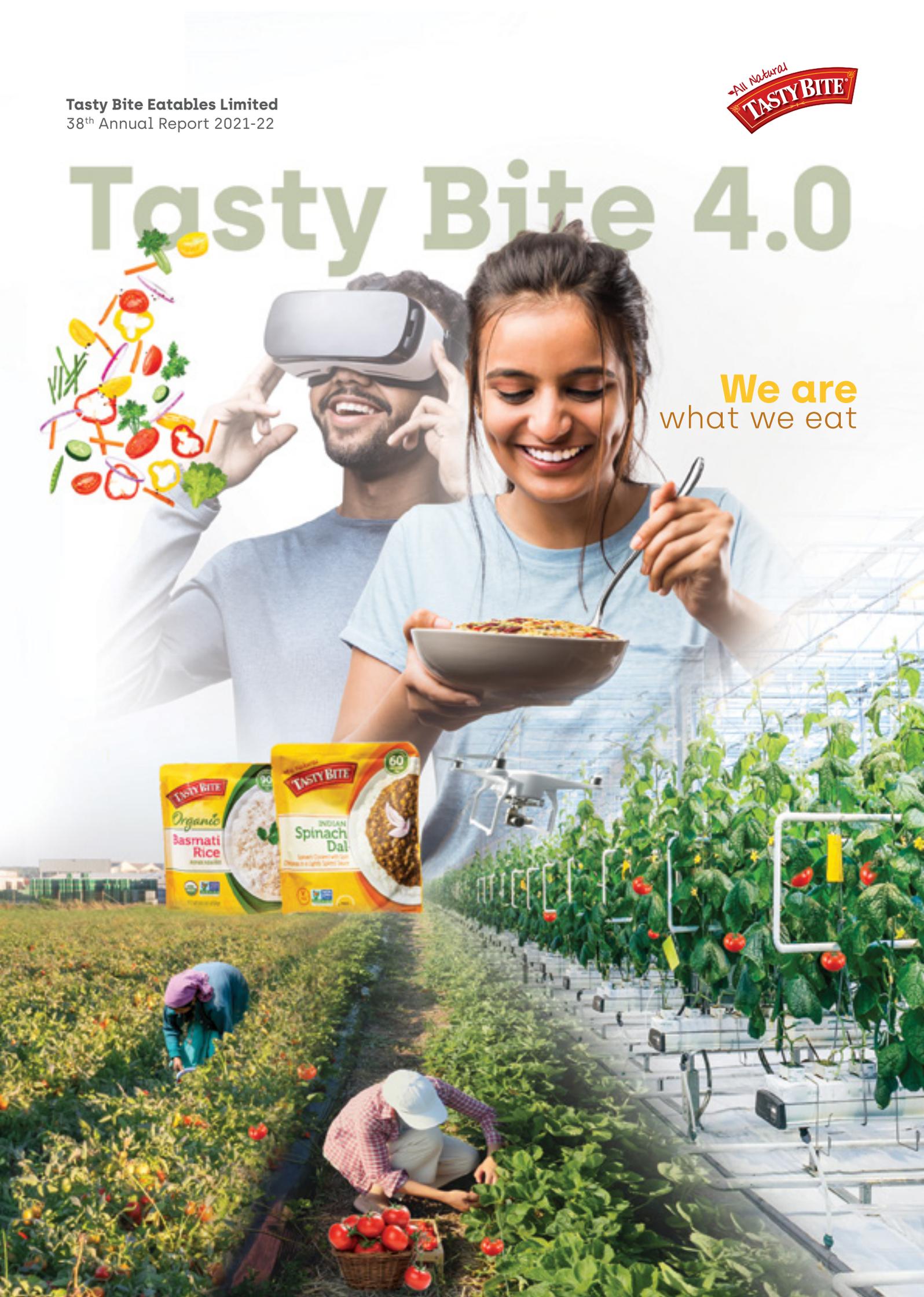


# Tasty Bite 4.0

We are  
what we eat



**We are at an interesting inflection point in our journey,** when our entire operating landscape is evolving rapidly.

The world of food and agriculture has leapfrogged from the green revolution to the digital age in the blink of an eye. This is bringing new opportunities for business and offering a world of new choices for consumers with an increased awareness that we are what we eat. The advent of precision farming, artificial intelligence, robotics, the metaverse along with new applications in food processing technologies and a block chain driven agri ecosystem are all emerging forces at work. At Tasty Bite, we believe we are not just a participant in this evolving tale, but have the opportunity and indeed the responsibility to help design the emerging landscape of food globally.

Look out for these throughout the report:

-  Reference to another page in the report
-  Reference to further reading online

#### Forward looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

## Contents

### 1 Corporate Overview

02	Welcome to Tasty Bite 4.0
04	Chairman's message
08	Know us better
10	The concept of food is evolving
12	Delicious by design
14	Crafting the future of food worldwide
16	Mitigating risks to maximise value
18	Business Model
22	Financial Capital
24	Manufactured Capital
28	Intellectual Capital
32	Human Capital
36	Natural Capital
40	Social and Relationship Capital
46	Corporate information
47	Key financial highlights

### 2 Statutory Reports

48	Notice
69	Directors' Report
107	Corporate Governance
134	Business Responsibility Report

### 3 Financial Statements

151	Revised Independent Auditors' Report
164	Revised Balance Sheet
165	Revised Statement of Profit and Loss
166	Revised Statement of Cash Flows
168	Revised Statement of Changes in Equity
169	Notes to the Revised Financial Statements
221	Proxy Form
222	Attendance Slip
223	Route Map



Scan this code with a QR reader to know more about us



You can also find this report online: [www.tastybite.co.in](http://www.tastybite.co.in)

# Welcome to Tasty Bite 4.0

**Our mission is to be a socially responsible company that will delight consumers by offering great taste, good value and real convenience.**

This is achieved through constant innovation, driven by insights from the market and by listening to our consumers and partners.

**The 4.0 landscape will help us push the envelope further with exciting new products and allow us to journey to new markets.**



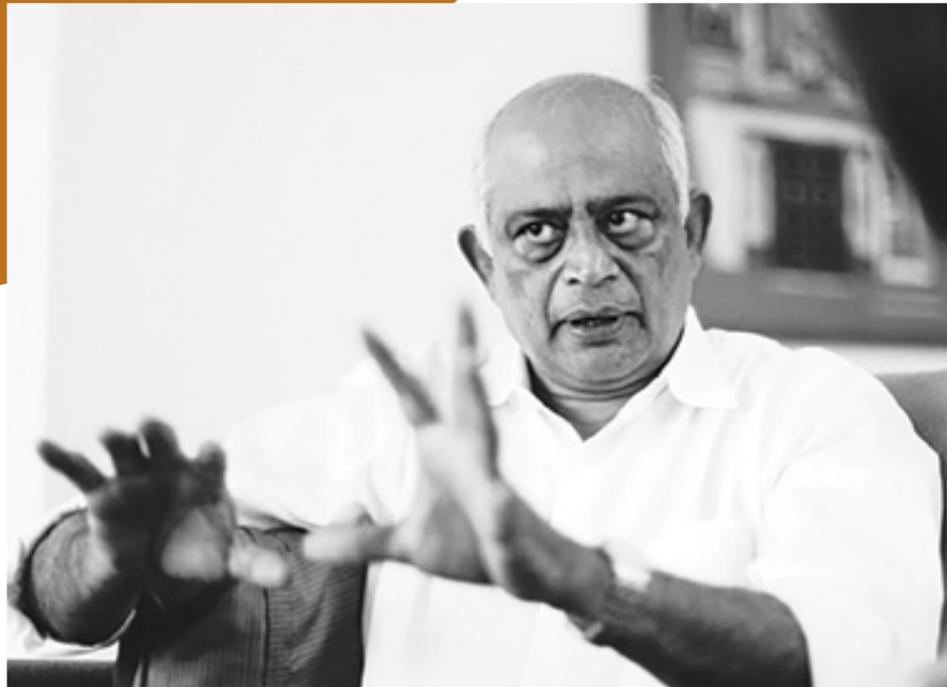
## Chairman's message

कल, आज, और कल  
(yesterday,  
today, tomorrow)

### Dear Shareholders,

25 years is a long time for anyone to be the Chairman of a public company. So, I thought I'd use this opportunity to briefly look at the rearview mirror, then do a quick *sitrep* of the present and then spend a bit of time on global forces that will shape our business in the years to come. As always, this Chairman's note will be a कल, आज, और कल [yesterday, today, tomorrow] piece!

Let us look back 25 years ago to the first Annual Report [1998-99] after the company was acquired by US based company Preferred Brands International, which Meera Vasudevan & I co-founded in 1994. It was simply titled "The Turnaround". Some may recall TBEL was a tired, debt-ridden company whose net worth had been wiped out with accumulated losses multiple times its equity capital & had been declared sick by the then regulator BIFR [Board of Industrial and Financial Reconstruction]. This was the annual report published a year after the acquisition.



**Our long journey was never easy. We caught no step change breaks or inflections. But our growth was steady and consistent. In that context, your support as shareholders, your patience, fortitude, and unwavering commitment to the mission of your company is nothing short of exceptional in the world of listed entities. At no stage in these 25 years, did we feel pressured by you to choose revenues & profits over the purpose of the company. We never came to that fork in the road.**



Meera & I were soon joined by a remarkable leadership team that included Ravi Nigam, Sohel Shikari and Hans Taparia. This five-person team that came to be known as the E-Com [Executive Committee] worked with a highly motivated work force and a dedicated management team to build a purpose-driven business around the consumer and the community creating a trajectory of sustained growth for 20+ years.

I am struck by the purpose, energy and optimism reflected in that first Annual Report. We triumphantly announced the turnaround of the company, predicted megatrends of *natural, convenient & specialty foods* in the US that still drives our growth 25 years later and we hoped to be perceived as *India's* most respected food company! We also promised ourselves to make Tasty

Bite *without* using any *preservatives or chemical additives*, a tall claim to have made in 1998 but still relevant today.

We remained committed to that simple oath that we will not put into Tasty Bite what we will not put into our mouths. The annual reports over the next 2 decades continued to reflect those values & energy even as the business grew from sometimes making just 2,000 meals a day in the mid 90s to much more than 300,000 meals a day today. Not to mention more than 10,000 tons of sauces and frozen products catering to the Food Service industry.



