

Financial Statements and Independent Auditor's Report

Sunrise Biscuits Company Private Limited

31 March 2023

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Walker Chandniok & Co LLP

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Independent Auditor's Report

To the Members of Sunrise Biscuit Company Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Sunrise Biscuit Company Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2023, 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 Notes to the financial statements, including 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 2023, and its loss (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.



Chartered Accountants

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

Walker Chandniok & Co LLP is registered
with limited liability with identification
number AAC-2885 and its registered office
at L-41 Connaught Circus, New Delhi,
110001, India

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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.

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

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

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

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income 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 maintainable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

7. 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.
8. 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 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; and
 - 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.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

10. 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.
11. 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.
12. 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 the 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 2023 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 2023 and operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company as detailed in note 23 to the financial statements, has disclosed the impact of pending litigations on its financial positions as at 31 March 2023;

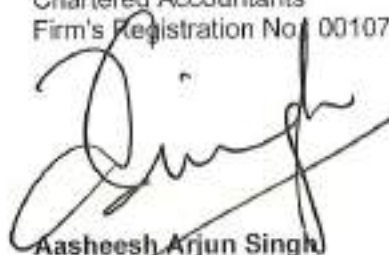


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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
- iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 31 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 person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, disclosed in Note 31 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.;
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023; and
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 01 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

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



Aashesh Arjun Singh
Partner
Membership No. : 210122
UDIN: 23210122BGXASA4317



Bengaluru
04 May 2023

Walker Chandio & Co LLP

Annexure I referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of Sunrise Biscuit Company Private Limited on the financial statements for the year ended 31 March 2023

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 property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note 4 to the financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment, (including Right of Use assets) during the year. Further, the Company does not hold any intangible assets.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (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 as compared to book records.
(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits 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.



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Annexure I referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of Sunrise Biscuit Company Private Limited on the financial statements for the year ended 31 March 2023 (Cont'd)

(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 services/business activities. 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, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) above that have not been deposited with the appropriate authorities on account of any dispute except for the following

(amount in ₹ thousands)

Name of the statute	Nature of dues	Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	418	-	2006-07	CESTAT
Finance Act, 1994	Service tax	18,628	699	2015-17	CIT (A), Guwahati
Income Tax Act, 1961	Income Tax	198	-	2014-15	High Court

(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 previously 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 and on the basis of our examination of the records of the Company, 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 no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.



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Annexure I referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of Sunrise Biscuit Company Private Limited on the financial statements for the year ended 31 March 2023 (Cont'd)

- (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 etc., 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) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of Section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are 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) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year 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.
- (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 indicating 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.



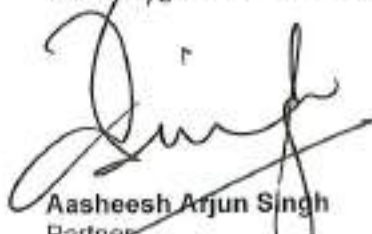
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Annexure I referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of Sunrise Biscuit Company Private Limited on the financial statements for the year ended 31 March 2023 (Cont'd)

- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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



Aasheesh Arjun Singh
Partner
Membership No.: 210122
UDIN: 23210122BGXASA4317



Bengaluru
04 May 2023

Walker ChandioK & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Sunrise Biscuit Company Private Limited on the financial Statements for the year ended 31 March 2023

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 Sunrise Biscuit Company Private Limited ('the Company') as at and for the year ended 31 March 2023, 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 controls stated in the Guidance Note on Audit of Internal Financial Control 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.



Walker Chandiook & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Sunrise Biscuit Company Private Limited on the financial Statements for the year ended 31 March 2023 (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

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 2023, based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note of Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Aasheesh Arjun Singh
Partner
Membership No.: 210122
UDIN: 23210122BGXASA4317



Bengaluru
04 May 2023

Sunrise Biscuit Company Private Limited
Balance Sheet
(all amounts in ₹ thousands, unless otherwise mentioned)

As at	Note	31 March 2023	31 March 2022
I Assets			
(1) Non-current assets			
(a) Property, plant and equipment	4	55,194	63,089
(b) Capital work-in-progress	4	107	-
(c) Financial assets			
Other financial assets	6	4,895	4,905
(d) Deferred tax assets (net)	5	44,119	53,063
(e) Tax assets (net)	3	2,765	4,095
Total non-current assets		1,07,079	1,25,153
(2) Current assets			
(a) Inventories	7	10,415	10,453
(b) Financial assets			
(i) Trade receivables	8	88,940	77,061
(ii) Cash and cash equivalents	9	21,980	11,718
(iii) Other financial assets	10	96,778	99,455
(c) Other current assets	11	13,778	11,107
Total current assets		2,31,891	2,09,795
Total assets		3,38,970	3,34,947
II Equity and liabilities			
(1) Equity			
(a) Equity share capital	12	1,41,995	1,41,995
(b) Other equity	13	1,24,071	1,28,789
Total equity		2,66,066	2,70,784
(2) Liabilities			
(A) Non-Current liabilities			
(a) Provisions	14	37,767	33,320
Total non-current liabilities		37,767	33,320
(B) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	15		
(a) total outstanding dues of micro enterprises and small enterprises		783	1,368
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		10,121	5,695
(ii) Other financial liabilities	16	12,035	11,817
(b) Other current liabilities	17	1,508	1,434
(c) Provisions	14	10,690	10,618
Total current liabilities		35,137	30,842
Total liabilities		72,904	64,162
Total equity and liabilities		3,38,970	3,34,947
Significant accounting policies			
See accompanying notes to financial statements			


See accompanying notes to financial statements

As per our report of even date attached

for Walker Chandlok & Co LLP

Chartered Accountants

Firm registration number: 091076(VN)500013


Anshresh Arjun Singh
Partner
Membership number: 210102



Place : Bengaluru
Date: 4 May 2023

for and on behalf of the Board of Directors


N. Venkatarangam
Director
DIN : 05220857


Lalit Singh Manglik
Chief Financial Officer

Place : Bengaluru
Date: 4 May 2023


Vinay Singh Kushwaha
Director
DIN : 05480249


T.V. Thulsidas
Company Secretary

Membership No: A20927
Place : Bengaluru
Date: 4 May 2023



Sunrise Biscuit Company Private Limited
Statement of Profit and Loss
(All amounts in ₹ thousands, unless otherwise mentioned)

