement of profit and loss		
Current service cost	0.05	0.06
Past Service Cost	-	-
Interest cost	0.04	0.04
Expected return on plan assets	-	(0.02)
Net Cost	0.09	0.08
3. Remeasurements recognised in statement of Other comprehensive income		
Actuarial (gain) / loss on defined benefit obligation	0.03	(0.03)
Return on plan assets excluding interest income	(0.01)	0.01
(Profit) / loss recognised in statement of other comprehensive income	0.02	(0.02)
4. Amount recognised in the balance sheet:		
Opening liability	0.50	0.44
Expense as above	0.11	0.06
Employers' contribution paid	(0.04)	-
Other	0.01	-
Closing liability	0.58	0.50
5. Experience adjustment		
On plan liabilities (gain) / loss	0.05	(0.03)
On plan assets (loss)/gain / gain	0.01	(0.01)
6. Principal actuarial assumptions		
Discount factor [Refer note (i) below]	7.10%	6.60%
Estimated rate of return on plan assets	7.10%	6.60%
Attrition rate:		
Age related (Service related):		
4 years and above	5.00%	5.00%
Below 4 years	15.00%	15.00%
Salary escalation rate [Refer note (iii) below]	7.00%	7.00%
Retirement age (in years)	58	58



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BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

Note 27 - Employee benefits (continued)

Particulars	31 March 2022	31 March 2021
7. Expected total Benefit Payments:		
Year 1	0.10	0.18
Year 2	0.06	0.10
Year 3	0.05	0.06
Year 4	0.08	0.05
Year 5	0.10	0.08
Next 5 Years	0.45	0.46

Notes:

(i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

(ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.

(iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

The sensitivity analysis of significant actuarial assumption as of end of reporting period is shown below.

	31 March 2022	31 March 2021
A. Discount rate		
Discount rate -50 basis points	0.60	0.69
Assumptions	6.60%	6.10%
Discount rate +50 basis points	0.57	0.66
Assumptions	7.60%	7.10%
B. Salary increase rate		
Discount rate -50 basis points	0.57	0.66
Assumptions	6.50%	6.50%
Discount rate +50 basis points	0.60	0.69
Assumptions	7.50%	7.50%

Note 27 - (a) Details of inter corporate deposits during the year

Name of the Borrower	Nature of relationship	Secured/ unsecured	Rate of Interest	Term period	As at 1 April 2021	Placed during the year	Redeemed during the year	As at 31 March 2022
Bajaj Finance Limited	Others	Unsecured	6.9-8.55%	1- 2 years	0.50	-	0.50	-
					<u>0.50</u>	<u>-</u>	<u>0.50</u>	<u>-</u>

Name of the Borrower	Nature of relationship	Secured/ unsecured	Rate of Interest	Term period	As at 1 April 2020	Placed during the year	Redeemed during the year	As at 31 March 2021
Bajaj Finance Limited	Others	Unsecured	6.9-8.55%	1- 2 years	41.41	9.50	50.41	0.50
					<u>41.41</u>	<u>9.50</u>	<u>50.41</u>	<u>0.50</u>

(b) Details of Non-current investments purchased and sold during the year:

Particulars	Face value per unit	As at 1 April 2021	Purchased during the year	Sold during the year	As at 31 March 2022
Trade investments, Unquoted *					
International Bakery Products Limited	10	0.00	-	-	0.00
		<u>0.00</u>	<u>-</u>	<u>-</u>	<u>0.00</u>

Details of Non-current investments purchased and sold during the year:

Particulars	Face value per unit	As at 1 April 2020	Purchased during the year	Sold during the year	As at 31 March 2021
Trade investments, Unquoted *					
International Bakery Products Limited	10	0.00	-	-	0.00
		<u>0.00</u>	<u>-</u>	<u>-</u>	<u>0.00</u>

* Refer note 37



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BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

Note 28 - 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.

Revenue from major customers

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

(a) Revenue comprises :	31 March 2022	31 March 2021
Revenue from food products ^a	340.40	333.90
^a excludes other operating revenue.		