Last year's Annual Report titled *Necessarily Natural, Preferably Organic* embodies that very principle.

Our long journey was never easy. We caught no step change breaks or inflections. But our growth was steady and consistent. In that context, your support as shareholders, your patience, fortitude, and unwavering commitment to the mission of your company is nothing short of exceptional in the world of listed entities. At no stage in these 25 years, did we feel pressured by you to choose revenues & profits over the purpose of the company. We never came to that fork in the road.

It is with this feeling of gratitude that I will be stepping down as Chairman of Tasty Bite during this fiscal year.



**It is with this feeling of gratitude that I will be stepping down as Chairman of Tasty Bite during this fiscal year. Mars has been a terrific partner and shareholder in this journey, and I have committed to stay till they appoint a new Chairperson that will be approved by the board and the general body.**



Mars has been a terrific partner and shareholder in this journey, and I have committed to stay till they appoint a new Chairperson that will be approved by the board and the general body. My stepping aside does not mean that I will be retiring from work or turning my back on the business. On the contrary, I will be available to assist in both, the leadership and board transition for as long as it takes.

Let me now move to the आज and review the performance very briefly.

In the last Annual Report, I mentioned we came out of a difficult period but the landing into this fiscal year has not been smooth either. While the financials are significantly better than the Covid quarters, we have work to do on many fronts. Particularly on revenues, material costs, capex management and fulfillment. Let's take a quick look:

- For the third year since Covid struck, we dropped revenues. From ₹ 4.55 billion in FY'20 to ₹ 4.04 billion in FY'21 to ₹ 3.86 billion in FY'22. This seems stark after CAGR of 20% for the previous 5 years!

- Material costs for the year came in at 64% of revenues, 3.6% higher than last year. This was driven by a combination of higher commodity prices including oils, packaging, business mix, inventory provisions and lowered Govt. incentives.
- The capacity expansion we embarked on 2 years ago continued albeit at a slower pace and during the year we added ₹ 361 million to our gross block. While this has impacted the bottom line, it has ensured our readiness to embrace growth. With this capex we have cumulatively spent ~₹ 960 million of the ~₹ 1500 we had planned to spend though next year.
- Consequently, the Profit after tax at ₹ 103 million is only 2.7% of revenues down from 9.7% last year.

Now, dear shareholders, let me present the flip side and you will quickly see why I am feeling energized despite the financial outcome this year.

- We are already witnessing our Consumer Business come roaring back. The 17% revenue drop in exports this year hides the amazing turnaround that has occurred in the US consumer market for Tasty Bite. We saw the first quarter up 76% as our largest customer and parent company PBI experiences an all-time revenue record in 2021 followed by a strong 2022. This is our lead indicator.
- We have turned the corner in the Food Service Business [TFS] with momentum at pre-Covid levels. The ~43% growth we saw this year can sustain as our QSR customers see the spike in their business and our regional expansion continues apace.
- Perhaps the most important tailwind for the business beyond

these market indicators is the quality of our senior management and an amazingly energized workforce. The 8-member Management Committee (M-Com) today is an experienced leadership team with a cumulative experience of nearly a hundred years in the company!

- The search for the Managing Director is on and I am persuaded that a mission-driven organization like Tasty Bite should attract a high-quality candidate who should be appointed over the next few weeks.

Let me strike a note of caution though. Covid triggered global



supply chain disruptions, energy insecurity and inflation pressures of the Russo Ukraine war are still dark clouds, but we must believe they will soon represent the end of a difficult period.

### Leadership changes:

Fiona Dawson recently awarded the CBE retired as the Global Head of Mars Foods. She remains a friend of Tasty Bite and our cheerleader. She was replaced by Shaid Shah a 15-year Mars veteran and a reputed corporate leader who has worked globally across the various businesses of Mars, in Foods, Confectionery and Pet Nutrition. He has set ambitious goals

for the Food business globally and is deeply committed both to Tasty Bite and to the potential the Indian market offers.

Dawn Allen who was on the Tasty Bite Board since the acquisition in 2017 left Mars a few months ago to pursue a new career. She was very dedicated and brought high standards of governance to our Board. She stepped down from the TBEL Board recently and subject to the shareholders' approval will be replaced by Emmanuelle Orth. Emma, as she is known to her friends, comes to our Board as a talented CFO in the Mars system. You will get to meet her at the Annual General Meeting in September.

### Back to the Future:

It has been my practice over the years to periodically speak of social, economic and technology megatrends, how they may affect our business, how we may ride them and indeed even drive them. The title of this year's Annual Report is Tasty Bite 4.0. This to me represents a new beginning.

It has become obvious to all of us these last few years, that societies are not just divided but polarized. Borders, religions, cultures, rights, gender, climate, privacy are all under scrutiny by a new lens which itself is in dispute.

Equally, there is a unified understanding that our futures are deeply intertwined. We have more in common than we often think.

Here are 5 megatrends that will shape all of us despite our differences, provide business opportunities and separate winners from also-rans.

- **Food as Wellness:** This is not a fad, nor is it a lasting fashion. We are what we eat. Unwittingly, the food & ag industry has become the supplier of customers to the healthcare industry. From pesticides in our vegetables and grains, antibiotics, and hormones in our meats, to chemicals & additives used in food processing, our body's immune system is constantly under attack. Diabetes, cardiovascular disease, obesity, and cancer are at record levels today in our society. They can all be directly linked to the foods we eat. And consumers are increasingly becoming aware of this. The sooner food companies realize it, the better it is for all.

It is not enough for food companies to claim legitimacy by following GRAS (generally recognized as safe) standards. Nor is it OK to accept the Codex alimentaria as food pharmacopeia. We need to raise the bar. Companies and food scientists need to step up and keep both our food system and our microbiome clean. Herein lies the opportunity and the responsibility. Let's pay the farmer, not the pharmacy.

Tasty Bite is well positioned.

- **Precision farms:** There is a quiet revolution underway in Agriculture. It goes by many names - controlled environment agriculture (CEA), vertical farming, hydroponics, aquaponics, urban farms etc. Almost US\$20

billion has been invested in the industry in the last 5 years. Spreading quickly across the US, Canada, France, Holland, Israel, Middle East, Singapore, China & Australia, these indoor farms are harbingers of an exponential age with yields up to 100X open field agriculture. Effectively, our yield of the 25-acre organic Tasty Bite farm can now be produced in less than 10,000 sq ft!

While many challenges remain in making these farms economically viable, the immense flow of capital, emergence of new entrepreneurs and Silicon Valley intervention through robotics, IOT, digitization & software are all converging. The implications are profound. Precision farms will produce very high quality, phytonutrient rich produce for food, beauty care and the pharma industry. Companies that embrace this technology either as producers or customers will differentiate powerfully and accelerate consumer wellness. The industry appears to be moving slowly and imperceptibly but prepare for a tsunami.

The specific impact of this on Tasty Bite is not yet clear but I believe it is one that needs to be closely watched and better understood.

- **Meat alternatives:** The plant-based meat industry is another recent phenomenon. It was born out of 4 specific drivers: Health concerns of excessive meat consumption, animal agriculture's massive carbon footprint, animal cruelty, and the wellness associated with a plant-based diet. Even a minor substitution of the US\$2 trillion global meat industry presents a gigantic opportunity with a clear triple bottom line positively impacting people, planet, and profits.

The current hype however is not on **"plant protein"**. So, soybean, yellow peas and mushrooms are ascending, but the reality is not protein but the increasing realization of the importance of a plant-based diet.

This has always been a sweet spot for Tasty Bite and hence we are well positioned.

- **Digital Supply Chains:** The Agri food supply chain is being digitized rapidly and not just in the developed world. Smart phones in the hands of farmers in Africa, Latin America and South Asia and digital tools & block chain in the hands of companies has helped build the bridge between the farmer and the consumer globally. Companies that facilitate this integration and disintermediation will have a significant competitive advantage through improved food safety, traceability, and trust.

The metaverse is another work in progress. Think of it as a combination of the real and virtual worlds, of augmented and virtual realities or an internet landscape where millions of consumers can interact not just with each other but with objects. Food companies for instance can create unique experiences for their consumers from health tips to recipe ideas, offer a virtual tour of the farms they buy the produce from, the factories they manufacture the food in and even meet the employees who work there.

Tasty Bite has been increasingly adopting these technologies and today can trace produce to at least the district and in some cases to the taluka level. Soon this will extend to the village and ultimately the farm. It is not inconceivable that we will one

day know which specific farmer harvested the greens that go into our Kashmir Spinach for instance.

- **No Plan B, No Planet B:** Climate change is no longer a college debate where we can take sides. Water scarcity and hunger are now real. Depending on where you are living you can take your pick of wildfires, flooding, species extinction, pandemics, or uncontrolled migrations. The big existential assumption is that we will behave responsibly as people, companies, and nations to protect the only planet we have for our children and their children to come.

You have heard me say this before, but I believe it is worth repeating. *We don't follow sustainable practices merely because they make business sense. It is our responsibility to make business sense out of sustainable practices.*

At Tasty Bite we remain committed to our organic farm, a renewable energy program, water recycling, biogas through vegetable waste, rainwater harvesting and steam generation through sugarcane briquettes. Over the years, each of these projects has brought our teams immense joy, our consumers closer and not surprisingly our margins higher.

It is for all these reasons that at the end of 25 years, I feel a sense of a new beginning. Hence this Annual Report is titled Tasty Bite 4.0

**Ashok Vasudevan**  
Chairman, Tasty Bite Eatables Ltd.

## Know us better

America's largest brand of prepared Indian food - Tasty Bite Eatables Limited offers a diverse range of consumer packaged products including ready-to-eat (RTE), sauces, ready-to-cook (RTC) gravies & pastes and RTE organic rices and grains.

At Tasty Bite, our product range is unique and comprise both **natural and organic categories**, and we continue to delight our patrons with our retail and food service products.

# Journey down the decades



Since our inception in

**1985,**



we have steadily raised the benchmark in quality, taste and convenience.



This speaks volumes about the road we have travelled over the years, and the milestones that we have crossed.

We commenced our modest journey by preparing



**2,000** meals daily and we now deliver more than **300,000** meals every day.

We launched Tasty Bite's bouquet of offerings in the US with five all-natural ready-to-eat Indian entrees in 1995. We have emerged as the most prominent brand of Indian prepared foods in the US since then.