For the year ended	Note	31 March 2023	31 March 2022
I Revenue from operations			
Sale of services	18	1,54,313	1,52,800
Other operating revenue	19	8,041	9,651
		<u>1,62,354</u>	<u>1,62,451</u>
II Other income	20	1,776	1,677
III Total income (I + II)		<u>1,64,130</u>	<u>1,64,128</u>
IV Expenses:			
Employee benefits expense	21	1,02,380	1,01,867
Depreciation expense	4	5,936	6,142
Other expenses	22	50,631	51,354
Total expenses		<u>1,58,947</u>	<u>1,59,363</u>
V Profit before tax (III - IV)		5,183	4,765
VI Tax expense/(credit):			
(i) Current tax	5	591	386
(ii) Income tax of prior years	5	(1,026)	(174)
(iii) Deferred tax	5	9,224	(11,957)
		<u>8,789</u>	<u>(11,245)</u>
VII (Loss) / Profit for the year (V - VI)		<u>(3,606)</u>	<u>16,910</u>
VIII Other comprehensive income			
<i>Items that will not be reclassified subsequently to statement of profit and loss:</i>			
Remeasurements of net defined benefit (liability)/asset		(1,392)	916
Income tax relating to items not to be reclassified subsequently to statement of profit and loss		280	(355)
Other comprehensive (loss) / income, net of tax		<u>(1,112)</u>	<u>661</u>
IX Total comprehensive (loss) / income for the year (VII + VIII)		<u>(4,718)</u>	<u>16,671</u>
Earnings per share (face value of ₹ 10 each)	25		
Basic and Diluted (In ₹)		(0.25)	1.13
Weighted average number of equity shares used in computing earnings per share:			
- Basic and Diluted		1,41,99,500	1,41,99,500
Significant accounting policies	3		

See accompanying notes to financial statements

As per our report of even date attached

for Walker Chandlok & Co LLP
Chartered Accountants
Firm registration number: 001075N/S500013


Anubeeh Arjun Singh
Partner
Membership number: 210122



Place : Bengaluru
Date: 4 May 2023

for and on behalf of the Board of Directors


V. Venkataraman
Director
DIN : 05220957


Vinay Singh Kushwaha
Director
DIN : 03480249


Lalit Singh Mangla
Chief Financial Officer


T.V. Thulsidas
Company Secretary
Membership No. A20927
Place : Bengaluru
Date: 4 May 2023

Place : Bengaluru
Date: 4 May 2023



Sunrise Biscuit Company Private Limited
Statement of Changes in Equity
(all amounts in ₹ thousands, unless otherwise mentioned)

Particulars	Other equity			Total
	Equity share capital	Retained earnings	Reserves and Surplus Remeasurement of the net defined benefit (liability)/asset	
Balance as of 1 April 2021	1,41,995	1,17,800	(5,291)	1,54,504
Changes in equity for the year ended 31 March 2022	-	-	661	661
Other comprehensive income for the year, net of tax	-	16,010	-	16,010
Profit for the year	1,41,995	1,33,919	(5,130)	1,70,784
Balance at 31 March 2022				

Particulars	Other equity			Total
	Equity share capital	Retained earnings	Reserves and Surplus Remeasurement of the net defined benefit (liability)/asset	
Balance as of 1 April 2022	1,41,995	1,33,919	(5,130)	1,70,784
Changes in equity for the year ended 31 March 2023	-	-	(1,112)	(1,112)
Other comprehensive income for the year, net of tax	-	(6,242)	6,242	-
Transfer to retained earnings from remeasurement of the net defined benefit (liability)/asset	-	(3,606)	-	(3,606)
Profit for the year	1,41,995	1,24,071	-	1,24,071
Balance at 31 March 2023				

See accompanying notes to financial statements

As per our report of even date attached

for Walker Chandhok & Co LLP
Chartered Accountants
Firm registration number: 061076(NST/001)3


Anshu Kishore Singh
Partner
Membership number: 210122



As and on behalf of the Board of Directors


Vinay Singh Kushwaha
Director
DIN: 034480249


T.V. Thibudass
Company Secretary
Membership No. A20927
Place: Bengaluru
Date: 4 May 2023

Place: Bengaluru
Date: 4 May 2023


Vinay Singh Kushwaha
Director
DIN: 034480249


T.V. Thibudass
Company Secretary
Membership No. A20927
Place: Bengaluru
Date: 4 May 2023

Place: Bengaluru
Date: 4 May 2023

Sunrise Biscuit Company Private Limited
Statement of Cash Flows
(all amounts in ₹ thousands, unless otherwise mentioned)

For the year ended	31 March 2023	31 March 2022
Cash flow from operating activities		
Profit before tax	5,183	4,765
Adjustments for:		
Depreciation expense	5,936	6,142
Loss / (Profit) on sale of property, plant and equipment	(465)	237
Interest income	(1,311)	(450)
	<u>9,343</u>	<u>10,694</u>
Changes in		
Inventories	38	(1,009)
Trade receivables	(11,879)	14,910
Other financial assets and other assets	16	19,421
Trade payables	3,931	(30,611)
Other liabilities and provision	3,419	371
Cash generated from operating activities	<u>4,868</u>	<u>13,776</u>
Income tax refund/(paid)	1,765	(1,623)
Net cash generated from operating activities	<u>6,633</u>	<u>12,153</u>
Cash flow from investing activities		
Acquisition of property, plant and equipment	(1,213)	(11,481)
Proceeds from sale of property, plant and equipment	3,531	910
Interest received	1,311	450
Net cash generated from / (used in) investing activities	<u>3,629</u>	<u>(10,121)</u>
Net change in cash and cash equivalents	<u>10,262</u>	<u>2,032</u>
Cash and cash equivalents at beginning of the year	11,718	9,685
Cash and cash equivalents at end of the year	<u>21,980</u>	<u>11,718</u>
Note:		
Cash and cash equivalents at the end of the year (Refer Note 9)		
Balances with banks		
- Current accounts	21,980	11,718
	<u>21,980</u>	<u>11,718</u>
Significant accounting policies (refer note 3)		
See accompanying notes to financial statements		
As per our report of even date attached		