Note 29 - In accordance with Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets", notified under Section 133 of the Act, certain classes of liabilities have been identified as provisions which have been disclosed as under:

	1 April 2021	Additions *	Utilisation *	Reversals / adjustments *	31 March 2022
(a) Excise and service tax related issues	0.05	-	-	-	0.05
(b) Sales tax and other issues	0.08	0.02	-	-	0.10
(c) Trade and other issues	3.61	5.50	-	-	9.11
	1 April 2020	Additions *	Utilisation *	Reversals / adjustments *	31 March 2021
(a) Excise and service tax related issues	0.05	-	-	-	0.05
(b) Sales tax and other issues	0.08	-	-	-	0.08
(c) Trade and other issues	2.99	0.62	-	-	3.61

(a) and (b) represents estimates made for probable cash outflow arising out of pending disputes / litigations with various regulatory authorities.

(c) represents provisions made for probable liabilities / claims arising out of commercial/ other transactions. Further disclosures as required under Ind AS 37 are not made since it can be prejudicial to the interests of the Company.

* Included under various heads in the statement of profit and loss.

Note 30 - Related parties

Relationships

A) Parties where control exists:

- | | |
|----------------------------|---|
| 1 Holding Company | Britannia Industries Limited (BIL) |
| 2 Ultimate Holding Company | The Bombay Burmah Trading Corporation Limited |

B) Parties under common control where transactions have taken place:

- | | |
|-----------------------------|---------------------------------------|
| 1 Fellow subsidiary company | International Bakery Products Limited |
|-----------------------------|---------------------------------------|

C) Key Management Personnel (KMP)

- | | |
|-------------------------|---------------------------------|
| Chief Financial Officer | Mr. Piyush Bhandari |
| Wholtime Director | Mr. Abhishek Sinha ^a |
| Directors | Mr. Ramamurthy Jayaraman |
| | Mr. N. Venkataraman |
| | Mrs. Nidhi Saraf [#] |
| | Mrs. Secna Tomar ^{a/a} |
| | Mr. Raja Sharma [#] |
| | Mrs. Sona Rajora |

Company Secretary

^a Appointed as Wholtime director w.e.f 09 September 2021.

^{a/a} Appointed as director w.e.f 02 June 2021.

[#] Resigned as director w.e.f 05 March 2021.

Relationship	31 March 2022	31 March 2021
Related party transactions during the year		
Britannia Industries Limited		
(i) Business support expenses (Refer note 25)	8.65	4.64
(ii) Reimbursement of expenses (Refer note 24)	5.46	-
(iii) Recovery of expenses from (Refer note 24)	2.48	-
(iv) Dividend paid	139.90	-

Relationship	31 March 2022	31 March 2021
Related party closing balances as at balance sheet date		
Britannia Industries Limited		
(i) Trade receivable	27.12	20.38
(ii) Trade payable	(1.31)	(0.64)
International Bakery Products Limited		
(i) Investments (Refer note 37)	0.00	0.00

The costs with respect to the SAP licences and office facilities of Britannia Industries Limited used by the Company will not be charged to the Company.

Note 31 - Operating leases

The Company has certain operating leases for office facilities and warehouses (cancellable leases). Such leases are generally with the option of renewal against increased rent and premature termination of agreement. Rental expenses of ₹ 0.20 (31 March 2021: ₹ 0.19) in respect of obligation under operating leases have been recognised in the Statement of Profit and Loss.

Note 32 - Earnings per share

For the year ended	31 March 2022	31 March 2021
Net profit after tax attributable to the equity shareholders (₹ in crores)	49.71	65.91
Weighted average number of equity shares outstanding during the year	57,80,000	57,80,000
Nominal value of equity shares (₹)	10	10
Basic / diluted earnings per share (₹)	86.00	114.03

Note 33 - 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, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders.