We started Tasty Bite Food Service (TFS) in 2006 and are leading experts in food manufacturing. We are 'the brand behind the brands' and design our products to address the challenges faced by our partners. We keep our customers' preferences in mind and provide value with myriads of organic, gluten-free, vegetarian and vegan products. Being a socially responsible company, we have integrated sustainability in our business operations by procuring green energy, efficient waste management system, water conservation projects and organic farming.

## Mission statement



To be a **socially responsible** company that will **delight** consumers by offering **Great Taste, Good Value & Real Convenience** achieved through Manufacturing & Marketing **Natural, Convenient & Specialty Foods** in a **Knowledge driven, Energetic & Fun** work environment.

# The concept of food is evolving



We have seen a major shift in food choices, channels and consumption habits of our customers across our businesses. The preference towards healthy and organic food is growing rapidly. Increased consumption of ready-to-eat, ready-to-cook products is a clear indication of preferences towards convenience. We are constantly innovating to meet the expectations of customers in a dynamic operating environment.



## Organic is on

With changing consumer preferences, we are committed to provide high-quality products using natural and vegetarian ingredients. We make sure not to use preservatives and Genetically Modified Organisms [GMO].

With 60+ organic products, including our Organic Madras Lentils and Organic Grains, we have come to be largely known as an organic brand.



# Delicious by design

## Diversity and healthy choices

We are committed to provide healthy, tasty and nutritious meals without artificial flavours, additives or preservatives. Our consistent focus is to diversify our products to suit the evolving preferences of our customers worldwide. We use the finest natural ingredients which are healthy, thereby creating the utmost value for our consumers.

We offer products under three businesses:



Consumer Business



Tasty Bite Xclusive



Tasty Bite Food Service

## Consumer Business

We have a wide range of ready-to-eat products, which provide great taste and good value at convenience. Our healthy, delicious and easy-to-cook food has made us the fastest-growing Asian food brand in the US. We not only provide good food but invoke nostalgia for those far from home and delight those trying to experience lip-smacking cuisine for the first time. 17 new products were launched in financial year 2021-22.

All the product categories serve differentiated flavours, vegetarian, vegan, gluten-free and organic. Our natural entrees contain a unique flavour of Indian and Thai culture-infused within assorted vegetables and lentils. Our organic entrees consist of Indian recipes that have evolved over thousands of years, prepared with organic vegetables and lentils. Our organic rice category consists of smooth textures and grains rich in flavours.



Our prepared food is divided into three product categories:



Natural entrees



Organic entrees



Organic rice

## Tasty Bite Food Service

This business offers customers bespoke solutions with nimble turnaround. We are the preferred partners for QSR, Cloud Kitchen and Hotels, Restaurants & Caterers (HoReCa) brands of the food service industry in India and region. We provide solutions to processes and challenges faced by our partners and are truly 'the brand behind the brands'. 24 new products were launched in financial year 2021-22.

The product categories in this business are:

### Gourmet Sauces

- Tomato-based sauces
- Gravy, Curry, Paste
- Savoury Fillings
- Specialty Sauces
- Emulsion Sauces

### Frozen Formed Products

- Burger Patty
- Appetisers / Finger Food

### Meals

- Combos
- Pasta



## Tasty Bite Xclusive

With Tasty Bite Xclusive, we introduced a healthy snacking option, which consists of fresh ingredients and are free of trans fat and preservatives. With the combination of various grains, vegetables and spices from around the world, this business provides lip-smacking snacks.

### Starters

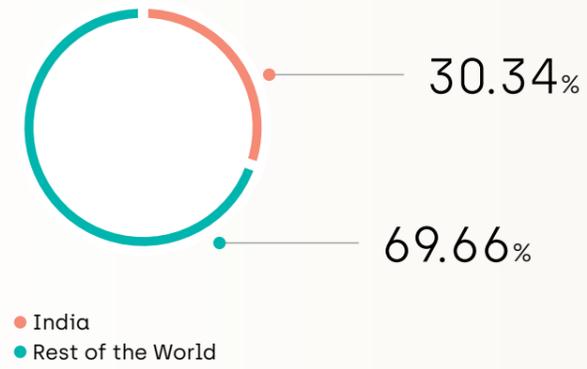


### Patty

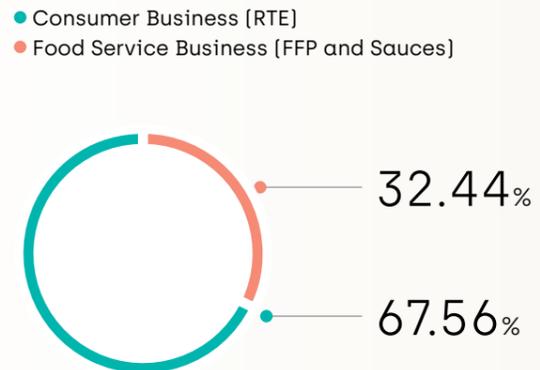


## Crafting the future of food worldwide

Revenue mix by geography



Revenue mix by business



## Mitigating risks to maximise value

We are committed to managing and mitigating risks and opportunities that arise from our day-to-day operations in a proactive manner. Our Risk Management approach also enables us to take a comprehensive look at the risks associated with our strategy, business, and operations. It also enables us to prepare for the future more effectively and make decisions that benefit organisational growth in the long term.

### Financial Risk

Nature of Risk	Mitigation Strategies
<ol style="list-style-type: none"> <li>We are susceptible to funding and liquidity risks as a result of currency fluctuations, interest rate fluctuations.</li> <li>Non-recovery/delays in recovering outstanding debts may also impact us.</li> <li>We may be exposed to excessive risk as a result of imbalanced insurance coverage.</li> </ol>	<ol style="list-style-type: none"> <li>For currency fluctuations, we have hedging strategy in place. For interest rate fluctuations, we have Interest Rate Swap for long-term borrowings as mitigation.</li> <li>For outstanding debts, we have insurance coverage for export sales and for rest of market, we have strong internal controls in place.</li> <li>Adequate insurance coverage secured to protect the interests of the company and avoid financial losses.</li> </ol>

### Operational Risk

Nature of Risk	Mitigation Strategies
<p>We may face operational risk from:</p> <ol style="list-style-type: none"> <li>Inadequate inventory management.</li> <li>Dependency on restricted suppliers for sourcing of our raw materials.</li> </ol>	<ol style="list-style-type: none"> <li>Dedicated warehouse facilities to ensure proper stock management.</li> <li>Alternate vendors are identified and inducted for all major materials including organic products.</li> </ol>

### Strategic Risk

Nature of Risk	Mitigation Strategies
<ol style="list-style-type: none"> <li>Our success depends on development of new products considering changing consumer trends and consumption habits.</li> <li>We also rely on adoption of continuous innovation and the latest technology used in the food processing industry.</li> </ol>	<ol style="list-style-type: none"> <li>Company has collaborated with numerous colleges and food processors across the world to exchange knowledge about innovative technology in business.</li> <li>Frequent monitoring of global food trends and emerging food technology with quick adoption of business relevant model.</li> </ol>

### Environmental Risk

Nature of Risk	Mitigation Strategies
<ol style="list-style-type: none"> <li>Our operations may pose a risk to the environment due to non-improvement of packing material sustainability.</li> <li>Inability to lower our environmental footprint due to unsustainable packaging may have an impact on brand value, consumer loyalty, and potential business losses.</li> </ol>	<ol style="list-style-type: none"> <li>When the industry has a ready technical solution, sustainable packaging options are adopted.</li> <li>Using a clear and focused strategy, projects are identified to reduce consumption through packaging optimization.</li> </ol>

### Compliance Risk

Nature of Risk	Mitigation Strategies
<ol style="list-style-type: none"> <li>Company operations are subject to a plethora of laws and regulations in both domestic and international markets, exposing us to regulatory risks.</li> </ol>	<ol style="list-style-type: none"> <li>To monitor regulatory compliance, Company has implemented the digitised compliance tool.</li> <li>Collaboration with external industry experts, consultants ensuring timely and accurate compliances.</li> </ol>

# Business Model

## Future-ready and resilient value creation framework

### Inputs

- Financial Capital**
  - ₹ 25.66 million - Equity
  - ₹ 435.57 million - Long-term debt
  - ₹ 2,171.78 million - Net worth
- Manufactured Capital**
  - 1 manufacturing unit
  - 3 warehouses
  - ₹ 1,994.28 million - gross block
- Intellectual Capital**
  - 1 Centre of excellence
  - 12 R&D team members
  - ₹ 27.00 million - R&D Spend
- Human Capital**
  - 250 employees
  - ₹ 321.93 million - spent on employee benefit expenses
- Social & Relationship Capital**
  - ~200 suppliers
  - 17,000+ shareholders
  - ₹ 10.71 million - spent on CSR activities
  - 2,000+ farmers associated
- Natural Capital**
  - ~146 million litre water consumed
  - ~8.3 million units energy consumed
  - 526 tonnes waste generated

### How we operate

#### Our contribution to SDGs

#### Our growing fraternity of stakeholders

### Outputs

**Consumer Business (Ready-to-eat)**

**Tasty Bite Food Service**

**Tasty Bite Xclusive**

**The promise of Tasty Bite**

No Artificial Colours and Flavours	100% Vegetarian	No Artificial Ingredients	No Preservatives
No Trans Fat	Good Value	Real Convenience	Great Taste
Gluten Free	Organic		

### Outcomes

- ₹ 3,855.60 million - Revenues
- ₹ 470.46 million - EBITDA
- ₹ 103.28 million - PAT
- 12.20% EBITDA margin
- ₹ 27,878.82 million - Market Capitalisation
- 6.98% RoCE
- Fastest Wealth creator over 2015-2020\*
- ~14,000 MT annual production volume of Consumer Business
- ~10,000 MT annual production volume of Food Service Business
- 200+ SKU's in Consumer Business
- 150+ SKU's in Food Service Business
- 56:44 gender diversity ratio
- 771 training and learning hours
- More than ₹ 15 million spent on people health and safety
- Tasty Bite Foundation acts as CSR arm of the Company
- ₹ 10.71 million spent on CSR activities
- 36 shareholder complaints received & resolved
- 41 supplier audits conducted
- Endorse the Paris Accord
- Multiple initiatives in place to address climate change
- 526 tonnes waste recycled
- ~92 million litre water recycled

\*Market capitalisation as on 31<sup>st</sup> March 2021  
Annual Wealth Creation Study of Motilal Oswal Group

**For a future-forward Tasty Bite 4.0, we are progressively finetuning our capital strategy.**

**This means utilising resources prudently for various business objectives to derive optimum output and outcome from each.**



## Financial Capital



# On a sound financial footing

We allocate our financial capital with a judicious approach, under the stewardship of Mars Group and our esteemed Board, and strive to maintain a strong balance sheet and steady cashflow. Our investments are periodically reviewed to safeguard the interests of all stakeholders.