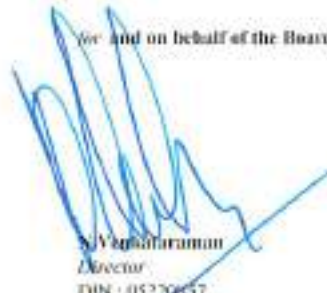
for Walker Chandlok & Co LLP
Chartered Accountants
Firm registration number: 001076/N/NS00013


Anshu Arjun Singh
Partner
Membership number: 210122



Place : Bengaluru
Date: 4 May 2023

for and on behalf of the Board of Directors


V. Vigneshwaran
Director
DIN : 05220857


Vinay Singh Keshwaha
Director
DIN : 03480249


Lali Singh Mangla
Chief Financial Officer


T.V. Thulidas
Company Secretary
Membership No: A20927
Place : Bengaluru
Date: 4 May 2023

Place : Bengaluru
Date: 4 May 2023



Sunrise Biscuit Company Private Limited
Notes to financial statements

1 Reporting entity

The financial statements are of Sunrise Biscuit Company Private Limited (the Company). The Company is a Deemed Public Company domiciled in India and was incorporated on 25th May, 1985 under the provisions of the Companies Act applicable in India. Its shares are not listed in any stock exchanges in India. The registered office of the company is located at Pub - Bongaon, P.O. Gotanagar, Girwahati.

The company had entered in Purchase of Finished Goods (POFG) agreement with Britannia Industries Limited (BIL) dated 01-09-2017. The Company has re-entered Contract Packers (CP) agreement dated 01 October 2018 whereby the Company shall manufacture and deliver the products using the materials and components supplied by BIL. The Company is a subsidiary of Britannia Industries Limited.

2 Basis of preparation

(a) Statement of compliance

The financial statements were authorised for issue by the Company's Board of Directors on 4 May 2023. Details of the Company's accounting policies are included in note 3.

(b) Current and Non-current

The Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities. This is based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents.

(c) Functional and 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 the nearest thousands, unless otherwise indicated.

(d) Basis of measurement

The financial statements have been prepared on the historical cost basis and on an accrual basis of accounting except for the following items which have been accounted as follows:

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

(e) Use of estimates and judgements

In preparing the 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 financial statements is included in the following notes:

- Note 24 - 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 2023 is included in the following notes:

- Note 28 - measurement of defined benefit obligations: key actuarial assumptions;

- Note 23 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

- Note 3(a)(iii) - useful life of property, plant and equipment;

(f) 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, 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 31 - financial instruments



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3 Significant accounting policies

(a) Property, plant and equipment

(i) Recognition and measurement

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

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

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

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

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

(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using straight line method over the useful lives of assets estimated by the Company based on an internal technical evaluation performed by the Company and is recognised in the Statement of profit and loss. Depreciation for assets purchased / sold during the period is proportionately charged.

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

Asset	Useful life
Plant and equipment	7.5 - 15 years
Furniture and fixtures	10 years
Motor vehicles	8 years
Office equipment	3 - 5 years
Buildings	30 - 60 years

Freehold land is not depreciated.

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.

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

(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 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 cash generated units to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

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3 Significant accounting policies (Continued)

(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.

(d) Inventories

Inventories are valued at the lower of cost (including prime cost, non-refundable taxes and duties and other overheads incurred in bringing the inventories to their present location and condition) 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 net realisable value of materials in process is determined with reference to the selling prices of related finished goods, raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products.

(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.



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3 Significant accounting policies (Continued)

(e) Financial instruments(continued)

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 cashflows 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.

(f) (i) 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

Sale of goods

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon delivery at the customer premises and on completion of performance obligation. Revenue is recognised at a transaction price allocated to the extent of performance obligation satisfied 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 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) Other recognitions :

(a) Income from royalties are recognised based on contractual agreements.

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

(c) 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) Income tax

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

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the 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.

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3 Significant accounting policies (Continued)

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.

iii. Minimum Alternative Tax (MAT)

Minimum Alternative Tax (MAT) under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists. MAT credit entitlement at year end is grouped with Deferred Tax Asset (net) in the Balance Sheet of an entity.

(b) 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.

(c) 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. In respect of contributions made to government administered Provident Fund, the Company has no further obligations beyond its monthly contributions. The Company also provides for post-employment defined benefit in the form of gratuity and medical benefits. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Reversal of the net benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the assets ceiling (if any, excluding interest) are recognised in other comprehensive income.



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3 Significant accounting policies (Continued)

(i) Employee benefits (continued)

(iii) Other long term 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 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.

(j) Cash and cash equivalents

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

(k) Earnings per share

Basic Earnings Per Share (EPS) is computed by dividing the net profit/loss 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/loss 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. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(l) 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.

(m) Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are effective from annual period beginning on or after 1 April 2023, details of which are given below:

Ind AS 107 - Financial instrument - The amendment substitutes the paragraph 21 - while presenting a Financial Statement an entity discloses material accounting policy information. Information about the measurement basis (or bases) for financial instruments used in preparing the financial statements is expected to be material accounting policy information. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 1 - Presentation of financial statement - The standard requires the entities to disclose their material accounting policies rather than their significant accounting policies, which forms the basis of making materiality judgements.

Ind AS 8- Accounting policies, changes in accounting estimates and errors - The standard has introduced a definition of 'accounting estimates' and included appropriate amendments to help entities distinguish changes in accounting policies from changes in accounting estimates.

Ind AS 12 - Income Taxes - The standard has narrowed the scope of initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The company has evaluated the aforementioned amendments and concluded that there is no impact on the standalone financial statements.