BRITANNIA DAIRY PRIVATE LIMITED
Notes to financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

Note 34 Income-tax

(a) Amounts recognised in profit and loss

For the year ended	31 March 2022	31 March 2021
Current tax	16.96	29.03
Reversal of excess tax provision for earlier year	(2.06)	0.65
Deferred tax	(1.05)	(2.50)
Tax expense for the year	13.85	27.18

(b) Amounts recognised in other comprehensive income

For the year ended	31 March 2022			31 March 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(0.02)	0.00	(0.02)	0.02	(0.01)	0.01
	(0.02)	0.00	(0.02)	0.02	(0.01)	0.01

(c) Reconciliation of effective tax rate

For the year ended	31 March 2022	31 March 2021
Profit before tax	63.56	93.09
Tax using the Company's domestic tax rate (31 March 2022: 25.17% and 31 March 2021: 29.12%)	25.17%	29.12%
Tax effect of:		
Adjustments recognised in relation to tax of prior years	-4.31%	0.68%
Income exempt from tax or taxed at concessional rates	-	-0.76%
Expenses not deductible for tax purposes	0.94%	0.13%
Others	-	0.02%
	21.80%	29.19%
	13.85	27.18

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax assets		Deferred tax Liabilities		Deferred tax (liabilities) / asset, net	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Property, plant and equipment	0.28	0.40	-	-	0.28	0.40
Investment at fair value through profit and loss	-	-	0.15	0.05	(0.15)	(0.05)
Statutory dues / provisions	1.72	0.46	-	-	1.72	0.46
	2.00	0.86	0.15	0.05	1.85	0.81

	Balance as at 1 April 2021	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	Balance as at 31 March 2022
Property, plant and equipment	0.40	(0.12)	-	-	-	0.28
Investment at fair value through profit and loss	(0.05)	(0.10)	-	-	-	(0.15)
Statutory dues / provisions	0.46	1.27	-	-	-	1.73
	0.81	1.05	-	-	-	1.85

	Balance as at 1 April 2020	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	Balance as at 31 March 2021
Property, plant and equipment	0.46	(0.06)	-	-	-	0.40
Investment at fair value through profit and loss	(2.67)	2.62	-	-	-	(0.05)
Statutory dues / provisions	0.52	(0.06)	-	-	-	0.46
	(1.69)	2.50	-	-	-	0.81

The following table provides the details of income-tax assets and income-tax liabilities as of 31 March 2022 and 31 March 2021

As at	31 March 2022	31 March 2021
Tax assets, net	3.49	3.41
Tax liabilities, net	1.92	4.94
Net current income-tax asset / (liability) at the end	1.57	(1.53)

The gross movement in the current income-tax asset / (liability) for the year ended 31 March 2022 and 31 March 2021 is as follows:

For the year ended	31 March 2022	31 March 2021
Net current income-tax asset liability at the beginning	(1.53)	(1.05)
Income-tax paid	18.00	29.21
Current income-tax expense	(14.90)	(29.68)
Income-tax on other comprehensive income and others	-	(0.01)
Net current income-tax asset / (liability) at the end	1.57	(1.53)



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BRITANNIA DAIRY PRIVATE LIMITED
Notes to the financial statements (continued)
(all amounts in ₹ crores, unless otherwise mentioned)

Note 35

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2022, including their levels in the fair value hierarchy.

Particulars	Carrying amount				Fair value					
	Note	FVTPL	FVTOCI	Financial assets- amortised cost	Financial liabilities- amortised Cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments in mutual funds	8	31.24	-	-	-	31.24	-	31.24	-	31.24
		31.24	-	-	-	31.24	-	31.24	-	31.24
Financial assets not measured at fair value										
Investments in debentures/bonds	5 & 8	-	-	75.00	-	-	-	-	-	-
Other financial assets	12	-	-	5.47	-	-	-	-	-	-
Trade receivables	9	-	-	43.92	-	-	-	-	-	-
Cash and cash equivalents	10	-	-	1.78	-	-	-	-	-	-
Other bank balances	10	-	-	0.02	-	-	-	-	-	-
		-	-	126.19	-	-	-	-	-	-
Financial liabilities not measured at fair value										
Other financial liabilities	16 & 18	-	-	-	1.39	-	-	-	-	-
Trade payables	17	-	-	-	40.71	-	-	-	-	-
		-	-	-	42.10	-	-	-	-	-

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2021, including their levels in the fair value hierarchy.