6.98%

Return on Capital Employed

4.76%

Return on Equity

₹ 3,855.60 Mn

Turnover

₹ 470.46 Mn

EBITDA

₹ 103.28 Mn

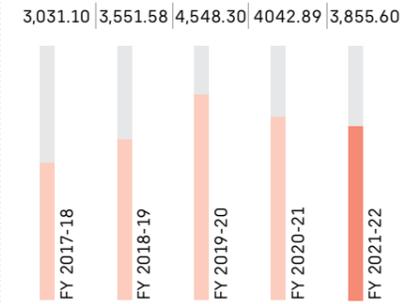
Net Profit

### Net Revenue [Turnover]

(₹ in million)

8.46%

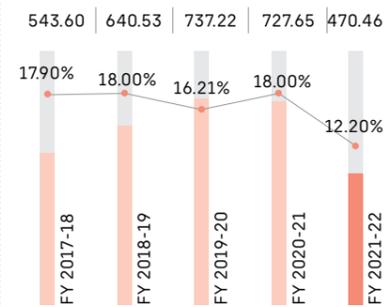
5-year CAGR



### EBITDA | EBITDA Margin

(₹ in million)

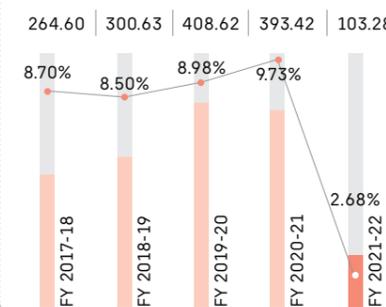
(in %)



### PAT | PAT Margin

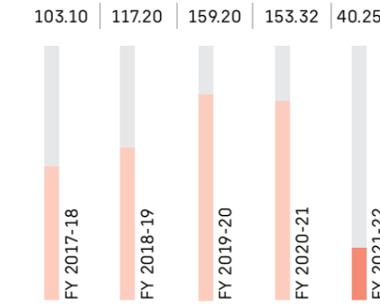
(₹ in million)

(in %)



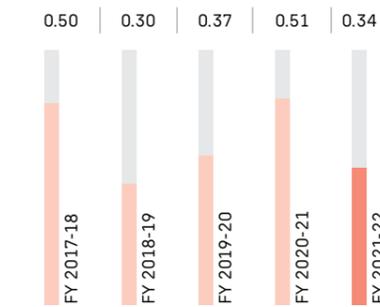
### EPS

(in ₹)



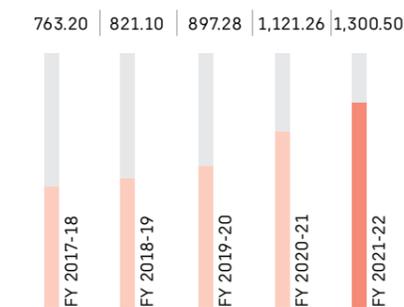
### Debt Equity Ratio

(in times)



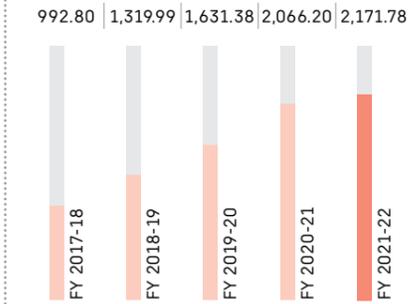
### Net Block

(₹ in million)



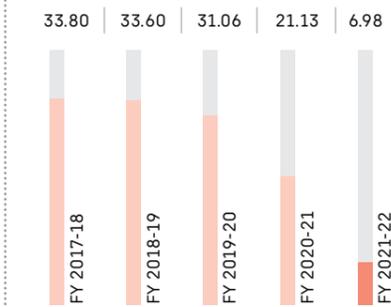
### Net Worth

(₹ in million)



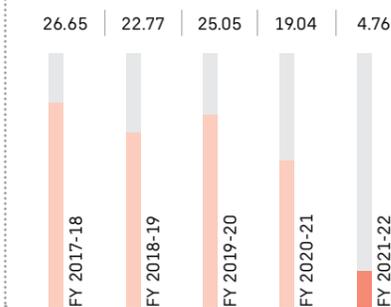
### RoCE

(in %)



### RoE

(in %)



### Our strategic focus areas

- Effective cost-optimisation measures
- Growing Food Service Business [TFS]
- Prioritise the launch of new products
- Acquisition of new markets
- Investment in quality and food safety
- Adoption of emerging technologies

### Our cost optimisation approaches

- Long-term strategic sourcing of commodities to prevent an upsurge in rates
- Collaborating with Mars Group to obtain more logistics support
- Driving the value leadership initiative throughout the organisation
- Stringent control over overhead costs

## Manufactured Capital



# Excellence is embedded in our processes

Our best-in-class facilities, supported by advanced technology and processes, help us enrich our portfolio to delight our brand patrons. Our processes are routinely upgraded to ensure the safety and sustainability of the business.



### Manufacturing facility

Our state-of-the-art manufacturing facility spans 30 acres near the city of Pune. Our facility houses a huge kitchen where a variety of grains and vegetables are slow cooked in industry-grade kettles, along with spices sourced from multiple geographies.

The manufacturing process undertaken at our facility guarantees that the products have no artificial flavours or additives. This allows for high retention of the food's original aroma, texture, and nutrients. We follow Good Manufacturing Practices (GMP) to ensure that the products produced are consistent and in adherence to set quality standards.

Throughout the year, we have invested in modernising infrastructure to ensure that utilities such as ETP, WTP and refrigeration plants can meet their requirements in the long term.



### Technology implementation

We have integrated technology for various operations at our factory. We pioneered the use of retort technology for commercial sterilisation of food in 1987. Since



then, we have been using various retort equipment ranging from water spray retort to the next-generation rotary retorts. We also use Individual Quick Freezing (IQF) method for the manufacture of our delicious frozen foods.

New automated line has resulted in better efficiency and lower manual intervention. We use techniques of food processing like thermal processing (hot filling), dry filling, cold blend, emulsion for better quality food, sterilisation and longer shelf life. We employ the latest technologies such as pressurised cooking and hot soaking to improve quality, reduce time and improve working conditions during food processing.



### Quality assurance

Our quality management system is designed to ensure quality excellence and spans every aspect of our operations. To ensure products of highest quality for our customers, we have implemented the Tasty Bite Quality Management System (TBQMS), which integrates global quality and food safety standards. TBQMS ensures quality and safety right from sourcing ingredients to dispatching the final products.

We have a number of quality system certifications in place, as well as ongoing training for associated employees. We also conduct periodic reviews of Key Performance Indicators, which include complaints, key food safety and quality performance indicators. Quality audits are also performed in the form of annual external certification audits, monthly internal audits, and periodic Customer Quality System audits.

### The QA lab

Our Quality Assurance (QA) lab uses high-quality equipment to analyse our raw materials, packing materials and finished goods. Each material- both raw and packing- is analysed as per specified parameters to ensure food safety and quality throughout the product's shelf life.

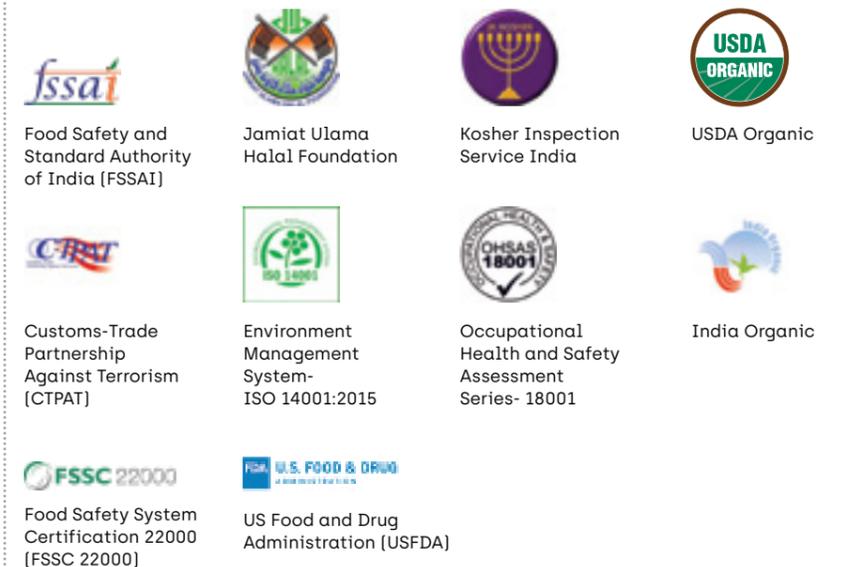


### The QA team

Our highly qualified team of specialists ensures quality and food safety across the plant. The QA team is involved in monitoring, analysing, verification, validation, recording and internal auditing as per the norms of TBQMS.



### Our quality certifications



### Material Quality Management (MQM)

A well-established material quality management plan assures consistent supply of required quality-assured materials. As a part of this, we have implemented sustainable procurement initiatives in certain commodities and contracts with Organic Farmers Producer Group.



### Supply Chain Management

We ensure an efficient end-to-end supply chain network by strategically purchasing, reducing dependence on imported materials and storing raw materials for products in order to balance supply and demand on a continual basis. We coordinate arrangements with freight forwarders to ensure that finished goods are delivered on time.

We intend to build a contemporary, agile, and integrated end-to-end supply chain through procurement, based on forecast and market conditions, review of re-order level of inventory, warehouse storage, and contracts with diverse suppliers for prompt manufacturing and shipment.

With enhanced agility and a dynamic supply chain approach, we overcome unforeseen challenges. We achieve agility by developing process flow models that include a Master Production

Schedule (MPS) and Master Requirements Planning (MRP). Along with this, we use Sales and Operation Planning (S&OP), which assists us in making strategic decisions with the sales and operations teams in order to meet demand.