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Suzrie Biscuit Company Private Limited
Notes to financial statements (continued)
(all amounts in ₹ thousands, unless otherwise mentioned)

4. Property, plant and equipment and capital work-in-progress

Reconciliation of carrying amounts

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures*	Motor vehicles*	Office equipment	Total
Gross carrying amount							
Balance as at 1 April 2021	9,686	66,248	1,50,749	2,010	1,247	11,310	2,41,250
Additions	-	3,761	3,871	249	-	1,609	11,481
Disposals	-	(6,781)	(9,524)	(111)	-	(1,751)	(16,492)
Balance as at 31 March 2022	9,686	67,331	1,49,096	2,147	1,247	12,169	2,42,330
Balance as at 1 April 2022	9,686	67,331	1,49,096	2,147	1,247	12,169	2,42,330
Additions	-	1,098	1,098	-	-	-	1,098
Disposals	-	(5,136)	(5,136)	-	-	-	(5,136)
Balance as at 31 March 2023	9,686	67,331	1,45,058	2,147	1,247	12,169	2,38,200
Accumulated depreciation							
Balance as at 1 April 2021	-	32,118	1,99,236	1,873	403	8,309	1,82,343
Depreciation for the year	-	1,935	2,866	79	156	1,115	6,142
Disposals	-	(3,411)	(8,714)	(111)	-	(1,751)	(9,345)
Balance as at 31 March 2022	-	31,712	1,93,388	1,834	463	7,645	1,79,140
Balance as at 1 April 2022	-	31,712	1,93,388	1,834	463	7,645	1,79,140
Depreciation for the year	-	1,942	2,724	69	156	1,045	5,936
Disposals	-	-	(2,070)	-	-	-	(2,070)
Balance as at 31 March 2023	-	35,654	1,94,042	1,903	1,116	8,690	1,83,006
Carrying amount (net)							
As at 31 March 2022	9,686	31,677	11,036	244	131	2,440	55,194
As at 31 March 2023	9,686	33,619	15,708	305	286	3,485	63,090

Capital work-in-progress

Particulars	
Balance as at 1 April 2021	-
Additions	11,481
Assets capitalised	(11,481)
Balance as at 31 March 2022	-
Balance as at 1 April 2022	-
Additions	1,106
Assets capitalised	(990)
Balance as at 31 March 2023	107

* Refer Note 33



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Sunrise Biscuit Company Private Limited
Notes to financial statements (continued)
(all amounts in ₹ thousands, unless otherwise mentioned)

5 Income tax

(a) Amounts recognised in Statement of Profit and Loss

For the year ended	31 March 2023	31 March 2022
Current tax	591	886
Income tax of prior years	(1,026)	(174)
Deferred tax		
Attributable to origination and reversal of temporary differences	9,224	(11,957)
Tax expense for the year	8,789	(11,245)

(b) Amounts recognised in other comprehensive income

For the year ended	31 March 2023			31 March 2022		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
Items that will not be reclassified to statement of profit or loss						
Remeasurements of defined benefit plans	(1,392)	280	(1,112)	916	(255)	661
	(1,392)	280	(1,112)	916	(255)	661

(c) Reconciliation of effective tax rate

For the year ended	31 March 2023		31 March 2022		
Profit before tax		5,183		4,705	
Tax using the Company's domestic tax rate	26.09%	1,348	26.00%	1,239	
Tax effect of:					
Rate difference in MAT		0.00%	-	(12.40%)	(591)
Adjustments recognised in relation to tax of prior years		(19.80%)	(1,026)	(248.31%)	(11,832)
Income exempt from tax or taxable at concessional rates		0.00%	-	(2.02%)	(96)
Deferred tax on land indexation reversal		177.79%	9,215	0.00%	-
Others		(14.42%)	(747)	0.72%	35
		169.57%	8,789	(235.99%)	(11,245)

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	31 March 2023	31 March 2022
Deferred tax assets / (liabilities)		
Provision for gratuity		9,820
Provision for compensated absences		2,761
Provision for bonus		1,825
Property, plant and equipment		5,544
Indexation of freehold land		-
Minimum alternate tax		24,152
Deferred tax assets (net)	44,119	53,063

(e) Movement in temporary differences

	As at 1 April 2021	Recognised in statement of profit or loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2022
Provision for gratuity	8,471	447	(255)	-	-	8,663
Provision for compensated absences	4,546	(1,785)	-	-	-	2,761
Provision for bonus	1,722	146	-	-	-	1,868
Property, plant and equipment	8,542	(1,644)	-	-	-	6,898
Indexation of freehold land	8,642	572	-	-	-	9,215
Minimum alternate tax	9,437	(4,221)	-	-	-	23,658
	41,360	11,957	(255)	-	-	53,063

	As at 1 April 2022	Recognised in statement of profit or loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2023
Provision for gratuity	8,663	876	280	-	-	9,820
Provision for compensated absences	2,761	19	-	-	-	2,780
Provision for bonus	1,868	(43)	-	-	-	1,825
Property, plant and equipment	6,898	(1,354)	-	-	-	5,544
Indexation of freehold land	9,215	(9,215)	-	-	-	-
Minimum alternate tax	23,658	494	-	-	-	24,152
	53,063	(9,224)	280	-	-	44,119

The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

As at	31 March 2023	31 March 2022
Tax assets (net)	2,765	4,995
Net current income tax asset at the end	2,765	4,995

The gross movement in the current income tax asset / (liability) for the year ended 31 March 2023 and 31 March 2022 is as follows:

For the year ended	31 March 2023	31 March 2022
Net current income tax asset/(liability) at the beginning	4,995	3,184
Income tax (refund) / paid	(1,765)	1,623
Current income tax expense (including earlier years)	425	(712)
Net current income tax asset/(liability) at the end	2,765	4,995



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Sunrise Biscuit Company Private Limited
Notes to Financial statements (continued)
 (all amounts in ₹ thousands, unless otherwise mentioned)