Particulars	Carrying amount				Fair value					
	Note	FVTPL	FVTOCI	Financial assets- amortised cost	Financial liabilities- amortised Cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments in mutual funds	8	25.29	-	-	-	25.29	-	25.29	-	25.29
		25.29	-	-	-	25.29	-	25.29	-	25.29
Financial assets not measured at fair value										
Investments in debentures/bonds	5 & 8	-	-	200.00	-	-	-	-	-	-
Loans receivables	11	-	-	0.50	-	-	-	-	-	-
Other financial assets	12	-	-	13.98	-	-	-	-	-	-
Trade receivables	9	-	-	31.62	-	-	-	-	-	-
Cash and cash equivalents	10	-	-	1.48	-	-	-	-	-	-
Other bank balances	10	-	-	0.02	-	-	-	-	-	-
		-	-	247.60	-	-	-	-	-	-
Financial liabilities not measured at fair value										
Other financial liabilities	16 & 18	-	-	-	7.59	-	-	-	-	-
Trade payables	17	-	-	-	57.53	-	-	-	-	-
		-	-	-	65.12	-	-	-	-	-

The fair value of cash and cash equivalents, bank balances, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. Investments in mutual funds, which are classified as FVTPL, are measured using net assets value at the reporting date multiplied by the quantity held.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



8.

BRITANNIA DAIRY PRIVATE LIMITED**Notes to financial statements (continued)**

(all amounts in ₹ crores, unless otherwise mentioned)

Note 36 - Corporate social responsibility

During the year, the amount required to be spent on corporate social responsibility activities amounted to ₹ 1.18 (31 March 2021: ₹ 0.86) in accordance with Section 135 of the Companies Act, 2013. The following amounts were spent during the current & previous years:

Particulars	31 March 2022	31 March 2021
(i) Amount required to be spent by the company during the year	1.18	0.86
(ii) Amount of expenditure incurred	1.18	0.86
(iii) shortfall at the end of the year	-	-
(iv) Nature of CSR activities :	Promoting Healthcare growth and development of Children	

Note 37 - The financial statements are presented in ₹ crores (rounded off to two decimal places). Those items which are required to be disclosed and which were not presented in the financial statements due to rounding off to the nearest ₹ crores are given as follows:

Note	Description	₹ in '000 31 March 2022	₹ in '000 31 March 2021
5, 27 & 30	Non-current investments:		
	(i) Unquoted - Investments in equity instruments (fully paid)	0.01	0.01
	International Bakery Products Limited [Face Value: ₹ 10/-; Number of shares: 1 (31 March 2021: 1)]		
17	Trade Payables :		
	Total outstanding dues of micro and small enterprises*	-	8.12
	*Refer Note 17		

Note 38 - A. Revenue streams

The Company is primarily involved in trading and sale of various food products.

	31 March 2022	31 March 2021
Sale of goods (Refer note 21A)	340.49	333.90
Total revenue	340.49	333.90

B. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market

	31 March 2022	31 March 2021
India	287.20	286.31
Others	53.29	47.59
Total revenue	340.49	333.90

The Company does not incur any cost to obtain or fulfil a contract with the customer.

C. Reconciliation of net sale of goods

	31 March 2022	31 March 2021
Gross Sales Value	363.18	361.93
Less: Stock returns	2.96	3.61
Less: Trade discounts, promotions and channel margins	19.73	24.42
Net sale of goods	340.49	333.90

D. Contract balances

Assets and liabilities related to contracts with customers:

Particulars	31 March 2022	31 March 2021
Trade receivables (refer note 9)	43.92	31.62
Contract liability - Advance from customers (refer note 19)	4.71	3.88

Trade receivables are non-interest bearing and are generally on short term basis. The Company has recognised ₹ Nil provision for expected credit loss on trade receivables during the year 2021-22 (2020-21: ₹ Nil).

Contract liabilities primarily relate to the Company's obligation to transfer goods or services to customer for which the Company has invoiced the customer or received advances from the customer. Contract liabilities are recognised as revenue as the Company performs under the contract.