### Supplier Quality Assurance (SQA)

SQA is a strong pillar of the Company's value chain which strengthens the entire supply chain through strategic collaboration with suppliers to build back-end process controls which assures supply of consistently safe, regulatory compliant and quality raw materials.



#### Sustainability initiatives in our manufacturing process

Centralised **automated refrigeration** plant has resulted in energy saving.

Integrated and fully automated process / production line that has resulted into energy saving, lean manufacturing and efficient conversion of finished goods

Working on **Cold Blend** sauces and gravies to reduce the usage of steam for cooking/ production

Reduction in water usage by adopting a **dry fill** method for rice

Tasty Bite is ranked amongst largest value added organic produce exporters to US and Canada

Recycling of used water in **ETP** and reuse the same for farming and gardening purposes in factory

Extensive usage of renewable sources of energy for manufacturing

#### Sustainable packaging initiatives

Reduction of the packaging material weight from

**100 micron**  
to  
**80 micron**

leading to the usage of less plastic

Conversion of

**5 ply cartons**  
to  
**3 ply cartons**

Working on recyclable pouches from laminated pouches to single / mono material pouches

## Intellectual Capital



# Sharper expertise to address 4.0 requirements

Our commitment to continual process and yield improvement enable us to fulfil our objective of being a socially responsible company that delivers high-quality food products around the world, while maintaining cost efficiency.



Active management of our intellectual property (IP) is a critical component of our business. Our strategic investments in research and development (R&D) skills enable us to expand our product portfolio across multiple segments and foray into unexplored markets. Our Tasty Bite Research Centre (TBRC) and a pool of advanced research expertise give us a competitive advantage in the marketplace and maintains our leading position in research capabilities.

We leverage technology as part of our daily operations in form of automated Purchase order, organised warehouse operations through Order Management System (OMS) and stock movement captured through an Enterprise Resource Planning (ERP) system.

### New product launches

We endeavour to capture numerous national and overseas markets with the launch of new products. We constantly fine tune our expertise to develop frozen products, diverse sauces and gravies. We are also continually striving towards integrating customer requirements and market demand, to reduce the time lag between developing and the launch of new products.

One of our main focus areas for new product development is to expand our new channel, HoReCa (Tasty Bite Xclusive), which will allow us to reach a wide universe of independent restaurants. From a geographical standpoint, the other major area is to focus on markets outside India for future

business. To create awareness of our new products, our TBEL website has been revamped as well as an aggressive campaign on social media is currently in progress.



### Clean label products

The industry is shifting towards clean label products and real plant protein ranges. As a result, we have established TBEL as a pioneer in manufacturing clean label products, which is assisting customers in making a smooth transition as they embark on this journey.

Customers are becoming more aware of these products and demanding transparency as they purchase them. We ensure transparency by providing our customers with accurate nutritional information about our products on our packaging. Along with this, we implemented a feedback mechanism from shop operators, as well as a proper redressal procedure, with customer service details included in each pack.

TBEL has long advocated for the development of clean label products using sustainable production processes. Various brands across the industry have recognised this over the years, and we are now recognised as a value-driven partner of choice.



### Tasty Bite Research Centre

Our inhouse research and development centre, Tasty Bite Research Centre (TBRC) strives to be a pioneer in prepared foods by innovating products, processes, and ingredients.

The TBRC team comprises global cuisine experts in culinary and food technology, who work together to produce the optimal balance of culinary art and science in order to develop innovative products.

We assist our customers through high-quality vegetarian and natural food products that are free of preservatives and GMOs. Our products are of the highest quality and perform well in terms of both taste and nutrition, providing us a competitive advantage in rising culinary trends.



### Criteria for selecting R&D projects



### Strengthening TBRC



### Data Integrity and Security

To assure adherence to standards and to make our production system resilient, boost efficiency, and provide data and product integrity across our value chain, we use a rigorous Tasty Bite Quality Management System (TBQMS). The TBQMS digitally stores data and allows for centralised communication and convenient access.



## Human Capital



# Our go-getters are our true brand ambassadors

The Tasty Bite team performs in an environment, which is professional, result oriented and is dedicated towards achieving its objectives in a dynamic environment.



Our talent pool represents the core of our business operations and we are committed to protecting their health and empowering them to build a career in our future-focused business.

We strive to excel in the 5 dimensions of work culture:

- Respect
- Pride
- Fairness
- Credibility &
- Camaraderie

We have also been accredited as a Great Place To Work for seven years in a row.

### Winning together

Our culture provides us the right environment to innovate and excel as a team. We have put in place an empowering workplace, exempt from the fear of prejudice, gender bias and harassment. We believe in the right of our employees to be treated with dignity and care.

### Engaging with openness

We, at Tasty Bite, believe in building a fun work environment in which our people can interact with an open mind across hierarchies. The employee engagement activities help build team spirit and camaraderie.

We regularly conduct 'All Hands Day' where all the officers and managers involve in skilled and semi-skilled work under the supervision of our skilled workforce. This hands-on activity helps every employee understand and comprehend various operations. Several engagement and team building activities are conducted which help bring out the spirit of togetherness within the team.



### Tastymonials

**Amit Bohra**



Working at Tasty Bite is like preparing your favourite dish, alongside great inspiring minds in the most cheerful ambience! 'Responsible Freedom' is one of the many outstanding traits of Tasty Bite culture - freedom to dare big, freedom to innovate, freedom to question, freedom to experiment, freedom to collaborate, and a lot more! Tasty Bite is that magic ingredient which brings out the real flavour of your personality!

**Naresh Kaul**



Learning is a never-ending process. The best part at TBEL is that the team leaves no stone unturned to achieve the given target. Sharing is caring, be in any aspect. Continuous training helps all of us to sharpen our knowledge and upgrade our skills. We walk with TIME.TBEL respects and values all its member as family. I feel proud to be a part of the TBEL family.

### Empowering women

We provide a safe work environment for all women employees, where they can flourish professionally and personally. Women are encouraged to take on greater responsibilities in the Company and they hold several executive positions.

## Women in our workforce are growing every year.

Our women empowerment policy has pushed the social norms and has encouraged them to work in the night shift. We conduct 'Ladies Day Out' for all the women workforce to inculcate the culture of leadership and upliftment. We also motivate and sponsor women to attend national/international training programmes.

**44%**  
women employee of total workforce

**56:44**  
male to female ratio

**30%**  
of women working in night shift

**26**  
employees left the organisation in 2021-22



### Upskilling our talent pool

We believe training is very important for employees to shoulder more responsibilities, take the organisation forward and build a thriving career. We conduct regular training sessions to improve the knowledge and skills of our workforce, while also creating a creative and knowledge-driven company. Under the 'Campus to Corporate' programme, we facilitate a smooth transition for our fresh recruits from student life to corporate life.

We have a Management Leadership Programme (MLP) under which we conduct workshop-based sessions. It includes fun activities, out-of-the-box experience, relevance of continuous and consistent execution to implement the strategies laid out. We recognise and nurture the leadership quality of our workers through the 'Workers Leadership Training Program'. We have initiated 'Sudhar Group', which help identify and resolve day-to-day problems and improve the system.



**771**  
hours of employees training programme

**34**  
training programmes conducted

**9**  
fresh recruits in 2021-22

**113**  
employees are part of the Sudhar Group

## Natural Capital

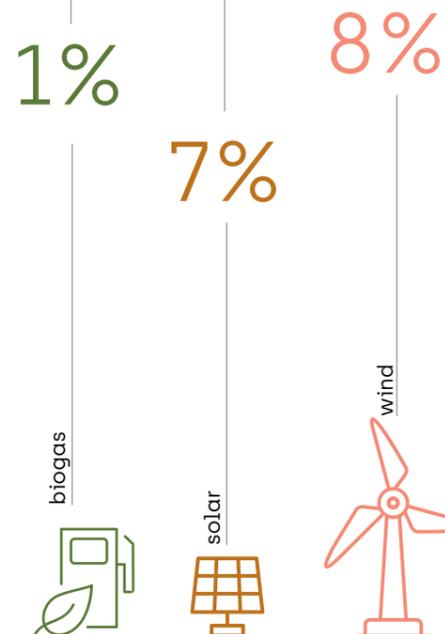


# Nurturing our green heritage

We have adopted ecologically sound practices in our operations such as the usage of alternate and renewable sources of energy. We are also working on conservation of natural resources and better waste management.



In FY 22, 8% of the Company's energy requirement came from wind, 7% from solar and 1% from biogas.



### Renewable energy

At Tasty Bite, we make use of renewable energy sources at our facilities for our power needs. Around 16% of operations have shifted to renewable sources of power such as solar, wind and biogas.

We use rooftop solar panels of 500 Kw mounted on our manufacturing facility for generation of solar power. Wind power alone accounts for 8% of our total power consumption.

Our biogas plant converts the organic food waste into electricity, which helps further to power our utilities and facilities. We use sugarcane briquettes to run our boilers, which accounts for 75% of our total energy consumed. Thus, we have managed to avoid the use of fossil fuels in our daily operations.

**500Kw**  
Solar capacity

**4 ton/day**  
Biogas capacity



**100%**  
Biomass fuel used for steam generation

**75%**  
of total energy consumed by Company is through renewable sources of energy



### Water conservation

Water is essential for sustenance of life and we have undertaken various measures for its conservation. Our Effluent Treatment Plant (ETP) ensures zero water waste, recycling ~92 million litres of water annually. The recycled water is used for irrigation at our organic agricultural farm.

Domestic waste is treated at our Sewage Treatment Plant (STP). We also have a rainwater harvesting plant that has been successful in increasing the groundwater table year-on-year and enriches the cultivable land.

**~92 million litres**  
of water recycled every year



ETP and RO plant in factory

### Waste management

The organic waste generated in our facility increases as the scale of our business expands. We have installed a biogas plant in our facility that converts this organic waste into electricity for our facility.

**80,000**  
Kwh

of electricity is generated by the biogas plant



The biogas plant is designed to convert a total bio-waste of 4 tonnes per day to biogas and organic manure. The plant generated around 80,000 kwh of electricity from 526 tonnes of waste in 2021-22. The sludge generated in the plant is a rich source of organic manure and is directed to our organic agricultural farms.

**526 tonnes**  
waste generated

### Organic farming

The Tasty Bite organic farms implement techniques such as crop rotation, vermicomposting, use of natural fertilisers to increase the yield naturally. We also have a sustainability centre and training & development laboratory at our farm for farmer extension programmes.