As at	31 March 2023	31 March 2022
6 Other non-current financial assets <i>(Unsecured, considered good)</i>		
Non-current		
Security deposits	4,895	4,905
	<u>4,895</u>	<u>4,905</u>
7 Inventories*		
Stores and spare parts †	10,415	10,453
	<u>10,415</u>	<u>10,453</u>
* Refer note 3 (d) of accounting policy for mode of valuation for inventories. † Net of provision for inventory obsolescence is Nil (31 March 2022 : ₹ Nil).		
8 Trade Receivables <i>(Unsecured, considered good)</i>		
Receivables from related parties (Refer note 27)	88,940	77,051
	<u>88,940</u>	<u>77,051</u>
Refer note 29 and 35(a).		
9 Cash and cash equivalents		
Balances with banks		
- in current accounts	21,980	11,718
	<u>21,980</u>	<u>11,718</u>
10 Other financial assets <i>(Unsecured, considered good)</i>		
Current		
Contract assets	688	3,365
Insurance claims receivable (Refer note 33)	96,090	96,090
	<u>96,778</u>	<u>99,455</u>
11 Other current assets <i>(Unsecured, considered good)</i>		
Advances other than capital advances		
- Advance to suppliers	6,199	3,326
- Advance to employees	2,833	2,649
Others		
- Prepaid expenses	3,730	2,965
- Balance with government authorities	1,014	2,167
	<u>13,776</u>	<u>11,107</u>



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Sunrise Biofuel Company Private Limited
Notes to financial statements (continued)
All amounts in ₹ thousands, unless otherwise mentioned)

As at	31 March 2023	31 March 2022
12 Share capital		
Authorised		
14,950,000 equity shares of ₹ 10 each (31 March 2022: 14,950,000 equity shares of ₹ 10 each)	1,49,500	1,49,500
5,000 11% Redeemable non-cumulative preference shares of ₹ 100 each (31 March 2021: 5,000 11% Redeemable non-cumulative preference shares of ₹ 100 each)	500	500
Issued, subscribed and paid up		
14,199,500 equity shares of ₹ 10 each (31 March 2022: 14,199,500 equity shares of ₹ 10 each)	1,41,995	1,41,995
	1,41,995	1,41,995

Rights, preferences and restrictions attached to equity shares

- The Company has single class of equity shares having a par value of ₹ 10 each. Each share holder is eligible for one vote per share held.

- 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 residual assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Reconciliation of shares outstanding at the beginning and at the end of the year is as under:

Equity shares:

At the commencement and at the end of the year

As at 31 March 2023		As at 31 March 2022	
Number of shares	Amount	Number of shares	Amount
1,41,99,500	1,41,995	1,41,99,500	1,41,995
1,41,99,500	1,41,995	1,41,99,500	1,41,995

(b) Shares held by holding company and / or their subsidiaries / associates

Equity shares of ₹ 10 each fully paid up held by:

Britannia Industries Limited, the holding company
Firma Investimentos Company Private Limited, subsidiary of the holding company
Gilt Edge Finance and Investments Private Limited, subsidiary of the holding company

As at 31 March 2023		As at 31 March 2022	
Number of shares	Amount	Number of shares	Amount
1,40,49,650	1,40,497	1,40,49,650	1,40,497
20,765	208	20,765	208
9,225	92	9,225	92
1,40,79,640	1,40,797	1,40,79,640	1,40,797

(b) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Equity shares of ₹ 10 each fully paid held by:
Britannia Industries Limited, the holding company

As at 31 March 2023		As at 31 March 2022	
Number of equity shares	% of total equity shares	Number of equity shares	% of total equity shares
1,40,49,650	98.94%	1,40,49,650	98.94%
1,40,49,650	98.94%	1,40,49,650	98.94%



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Sunrise Biscuit Company Private Limited
 Notes to financial statements (continued)
 (all amounts in ₹ thousands, unless otherwise mentioned)
 Note 12 - Share capital (continued)

(a) Details of shareholding of Promoters:

	31 March 2023		
	Number of shares	% of total shares	% change during the year
As at			
Britannia Industries Limited, the holding company	1,40,49,650	98.94%	-
Gilt Edge Finance and Investments Private Limited, subsidiary of the holding company	9,225	0.07%	-
Floca Investments Company Private Limited, subsidiary of the holding company	20,765	0.15%	-
	1,40,79,640	99.16%	-

	31 March 2022		
	Number of shares	% of total shares	% change during the year
As at			
Britannia Industries Limited, the holding company	1,40,49,650	98.94%	-
Gilt Edge Finance and Investments Private Limited, subsidiary of the holding company	9,225	0.07%	-
Floca Investments Company Private Limited, subsidiary of the holding company	20,765	0.15%	-
	1,40,79,640	99.16%	-

(Our office has been informed by Mr. M. S. D. S.)



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Sunrise Biscuit Company Private Limited
 Notes to financial statements (continued)
 (all amounts in ₹ thousands, unless otherwise mentioned)

13 Other equity

Particulars	Reserves and Surplus		
	Retained earnings	Remeasurement of the net defined benefits (liability)/asset	Total of other equity
Balance as at 1 April 2021	1,17,900	(5,791)	1,12,118
Additions	-	661	661
Remeasurement of the net defined benefit (liability)/asset, net of tax effect	16,910	-	16,910
Net profit after tax transferred from the statement of profit and loss	1,33,919	(5,130)	1,28,789
Balance as at 31 March 2022	1,33,919	(5,130)	1,28,789
Additions	-	(1,112)	(1,112)
Remeasurement of the net defined benefit (liability)/asset, net of tax effect	(6,242)	6,242	-
Transfer to retained earnings from remeasurement of the net defined benefit (liability)/asset	(3,606)	-	(3,606)
Net loss after tax transferred from the statement of profit and loss	1,24,071	-	1,24,071
Balance as at 31 March 2023	1,24,071	-	1,24,071

14 Provisions

Provision for employee benefits:
 Provision for compensated absences
 Provision for gratuity, net (refer note 28)
 Total provisions

	Non-current		Current	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	-	-	10,690	10,618
	37,767	33,220	-	-
	37,767	33,220	10,690	10,618