Particulars	31 March 2022	31 March 2021
Contract liabilities at the beginning of the year	3.88	6.06
Advance received/(adjusted) from customers during the year, net	0.83	(2.18)
Contract liabilities at the end of the year	4.71	3.88

Note 39 - Contingent liabilities and commitments

(i) **Contingent liabilities** : Claims / demands against the Company not acknowledged as debts including excise duty, income tax, sales tax and trade and other demands of ₹ Nil (31 March 2021: ₹ Nil).

The above does not include non-quantifiable legal disputes pending before various judicial authorities.

(ii) **Commitments** : Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ Nil (31 March 2021: ₹ Nil).



Note 40 - Ratios

Particulars	Numerator	Denominator	31 March 2022	31 March 2021	Variance
Current ratio	Current assets	Current liabilities	1.83	2.15	-15%
Return on equity ratio	Profit after tax	Shareholders' funds (Total equity)	38.27%	29.95%	8 28%
Inventory turnover ratio	Sale of goods	Average Inventories of Finished stock	21.65	19.58	11%
Trade receivables turnover ratio	Sale of goods	Average Gross Trade receivables (before provision)	8.93	12.74	° -30%
Trade payables turnover ratio	Purchases of stock-in-trade + Changes in inventories of stock in trade + Other expenses	Average Trade payables	5.73	4.93	16%
Net capital turnover ratio	Sale of goods	Current assets less current liabilities	6.92	3.68	# 88%
Net profit ratio	Net Profit for the period	Total Income	14.08%	18.72%	^ -25%
Return on capital employed	Profit before exceptional items, tax and finance cost	Networth - Debt + Deferred tax liability	48.94%	42.29%	16%
Return on investment	Interest income from financial assets carried at amortised cost + Net gain on financial asset measured at fair value through profit and loss	Average (Non-current Investments + Current investments + Non-current loans receivable + Current loans receivable - Investments in equity instruments of subsidiaries - Investments in preference shares of subsidiaries - Investments in debentures of subsidiaries)	7.59%	9.09%	-17%

§ Basis change in profit numbers and networth.

° Basis change in trade receivable position.

Basis change in net working capital position.

^ Basis change in profit numbers.

Note 41 - a) The table below provides details regarding Trade receivables ageing schedule as at 31 March 2022.

	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables : -considered good	28.15	13.29	1.47	0.71	0.66	44.27
Less: Loss allowance						0.35
Total Trade receivables						43.92

The table below provides details regarding Trade receivables ageing schedule as at 31 March 2021.

	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables : -considered good	30.35	0.21	0.39	0.01	1.01	31.97
Less: Loss allowance						0.35
Total Trade receivables						31.62

b) The table below provides details regarding Trade payables ageing schedule as at 31 March 2022.

	Unbilled dues / Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.01	-	-	-	-	0.01
(ii) Others	33.81	6.12	0.32	0.13	0.32	40.70

The table below provides details regarding Trade payables ageing schedule as at 31 March 2021.

	Unbilled dues / Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.00	-	-	-	-	0.00
(ii) Others	49.36	5.04	0.10	3.02	0.01	57.53

Note 42 - Previous year's figures have been regrouped / reclassified as per the current year's presentation for the purpose of comparability.

Note 43 - During the year ended 31 March 2022, no material foreseeable loss was incurred for any long-term contract including derivative contracts.

Note 44 - No adjusting or significant non-adjusting events have occurred between 31 March 2022 and date of authorisation of these financial statements.

As per our report of even date attached

for Walker Chandiook & Co LLP
Chartered Accountants
ICAI Firm registration number: 001076N/S500013



Aasheesh Arjun Singh
Partner
Membership Number: 210122

Place : Bengaluru
Date : 30 April 2022



for and on behalf of the Board of Directors
Britannia Dairy Private Limited

Venkataraman Satharajan
Director
DIN:05220857

Piyush Bhandari
Chief Financial Officer

Place : Bengaluru
Date : 30 April 2022

Abhishek Sinha
Director
DIN: 04313745

Soma Rajara
Company Secretary
Membership Number: A35468

Place : Bengaluru
Date : 30 April 2022