Organic farm



Biogas plant in factory



Utility area

## Social and Relationship Capital



# Cultivating invaluable relationships

As a part of our corporate ethos, we, at Tasty Bite, nurture strong long-lasting relationships. At Tasty Bite, we hold the view that our stakeholders play a pivotal role in business sustainability and in nurturing the social environment.



**Our distinct offerings, emphasis on organic food supply, dedication to inclusive growth, and ethical and transparent operations have gained us immense trust and support of all our stakeholders.**

### Suppliers

We interact with suppliers through periodic vendor meets and provide continuous feedback to suppliers on their performance. We employ both online and offline modes of communication via emails, physical meetings, site visits and telephonic communication.

We implemented various improvement projects and the best practices among suppliers are shared through supplier felicitation at Tasty Bite's annual function. We also assisted suppliers in uncertain periods by making early payments and assisting them in securing commodity risk by placing orders.

### Organic sourcing

We develop the organic farmer community by encouraging them to undertake organic farming as it is more sustainable. We source fresh vegetables only through local farmers and provide continuous guidance to the Farmers Producer Organisation (FPO) for the development of conventional and organic raw material, so we are well placed to convert conventional products into organic products.

We support local entrepreneurs by guiding them to improve their quality assurance process. We also use our organic farm as a demonstration farm to the

suppliers and other farmers. To encourage farmers, we pay a premium to them if they undertake sustainable farming practices for us as well as guarantee sourcing from farmers who grow organic products.

~76%

organic materials sourced from within the country

~200

suppliers

100%

sourcing of fresh vegetables from local farmers



Regular Farmers meeting organised to discuss various technologies and issues in the villages.



Multi-cut Hybrid Bajra

### Customers

Latest consumer and cuisine trends are brainstormed during regular innovation days with our Customer, where new product concepts are also showcased. Annual Supplier Conferences and Business Partner Meetings are also held for close engagement with our strategic partners.

We carry out customer satisfaction surveys and with the feedback received from these surveys we implement a mechanism of performing Root Cause Analysis (RCA) and providing Corrective and Preventive Action (CAPA).

48-72 hours

Internal Turnaround Time [TAT]

We also work on Key Accounts Manager (KAM) concept wherein KAM's are at forefront, driving cross-functional interaction and providing relevant insights to all stakeholders.

Focused marketing initiatives have been activated towards increasing brand awareness of **Tasty Bite Xclusive**. Digital communication strategy is also in place to established our business leadership in food service market through platforms like corporate website and LinkedIn.

### Investors

We interact with our esteemed investors twice a year. We issue management letters, with results to explain the performance and other initiatives for ensuring smooth and efficient communication with stakeholders.

### Caring for the community

Our commitment towards the all-round development of our farmers and community is implemented by the Company as well as Tasty Bite Foundation (TBF), a CSR arm of Tasty Bite. At TBEL, we strive to support local farmers and farmer groups by procuring fresh organic vegetables from them. In our farm, we interact with a large community of farmers and exchange information on modern organic farming techniques and sustainable practices.

TBF champions the cause of community service through rural development with the core purpose to be a catalyst for accelerating sustainable and inclusive rural development.

Skill building programmes for the youth from nearby areas are held in association with the American India Foundation (AIF).

We undertook water conservation project in association with Agriculture Development Trust / Krishi Vigyan Kendra (KVK). During the pandemic, we extended our support by providing dry ration kits and ready-to-eat food to frontline workers. We also provided medical infrastructure like ventilators, oxygen cylinder and medicines to Covid Care Centre and hospital.

**₹10.71 million**  
CSR expenditure in FY22



Koushalya centre at Deulgaon, Dist. Daund

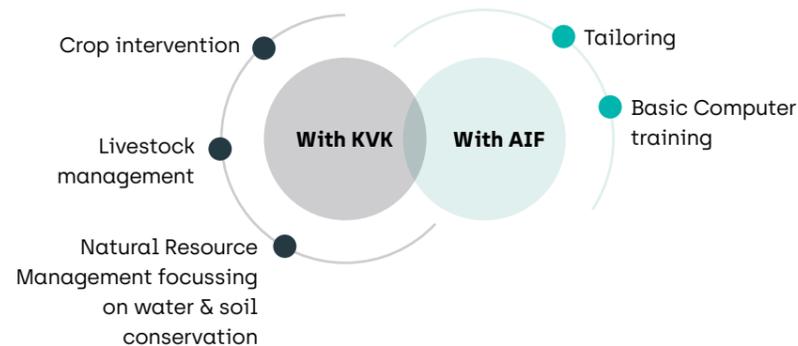


Tailoring centre at Padvi, Dist. Daund



Computer centre at Padvi, Dist. Daund

### Tasty Bite Foundation has 2 focus areas:



### Water and Soil Conservation

Watershed management, particularly Soil and Water Conservation (SWC) promotes sustainable livelihoods by reducing environmental degradation and maximising crop yield. With no canal irrigation in the region, villages in the Baramati and Purandar regions are entirely reliant on the seasonal rains. Water shortages frequently result in crop failure. As a result, irrigation for protection and natural resource management for soil and water conservation was the need of the hour for sustainable agricultural production.

We have built 4 new check dams and de-silted the existing check dams in an effort to increase water availability. We are also pursuing initiatives to support widening of water streams. Our community water projects have an ultimate volumetric benefit of 193 million litre/year.

### Deepening and widening of the natural streams

The natural streams were filled over time as a result of constant unchecked water runoff, which eroded the soil and increased agricultural damage. Restoration of the natural streams in Khor, Deulgaon gad and Padvi was done to conserve water by deepening, expanding, and building small barriers to hold water along the stream in phases. As a result, there is less water loss, increased percolation, and an increase in the water table.



Cement dam at Chowdary wasti Khor

### Cement Dams and Matti Dams

In order to avoid runoff from croplands and conserve water, we have also pursued the construction of contour bunds and Matti Nala Bandh, which are water harvesting structures. Matti dams were designed to manage water flow while also storing water and increasing percolation, which enriches groundwater.

### Crop Intervention

In order to enhance the nutrition and health of small farmer, food diversification is a crucial and sustainable strategy. As a result, expanding the scope of research & development to encompass a much larger range of crop species is necessary in order to address the livelihood possibilities in these communities.

With the described approach in consideration, Krishi Vigyan Kendra (KVK) Baramati developed a number of crop intervention programmes for the farmers, particularly the women farmers, in Khor, Deulgaon Gad, and Padvi. These crop intervention programmes were imparted in the form of training and education through demonstrations.

### New technology in vegetable crops

With assistance from the KVK Baramati Centre two vegetable crops—brinjal and chillies—were selected for demonstration utilising the grafting technique. With the help of this technique, the prevalence of pests and diseases decreased and crop life was extended by two months.



### Introducing new crops

In order to utilise the unproductive lands, new crops like Red gram (pigeon pea) and Soybean crops for Kharif were introduced in the rainfed area. The farmers were also encouraged to plant Bengal gram and sunflower as intercrops in Rabi. This was to demonstrate the ability of two crops to grow under multiple crop agriculture.



### In-situ water conservation

During Rabi, farmers in Khor, Deulgaon, and Padvi demonstrated how to conserve water in-situ for crops that are grown using rainwater. This method promotes crop growth during times of water stress.



### Seed production

Onion seed farming was undertaken with 20 farmers on a total of 5 acres to demonstrate the seed production technique and its economics. This demonstrated generation of more revenue on a limited farm area.



### Livestock interventions

The socio-economic development of rural households is significantly influenced by the livestock sector. In addition, the role of women in the livestock sector is essential to achieve gender equality. Livestock rearing has a substantial beneficial influence on equity in terms of income and employment as well as poverty reduction in rural areas. About 200 women in the three villages received training in poultry management as part of a women empowerment initiative aimed at boosting family income. Each woman also received 25 birds, starter feed and feeder equipment. This helped to promote household health and nutrition as well as productivity.



**200+**  
families benefited through livestock interventions

### Integrated Farm Management

We established the Integrated Farming System (IFS) model of farming, where the farmers were encouraged to undertake poultry, goat farming, drumstick and custard apple horticultural farming, in order to enable small farmers to increase the profitability from agriculture. With this approach, a farmer in a small region can engage in various farming endeavours and boost income. We have also

introduced vegetable gardening to approximately 90 farm households to help support this system and provide supplemental revenue.

The milk production of milch cows decreases during the summer as cows are compelled to rely on dry fodder instead of a nutritious diet. To address this issue, we organised two types of demonstrations. The first demonstration introduced a new kind of multi-cut hybrid bajra



### Multi Skill Training & Entrepreneurship Development

To promote women's economic independence Tasty Bite Foundation (TBF) collaborated with the American India Foundation Trust (AIF) to empower village women via multi-skills training in order to foster entrepreneurs in the community and provide sustainable means of subsistence. With this goal in mind, TBF and AIF trained the women in two skills, including computer skills and tailoring. In Padvi and Deulgaon Gad, we constructed a tailoring class and a computer lab to provide infrastructure support for training. As part of this venture, twenty students were chosen for a three-month training in each skill and after completion, participants received certifications that were recognized by National Skills Qualifications Framework (NSQF).

By imparting these skills TBF and AIF have provided economic growth opportunities to these women. About 40 students who received computer training have

found jobs, while 12 students who were trained in tailoring have started their own tailoring business.

**200+**  
students trained and skilled

that was produced for green fodder. The farmer harvests two rounds of green fodder before harvesting. The second demonstration focused on the production of silage using maize as a fodder crop for dairy animals during the summer. To overcome the issue, KVK has developed a silage-making technique that allows farmers to sow maize as a fodder crop.