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Sunrise Biscuit Company Private Limited
 Notes to financial statements (continued)
 (all amounts in ₹ thousands, unless otherwise mentioned)

As at	31 March 2023	31 March 2022
15 Trade payables		
Total outstanding dues of micro and small enterprises [refer note below and note 29]	783	1,368
Total outstanding dues of other than micro and small enterprises [refer note 29]	10,121	5,605
	10,904	6,973
Note:		
There are no material dues owed by the Company to Micro enterprises and Small enterprises [MSME], which are outstanding for more than 45 days during the year and as at 31 March 2023. 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		
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
- Principal	783	1,368
- Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) 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 29 and 35(b).		
16 Other current financial liabilities		
Accrued compensation to employees	12,035	11,817
	12,035	11,817
17 Other current liabilities		
Statutory liabilities	1,508	1,434
	1,508	1,434

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Sunrise Biscuit Company Private Limited
Notes to financial statements (continued)
(all amounts in ₹ thousands, unless otherwise mentioned)

For the year ended	31 March 2023	31 March 2022
18 Sale of services		
Conversion charges (including commitment charges) (refer note 27)	1,54,313	1,52,800
	<u>1,54,313</u>	<u>1,52,800</u>
19 Other operating revenue		
Scrap sales	1,806	383
Rented income	6,235	9,268
	<u>8,041</u>	<u>9,651</u>
20 Other income		
Interest income	840	384
Interest on income tax refund	471	66
Other receipts	0	1,227
Profit on sale of property, plant and equipment	465	-
	<u>1,776</u>	<u>1,677</u>
21 Employee benefits expense		
Salaries, wages and bonus	87,839	85,712
Contribution to provident and other funds (refer note 28)	10,521	11,068
Staff welfare expenses	4,220	5,087
	<u>1,02,580</u>	<u>1,01,867</u>
22 Other expenses		
Consumption of stores and spares	3,993	4,710
Power and fuel	15,224	13,510
Contract labour charges	8,245	9,015
Repairs and maintenance:		
- Plant and equipment	4,718	6,960
- Buildings	-	451
- Others	3,125	352
Insurance	2,414	1,094
Rates and taxes, net	1,247	2,334
Auditors' remuneration*		
- Statutory audit fees	203	180
- Expenses reimbursed	12	14
Legal and professional expenses	1,063	1,537
Loss on sale of property, plant and equipment	-	237
Miscellaneous expenses	10,389	12,860
	<u>50,631</u>	<u>51,354</u>

*excludes applicable taxes

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As at	31 March 2023	31 March 2022
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23 Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities

Claims/ demands against the Company not acknowledged as debts:

Excise and service tax matters (under dispute/appeal)

9,314

9,314

(b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ Nil (31 March 2022: ₹ Nil)

Note: The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. However, considering that there are numerous interpretative issues relating to this judgement and in the absence of reliable measurement of the provision for the earlier periods, the Holding Company (Britannia Industries Limited) has recognised a provision in its books for provident fund contribution with respect to Company's employees in FY 2018-19 and does not expect any material impact of the same. Accordingly, no provision has been recognised in the Company's books.

24 Leases

The Company has certain cancellable arrangement with its holding company (which conveys a right to use Company's asset by its holding Company in return for a payment) identified to be in the nature of lease and have been classified as operating lease arrangements. Rental income of ₹ 9,268 (31 March 2022: ₹ 6,129) in respect of such lease have been recognised in the Statement of profit and loss.

25 Earnings per share (EPS)

	31 March 2023	31 March 2022
Net (loss) Profit attributable to the equity shareholders (in ₹ thousands)	(3,606)	16,010
Number of equity shares at the beginning of the year	1,41,99,500	1,41,99,500
Number of equity shares at the end of the year	1,41,99,500	1,41,99,500
Weighted average number of equity shares outstanding during the year	1,41,99,500	1,41,99,500
Nominal value of equity shares (₹)	10	10
Basic earnings per share (₹)	(0.25)	1.13

The Company does not have potential dilutive equity shares outstanding, accordingly the basic and diluted earnings per share is the same.

26 Segment 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.

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 has a single customer (Refer note 27)

Revenue comprises

Revenue from food products (excluding other operating revenues)

31 March 2023	31 March 2022
1,54,313	1,52,800

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Sunrise Biscuit Company Private Limited
 Notes to financial statements (continued)
 (all amounts in ₹ thousands, unless otherwise mentioned)

27 Related party transactions

(a) List of related parties

(i) Parties where control exists

Ultimate holding company The Bonthay Bunnah Trading Corporation Limited
 Holding company Britannia Industries Limited

(ii) Key Management Personnel (KMP)

Manager Mr. Kapil Kumar Jha
 Chief Financial Officer Lalit Singh Mangla
 Company Secretary Thulsickan Velayudhan Thangil
 Director Nagarajan Venkataraman
 Vicky Singh Kishorewa
 Ritesh Ram
 Shama Raja
 Bhupinder Singh Sadana
 Ramakrishnan Vaidyanathan Sarma*
 Girish Advani**

* Resigned as director w.e.f 13 May 2022

** Appointed as director w.e.f 30 March 2023

(b) Outstanding balances as at year end

Nature of transaction	Relationship	31 March 2023	31 March 2022
1 Trade receivables (net) - Britannia Industries Limited	Holding company	88,978	76,412
2 Other financial assets (unbilled revenue) - Britannia Industries Limited	Holding company	688	3,365
3 Trade payables and other liabilities (advances received) - Britannia Industries Limited	Holding company	-	139

(c) Related party transactions

Nature of transaction	Relationship	31 March 2023	31 March 2022
Britannia Industries Limited	Holding company		
1 Conversion income (including commitment charges)		1,54,313	1,52,800
2 Rental income		6,235	9,268
3 Recovery of expenses		13,960	2,885
4 SAP licence fees		164	139

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28. Employer benefits: Post-employment benefit plans

Defined contribution plans

The Company makes contributions, determined as specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to ₹ 6,179 (previous year 31 March 2022: ₹ 6,569) and is included in "Employee benefits expense" in note 21.