**67+**  
girls employed in computer field in various organisations

**25+**  
ladies started tailoring shops on their own.



## Corporate information

### Board of Directors:

**Mr. Ashok Vasudevan**  
Chairman & Non-Executive Director

**Mr. Gaurav Gupta**  
Whole Time Director & CFO  
*[till 12 August 2022]*

**Ms. Emmanuelle Orth**  
Non-Executive Director  
*[w.e.f. 29 July 2022]*

**Mr. Sukhdev David Dusangh**  
Non-Executive Director

**Mr. Kavas Patel**  
Independent Director

**Ms. Rama Kannan**  
Independent Director

**Dr. Chengappa Ganapati**  
Independent Director

**Ms. Dawn Allen**  
Non-Executive Director  
*[till 27 May 2022]*

**Mr. Rajendra Jadhav**  
Whole Time Director  
*[w.e.f. 13 August 2022]*

**Mr. Abhijit Upadhye**  
Managing Director  
*[till 31 December 2021]*

### Company Secretary & Compliance Officer:

Ms. Minal Talwar

### Statutory Auditors:

B S R & Associates LLP

### Internal Auditors:

M/s. Shah Khandelwal Jain & Associates

### Practicing Company Secretary:

M/s Pareek V. R. & Associates

### Bankers:

Mizuho Bank Limited  
MUGB Bank Limited

### Registered Office:

#### Tasty Bite Eatables Limited

201 - 202, Mayfair Towers,  
Wakdewadi, Shivajinagar,  
Pune - 411005

CIN: L15419PN1985PLC037347

Email id: [secretarial@tastybite.com](mailto:secretarial@tastybite.com)

Website: [www.tastybite.co.in](http://www.tastybite.co.in)

Phone: 020 - 30216000

### Plant:

At Post 490, Village Bhandgaon,  
Taluka Daund, Dist - Pune - 412214,  
Maharashtra

### Registrar and Transfer Agent:

#### KFin Technologies Limited

Karvy Selenium, Tower B,  
Plot 31 - 32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad - 500032

Email id: [rajkumar.kale@kfintech.com](mailto:rajkumar.kale@kfintech.com)

Phone no: +91 - 4067161736

Website: [www.kfintech.com](http://www.kfintech.com)

## Key financial highlights

(₹ in Million)

Statement of Profit & Loss	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Net Revenue	2,568.40	3,031.10	3,551.58	4,548.30	4,042.89	<b>3,855.60</b>
Gross Profit	1,086.50	1,316.50	1,493.12	1,716.69	1,607.83	<b>1,395.52</b>
Operating Profit (EBITDA)	458.00	543.60	640.53	737.22	727.65	<b>470.46</b>
Profit Before Tax (PBT)	342.00	410.40	470.76	533.54	525.75	<b>144.76</b>
Profit After Tax (PAT)	219.90	264.60	300.63	408.62	393.42	<b>103.28</b>
Earnings Per Share of Face Value of ₹ 10	85.70	103.10	117.20	159.24	153.32	<b>40.25</b>
Dividend Per Share of Face Value of ₹ 10	2.00	2.00	2.00	2.00	2.00	<b>1.00</b>

Balance Sheet	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Cash and Cash Equivalents	62.70	57.80	78.40	77.58	349.06	<b>40.33</b>
Fixed Assets (Net)	651.80	763.20	821.10	897.28	1,121.26	<b>1,300.50</b>
Net Current Assets (Working Capital)	369.50	523.70	630.40	496.57	795.78	<b>534.31</b>

Share Capital	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Equity Shares	25.66	25.66	25.66	25.66	25.66	<b>25.66</b>

Reserves and Surplus	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Other Equity (Reserves)	718.70	967.10	1,294.30	1,605.72	2,040.54	<b>2,146.12</b>
Long Term Borrowings	360.40	305.70	258.10	207.84	496.76	<b>435.57</b>

Key Ratios	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
EBITDA [% of Revenue]	17.80%	17.90%	18.00%	16.21%	18.00%	<b>12.20%</b>
PAT [% of Revenue]	8.60%	8.70%	8.50%	8.98%	9.73%	<b>2.68%</b>
Fixed Assets Turnover Ratio	3.90	4.00	4.30	5.10	3.61	<b>2.96</b>
Current Ratio	1.70	2.00	2.10	1.50	1.66	<b>1.51</b>
Debt Equity Ratio	0.80	0.50	0.30	0.37	0.51	<b>0.34</b>
Return on Equity (RoE)	29.54%	26.65%	22.77%	25.05%	19.04%	<b>4.76%</b>
Return on Capital Employed (RoCE)	35.80%	33.80%	33.60%	31.06%	21.13%	<b>6.98%</b>

Cash Flows	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Net Cash provided by / (used in)						
Operating Activities	71.20	211.70	555.45	368.30	400.63	<b>649.62</b>
Investing Activities	(197.50)	(70.90)	(300.66)	(516.15)	(561.07)	<b>(466.42)</b>
Financing Activities	118.30	(118.10)	(233.92)	147.05	431.85	<b>(491.79)</b>

Others	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
TBEL Share Price on BSE (₹ Per Share of Face Value of ₹ 10)	4,658.50	7,463.20	8,358.60	8,999.80	14,391.15	<b>10,864.70</b>
Market Capitalisation	11,953.71	19,150.57	21,448.17	23,093.49	36,927.69	<b>27,878.82</b>
Net Worth	744.40	992.80	1,319.99	1,631.38	2,066.20	<b>2,171.78</b>

# Notice

Notice is hereby given that the 38<sup>th</sup> Annual General Meeting (AGM) of shareholders of Tasty Bite Eatables Limited will be held on Wednesday, 21<sup>st</sup> day of September 2022, at 11.00 a.m. IST at Hotel Sheraton Grand Pune, RBM Road, Pune – 411 001 to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for year ended 31 March 2022 and the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend of INR 1 per equity share on 2,566,000 equity shares of INR 10 each for the financial year 2021-22.
3. To appoint a director in place of Mr. Ashok Vasudevan, who retires by rotation and being eligible offers himself for re-appointment (liable to retire by rotation).
4. To appoint Statutory Auditors and fix their remuneration and to pass with or without modification, the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** pursuant to provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s B S R & Co. LLP, Chartered Accountants, Pune [Firm Registration No. 101248W/W-100022] be and is hereby appointed as the Statutory Auditors of the Company who shall hold office from the conclusion of this thirty-eighth Annual General Meeting till the conclusion of forty-third Annual General Meeting of the Company, on such remuneration and other expenses as may be mutually agreed by and between the Board of Directors and the Auditors.

**RESOLVED FURTHER THAT** any one amongst the Directors or the Company Secretary be and are hereby severally authorized to take all necessary steps and to do all such acts, deeds, matters and things which may be necessary to give effect to this resolution.”

## SPECIAL BUSINESS:

### 5. Regularisation of Additional Director Ms. Emmanuelle Orth:

To consider and if thought fit, to pass the following Resolution as **Ordinary Resolution:**

**“RESOLVED THAT** Ms. Emmanuelle Orth [DIN 09686766], who was appointed as an Additional Director under non-executive category with effect from 29 July 2022 on the Board of the Company in terms of Section 161 and 149 of the Companies Act, 2013 [“Act”] read with provisions of Article of Association of the Company and who holds such office up to the date of ensuing Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Act and who is also recommended by the Board of Directors for such appointment, be and is hereby appointed as a Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** any one amongst the Directors or the Company Secretary be and are hereby severally authorized to take all necessary steps and to do all such acts, deeds, matters and things which may be necessary to give effect to this resolution.”

### 6. Appointment of Mr. Rajendra Jadhav as Whole Time Director till 31 December 2023:

To consider and if thought fit, to pass the following Resolution as **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modifications or re-enactment(s) thereof, for the time being in force] and the Articles of Association of the Company, Mr. Rajendra Jadhav [DIN 09678322], who was appointed as an Additional Director and Whole Time Director of the Company by the Board in their meeting held on 10 August 2022 with effect from 13 August 2022 and who holds office till ensuing annual general meeting, in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying the intention to propose Mr. Rajendra Jadhav as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company not liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder and Schedule V of the Act read with SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 including any statutory modification(s), clarification(s) or re-

# Notice [Contd..]

enactment[s] thereof for the time being in force and subject to such approvals, consents, permissions and sanctions as may be required, the Articles of Association of the Company, and recommendation of the Nomination and Remuneration Committee and the Board, the consent of the Members of the Company be and is hereby accorded to appoint Mr. Rajendra Jadhav (DIN: 09678322), as the Whole Time Director of the Company with effect from 13 August 2022 till 31 December 2023 on the terms and conditions detailed in the explanatory statement attached hereto, with the powers to the Board of Directors or a duly constituted Committee thereof to alter, amend, vary and modify the terms and conditions of the said appointment from time to time as it deems fit, in such manner as may be mutually agreed between the Board or such Committee and Mr. Rajendra Jadhav.

**RESOLVED FURTHER THAT** the Board of Directors or a duly constituted Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

## 7. Fixation of remuneration of Mr. Rajendra Jadhav as Whole Time Director till 31 March 2023:

To consider and if thought fit, to pass the following Resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 196, 197, 203 and such other provisions as may be applicable, if any, of the Companies Act, 2013 ["Act"], which shall include any statutory modification[s] or re-enactment[s] thereof, read with Schedule V of the Act, the consent of the Members be and is hereby accorded for remuneration of Mr. Rajendra Jadhav as Whole Time Director from 13 August 2022 till 31 March 2023 upon such terms and conditions as are set out in the letter of appointment entered into between the Company and Mr. Rajendra Jadhav, the terms of which are mentioned in the statement setting out material facts annexed herewith, be and is hereby specifically approved with an authority to the Board of Directors and the Nomination and Remuneration Committee of the Board of Directors to add, alter and vary the terms and conditions of the said appointment and/or letter of appointment, subject to the relevant provisions of the Act.

**RESOLVED FURTHER THAT** subject to other applicable provisions, the aforesaid remuneration be considered

as the minimum remuneration, notwithstanding that the Company may make losses or inadequate profits during the period ended 31 March 2023.

**RESOLVED FURTHER THAT** the remuneration from 01 April 2023 onwards may be decided, modified, altered by the Nomination and Remuneration Committee and the Board of Directors, within the limits as mentioned in the Companies Act, 2013 and any other Acts, Rules, Regulation or approvals, as may be applicable.

**RESOLVED FURTHER THAT** the Board of Directors or a duly constituted Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

## 8. Rectification of past ordinary resolutions regarding appointment of directors:

To consider and if thought fit, to pass the following Resolution as **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act 2013 ["Act"], and the rules framed thereunder (including any statutory modification[s], clarification[s], exemption[s] or re-enactment[s] thereof for the time being in force), the provisions of the Memorandum of Association and Articles of Association of the Company:

- (a) the ordinary resolution passed by the shareholders at the Annual General Meeting held on 09 August 2018 for the appointment of Dr. Chengappa Ganapati (DIN: 06771287) as an Independent Director be and is hereby rectified and modified to the extent that the term of his appointment be effective from 17 January 2018 and expire on 16 January 2023; and
- (b) the ordinary resolution passed by the shareholders at the Annual General Meeting held on 09 August 2018 for the appointment of Ms. Rama Kannan (DIN: 08005849) as an Independent Director be and is hereby rectified and modified to the extent that the term of her appointment be effective from 22 December 2017 and expire on 21 December 2022.