Defined benefit plans

The Company has a gratuity plan which is in the nature of defined benefit. Every employee who has completed five years or more of service, except in case of death or permanent disability is entitled to gratuity. The scheme is funded with Life Insurance Corporation of India. The Company make annual contribution to the Life Insurance Corporation of India. The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at balance sheet date. The following table sets out the status of the Gratuity Plan as required under Ind-AS:

Particulars	31 March 2023	31 March 2022
(i) Expense recognised in the Statement of Profit and Loss		
Current service cost	2,121	2,266
Interest cost on benefit obligation	3,005	2,932
Interest income on plan assets	(734)	(699)
Net gratuity cost	4,392	4,499
(ii) Remeasurements recognised in other comprehensive income included in the Statement of Profit and Loss		
Actuarial loss due to financial assumptions	(1,393)	(846)
Actuarial (gain) / loss due to experience adjustments	2,536	(2,827)
Return on plan assets excluding interest income	249	2,757
	1,392	(916)
(iii) Net liability recognised in Balance Sheet as at the year end		
Projected benefit obligation at the end of the year	45,207	43,405
Funded status of the plans	(7,440)	(10,084)
Net liability recognised in the Balance Sheet	37,767	33,321
Classified as:		
Non-current provisions	37,767	33,321
	37,767	33,321
(iv) Changes in the present value of defined benefit obligation		
Present Value of defined benefit obligation at the beginning of year	43,405	44,030
Current service cost	2,121	2,266
Interest cost	3,005	2,932
Benefits paid	(4,467)	(2,150)
Actuarial loss due to financial assumptions	(1,393)	(846)
Actuarial (gain) / loss due to experience adjustments	2,536	(2,827)
Present value of defined benefit obligation at the end of the year	45,207	43,405
(v) Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	10,084	11,449
Expected return on plan assets	734	699
Contributions	1,338	2,843
Benefits paid	(4,467)	(2,150)
Actuarial loss on plan asset	(249)	(2,757)
Fair value of plan assets at the end of the year	7,440	10,084



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28 Employee benefits: Post-employment benefit plans (continued)

(vi) Actual return on plan assets		
Expected return on plan assets	734	699
Actuarial gain/(loss) on plan assets	(249)	(2,757)
Actual return on plan assets	<u>485</u>	<u>(2,058)</u>

As at 31 March 2023 and 2022, 100% of the plan assets were invested in the insurer managed funds.

(vii) Sensitivity analysis

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

A. Discount rate

Discount rate -50 basis points	46,858	45,087
Assumptions	6.60%	6.60%
Discount rate +50 basis points	44,143	42,312
Assumptions	7.60%	7.60%

B. Salary increase rate

Salary rate -50 basis points	44,210	42,380
Assumptions	4.50%	4.50%
Salary rate +50 basis points	46,775	45,002
Assumptions	5.50%	5.50%

C. Withdrawal rate

Withdrawal rate -100 basis points	44,998	43,249
Withdrawal rate +100 basis points	45,991	44,036

(viii) Actuarial assumptions

	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate	7.60%	7.10%
Expected rate of return on plan assets	7.60%	6.80%
Mortality rate	Indian Assured Lives Mortality (IAI-M) (2006-08) (modified) UL	
Future salary increase	5.00%	5.00%
Attrition rate	4.00%	5.00%
Retirement age (in years)	58	58

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

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at year end for the estimated term of the obligations.

(iii) 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.



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29 Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and investment risk.

(i) Foreign currency risk

The Company's operations does not give rise to any foreign currency risk exposure. Hence, no disclosures are made in the financial statements.

(ii) Investment risk

The Company does not have any investments. Hence, no disclosures are made in the financial statements.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

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

b. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Based on our assessment and current estimates the carrying value and the provisions made as at 31 March 2023 is considered adequate.

Trade and other receivables

The entire revenue appearing in the financial statements is generated from a single customer. Further, as the Company is dealing with a single customer, the impairment analysis is performed for the debtors that are past due at the end of each reporting date. The Company does not have any receivables that are past due and accordingly no allowance for doubtful debts had been considered.

c. Liquidity risk

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

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Company also monitors the level of expected cash inflows on trade receivables and unbilled receivable and loans together with expected cash outflows on trade payables and other financial liabilities. At 31 March 2023, the expected cash flows from trade receivables is ₹ 88,940 (31 March 2022: ₹ 77,061). This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023 and 31 March 2022:

	As at 31 March 2023		
	Less than 1 year	1-2 years	2 years and above
Trade payables	10,904	-	-
Other financial liabilities	12,035	-	-
	<u>22,939</u>	-	-
	As at 31 March 2022		
	Less than 1 year	1-2 years	2 years and above
Trade payables	6,973	-	-
Other financial liabilities	11,817	-	-
	<u>18,790</u>	-	-

30 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. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves and debt includes total liability.

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



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31 Financial instruments - fair values and risk management

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 2023:

Particulars	Notes	Carrying amount				Total carrying amount
		FVTPL	FVTOCI	Other financial assets - amortised cost	Other financial liabilities - amortised cost	
Financial assets not measured at fair value *						
(i) Trade receivables	8	-	-	88,940	-	88,940
(ii) Cash and cash equivalents	9	-	-	21,980	-	21,980
(iii) Other financial assets	6 & 10	-	-	1,01,673	-	1,01,673
		-	-	2,12,593	-	2,12,593
Financial liabilities not measured at fair value *						
(i) Trade payables	13	-	-	-	10,904	10,904
(ii) Other financial liabilities	16	-	-	-	12,035	12,035
		-	-	-	22,939	22,939

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2022:

Particulars	Notes	Carrying amount				Total carrying amount
		FVTPL	FVTOCI	Other financial assets - amortised cost	Other financial liabilities - amortised cost	
Financial assets not measured at fair value *						
(i) Trade receivables	8	-	-	77,061	-	77,061
(ii) Cash and cash equivalents	9	-	-	11,718	-	11,718
(iii) Other financial assets	6 & 10	-	-	1,04,360	-	1,04,360
		-	-	1,93,139	-	1,93,139
Financial liabilities not measured at fair value *						
(i) Trade payables	13	-	-	-	6,973	6,973
(ii) Other financial liabilities	16	-	-	-	11,817	11,817
		-	-	-	18,790	18,790

* The carrying value of cash and cash equivalents, trade receivables, trade payables and other financial assets and liabilities are at reasonable approximation of their fair value.

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 persons or entities, including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

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32 A. Revenue streams

The Company is primarily involved in manufacturing and sale of various food products. Other sources of revenue include scrap sales.

	Note	31 March 2023	31 March 2022
Sale of services	18	1,54,313	1,52,800
Other operating revenue	19	8,041	9,651
Total revenue		1,62,354	1,62,451

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

B. Disaggregation of revenue from contracts with customers

Entire revenue of the business is generated from the operations in India.

C. Assets and liabilities related to contracts with customers:

As at	31 March 2023	31 March 2022
Trade Receivables (refer note 8)	88,940	77,061
Contract asset - Unbilled revenue (refer note 10)	688	3,365

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 31 March 2023 (31 March 2022: ₹ Nil).

Contract assets primarily relate to the Company's right to consideration for work completed but not yet billed at reporting date for difference in agreed terms by customers. Contract assets are transferred to receivables when the rights become unconditional.

As at	31 March 2023	31 March 2022
Contract assets at the beginning of the year	3,365	13,141
Accrued revenue during the year	(2,677)	(10,776)
Contract assets at the end of the year	688	3,365

- 33 On 19th June 2016, there was a fire at factory premises in the Storing & Forwarding area. On 14 July 2016, the Company filed the insurance claim with Oriental Insurance Company for ₹ 182,191. On 7 March 2017, there was a surveyor visit at the factory and regional office team and their observation and reviews were documented. Subsequently, the claim value was revised to ₹ 152,624 for the Company assets.

Fixed assets and stocks which were damaged are covered under standard fire and special perils insurance policy by the Company. All information required for the surveyor has been provided. The Surveyor has completed physical verification. On 8 June 2017, the Insurance Company had the claim raised by the Company. On 3 August 2017, the Management requested for an extension of time till 30 October 2017 to respond to the points raised by the Insurance Company. On 9 October 2017, the Insurance Company informed the Management that since no new facts have been presented, the claim was being repudiated. On 12 October 2017, the Management has submitted its responses to the points raised by the Insurance Company and has requested them to consider the same and withdraw the repudiation letter sent. The Management feels that the realisation of claim amount from Insurance Company is certain as the policy was valid on the date of fire. It has also received a letter of comfort from its holding company (BFL) for the loss, if the same is not recovered from the insurance company after exhausting all available legal remedies. Accordingly, an amount of ₹ 96,090 to the extent of loss incurred has been accounted for as receivable and has been disclosed under note 10 in these financial statements.

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Sunrise Birecht Company Private Limited
Notes to financial statements (continued)
(all amounts in ₹ thousands, unless otherwise mentioned)

Note 34 Ratios

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance
Current ratio	Current assets	Current liabilities	6.60	6.50	* +.1%
Return on equity ratio	Loss after tax	Average shareholders' funds (Total equity)	-1.34%	6.12%	* -122%
Trade receivables	Sale of goods	Average Gross Trade receivables (before provt)	1.58	1.51	-.3%
Net capital turnover ratio	Sale of goods	Current assets less current liabilities (excluding current maturity of Non-current)	0.76	0.55	-.8%
Net profit ratio	Net Loss for the period	Total Income	-2.20%	0.72%	* -122%
Return on capital employed	Loss before exceptional items, tax and Non-current finance cost	Total Income	1.05%	1.76%	11%

* Basic change in current assets and current liabilities.

† Basic change in Loss numbers.

Basic change in Loss and total income numbers.

Note 35 a) The table below provides details regarding Trade receivables ageing schedule as at 31 March 2023.

	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Un disputed Trade Receivables : -considered good	80,497	8,455	-	-	11	88,963
Less: Loss allowance	-	-	-	-	-	-
Total Trade receivables	80,497	8,455	-	-	11	88,963

The table below provides details regarding Trade receivables ageing schedule as at 31 March 2022.

	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Un disputed Trade Receivables : -considered good	76,149	-	-	-	912	77,061
Less: Loss allowance	-	-	-	-	-	-
Total Trade receivables	76,149	-	-	-	912	77,061

b) The table below provides details regarding Trade payables ageing schedule as at 31 March 2023.

	Unbilled dues / Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Un disputed Trade payables :						
(i) MSME	783	-	-	-	-	783
(ii) Others	7,443	2,087	93	-	46	10,129

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				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Un disputed Trade payables :						
(i) MSME	1,364	-	-	-	-	1,364
(ii) Others	3,241	864	-	-	900	5,045

36 During the year ended 31 March 2023, no material foreseeable loss (31 March 2022: Nil) was incurred for any long-term contracts.

37 Comparative figures have been regrouped / reclassified wherever necessary to conform to current period's presentation, which are not material.

38 No adjusting or significant non-adjusting events have occurred between 31 March 2023 and date of authorisation of these financial statements.

As per our report of even date attached

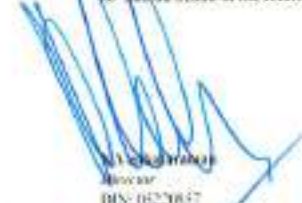
For Walker Chandok & Co LLP
Chartered Accountants
Firm registration number: 801079N-2-510013


Arjun Singh
Partner
Membership number: 210122



Place: Bengaluru
Date: 4 May 2023

For and on behalf of the Board of Directors


Vinay Singh Kushwaha
Director
DIN: 0146249


Vinay Singh Kushwaha
Director
DIN: 0146249


Lalit Singh Manglik
Chief Executive Officer

Place: Bengaluru
Date: 4 May 2023


T.A. Thudath
Company Secretary
Membership No: A20027
Place: Bengaluru
Date: 4 May 2023