**RESOLVED FURTHER THAT** any one amongst the Directors or the Company Secretary be and are hereby severally authorized to take all necessary steps and to do all such acts, deeds, matters and things which may be necessary to give effect to this resolution."

# Notice [Contd..]

## 9. Re-appointment of Dr. Chengappa Ganapati as an Independent Director:

To consider and if thought fit, to pass the following Resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act, the Rules framed thereunder read with Schedule IV to the Act (including any statutory modification(s), clarification(s), exemption(s) or re-enactment(s) thereof for the time being in force), the provisions of the Memorandum of Association and Articles of Association of the Company, Dr. Chengappa Ganapati (DIN 06771287), Independent Director of the Company, whose term as Independent Director is coming to an end on 16 January 2023 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment be and is hereby re-appointed as Independent Director of the Company for a period of 5 years from 17 January 2023 till 16 January 2028.

**RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members is also accorded for continuation of Dr. Chengappa Ganapati as Independent Director till his term ends on 16 January 2028 notwithstanding him attaining the age of seventy-five years.

**RESOLVED FURTHER THAT** any one amongst the Directors or the Company Secretary be and are hereby severally authorized to take all necessary steps and to do all such acts, deeds, matters and things which may be necessary to give effect to this resolution."

## 10. Re-appointment of Ms. Rama Kannan as an Independent Director:

To consider and if thought fit, to pass the following Resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 of the Companies Act 2013 ("Act") and other applicable provisions, if any, of the Act, the Rules framed thereunder read with Schedule IV to the Act (including any statutory modification(s), clarification(s), exemption(s) or re-enactment(s) thereof for the time being in force), the provisions of the Memorandum of Association and Articles of Association of the Company, Ms. Rama Kannan (DIN 08005849), Independent Director of the Company, whose term as Independent Director is coming to an end on 21 December 2022 and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment be and is hereby re-appointed as Independent Director of the Company for a period of 5 years from 22 December 2022 till 21 December 2027.

**RESOLVED FURTHER THAT** any one amongst the Directors or the Company Secretary be and are hereby severally authorized to take all necessary steps and to do all such acts, deeds, matters and things which may be necessary to give effect to this resolution."

By Order of the Board of Directors  
**Tasty Bite Eatables Limited**

**Ashok Vasudevan**  
Chairman  
DIN: 00575574

Date: 10 August 2022  
Place: Pune

# Notice [Contd..]

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should be received at the registered office of the Company not less than 48 hours before the meeting duly stamped and signed. Members are requested to note that a person can act as proxy for not more than 50 members and not exceeding 10% of total share capital.
2. Members / Proxies should bring duly-filled Attendance Slips/ Proxy Forms sent herewith to attend the meeting. Members who hold shares in dematerialised form are requested to mention their Client ID and DP ID and those who hold shares in physical form are requested to mention their Folio Number in the attendance slip for attending the meeting.
3. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorising their representative to attend and vote on their behalf, at the meeting. The said resolutions / authorization shall be sent to the Scrutinizer by email through its registered email address to [vineet.pareek@pvrcs.com](mailto:vineet.pareek@pvrcs.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com).
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote, provided the votes are not already cast by remote e-voting facility by first holder.
5. The relevant details, pursuant to Regulation 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India, in respect of Director seeking re - appointment at this AGM is annexed.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 27 August 2022 to Wednesday, 21 September 2022 [both days inclusive] for determining the names of members eligible for dividend on equity shares, if declared at the meeting.
7. The dividend, upon declaration by the members at the AGM shall be credited / dispatched before 21 October 2022, to those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company or its Registrar & Transfer Agents (RTA) on or before Friday, 26 August 2022. In respect of shares held in dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories as on the closing hours of business on Friday, 26 August 2022. The Company has as per SEBI guidelines, issued letters and e - mails to all shareholders for updation of PAN, bank details and e - mail id's.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 01 April 2019, except in case of request received for transmission or transposition of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated 02 December 2020 had fixed 31 March 2021 as the cut - off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent ("RTA"), KFin Technologies Ltd. for assistance in this regard.
9. Members desirous of obtaining any detailed information concerning the accounts and operations of the Company are requested to address their queries to the Company Secretary so as to reach the Company at least seven days before the date of the meeting so that the required information may be made available at the meeting. The Auditors have issued audit report with unmodified opinion with Emphasis of Matter.
10. Shareholders / investors may contact the Company on designated e-mail id: [secretarial@tastybite.com](mailto:secretarial@tastybite.com) for speedy action from Company's end.
11. All the documents referred to in the Notice, if any, and Statutory Registers are open for inspection at the registered office of the Company on all working days viz. from Monday to Friday between 10:00

# Notice [Contd..]

am to 1:00 pm up to the date of meeting. Notice calling meeting and Annual Report are available on Company's website [www.tastybite.co.in](http://www.tastybite.co.in).

12. The Company has paid annual listing fee to BSE Ltd. [BSE], National Stock Exchange of India Limited [NSE], National Securities Depositories Ltd. [NSDL] and Central Depositories Securities Ltd. [CDSL] for financial year 2022 - 23.
13. Members are requested to notify changes, if any, in their registered addresses and all correspondences, including dividend matters to the Company's Registrar and Transfer Agent (RTA) - M/s. KFin Technologies Ltd. at Karvy Selenium, Tower B, Plot 31 - 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032. [Unit - TastyBite]
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH - 13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to the Company's Registrar and Share Transfer Agent (RTA) – M/s KFin Technologies Ltd. in case the shares are held in physical form.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Company's Registrar and Share Transfer Agent (RTA), the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. Members who have neither received nor encashed their dividend warrant(s) for the financial years 2014 - 15 onwards, are requested to write to the Company or its RTA, mentioning the relevant folio number(s) / DP ID and Client ID, for claiming such dividend.
17. The amount of the dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund [the "Fund"] set up by the Government of India.

It may be noted that the dividend for the financial year ended 31 March 2014 [declared on 10 September 2014] which remained unpaid or unclaimed over a period of seven years, was transferred to the Investor Education and Protection Fund as required under Section 124(5) of the Companies Act, 2013 during the year.

Any person / Member who has not claimed the dividend in respect of the financial year ended 31 March 2015, or any year thereafter, is requested to approach the Company / Registrar and Transfer Agent of the Company for claiming the same.

Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of seven years from the dates they became first due for payment.

In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends for the financial year ended 31 March 2022, on the website of the Company: [www.tastybite.co.in](http://www.tastybite.co.in).

18. In support of the "Green Initiative", announced by the Government of India, electronic copies of the Annual Report and this Notice inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent by e-mail to those members whose e-mail addresses have been made available to the Depository Participants/ Company/ RTA, unless the member has specifically requested for a hard copy of the same.

Members holding shares in physical form are requested to submit their e-mail address to the RTA, duly quoting their Folio number and Members holding shares in electronic form who have not registered their e-mail address with their DP are requested to do so at the earliest so as to enable the Company to send the said documents in electronic form, thereby supporting the green initiative of the MCA.

Please note that the said documents will be uploaded on the website of the Company viz . [www.tastybite.co.in](http://www.tastybite.co.in) and made available for inspection at the registered office of the Company during business hours.

19. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.tastybite.co.in](http://www.tastybite.co.in), website of

# Notice [Contd..]

the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFin Technologies Ltd. at <https://evoting.kfintech.com/public/Downloads.aspx>.

20. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 01 April 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / KFin [in case of shares held in physical mode] and depositories [in case of shares held in demat mode].

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration to the Company in Form No. 15G / 15H, to avail the benefit of non - deduction of tax at source by 11:59 p.m. IST on 14 September 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors [FIIs] / Foreign Portfolio Investors [FPIs]] can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to the Company. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on 14 September 2022.

21. Route map for reaching the venue of AGM is given at the end of the annual report.
22. Voting through electronic means:
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies [Management and Administration] Rules, 2014 and any other rule as may be applicable including amendments thereof, a member may exercise right to vote by electronic means [remote e-voting] in respect of the Resolutions contained in this notice.

- The Company is providing the e - voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of M/s. KFin Technologies Limited ['KFin'] as the authorised agency to provide e - voting facility which is approved by Ministry of Corporate Affairs and has also obtained a Certificate from the Standardisation Testing and Quality Certification Directorate, Department of Information Technology, Ministry of Communications and Information Technology, Government of India, as prescribed under the Companies [Management and Administration] Amendments Rules, 2015.
- The Notice calling AGM is placed on the Company's website [www.tastybite.co.in](http://www.tastybite.co.in), website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFin Technologies Ltd. at <https://evoting.kfintech.com/public/Downloads.aspx>.
- The members who opt to cast their votes by remote e-voting prior to the meeting, may attend the meeting, however, shall not be entitled to cast their vote again.
- The Board of Directors has appointed M/s Pareek V. R. & Associates, Practicing Company Secretaries, Pune as the Scrutinizer for conducting e - voting process in fair and transparent manner.
- Members are requested to carefully read the instructions for e - voting before casting their vote.
- The e - voting module shall be disabled for voting on Tuesday, 20 September 2022, at 5.00 pm. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently. **The voting right of the shareholders shall be in proportion to their share in the paid up capital of the Company as on the cut - off date i.e. 14 September 2022 (end of day).**
- The remote e - voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e - voting:

# Notice [Contd..]

Commencement of e - voting	17 September 2022 - from 9.00 am (IST)
End of e - voting	20 September 2022 - upto 5.00 pm (IST)

Those Members, who did not cast their vote on the Resolutions through remote e - voting and are otherwise not barred from doing so, shall be eligible to vote during the AGM.

- ix. Contact details for issues relating to e - voting: M/s. KFin Technologies Ltd at Karvy Selenium, Tower B, Plot 31 - 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032; Toll free no. 1800 - 309 - 4001; e - mail - [evoting@kfintech.com](mailto:evoting@kfintech.com)/ [rajkumar.kale@kfintech.com](mailto:rajkumar.kale@kfintech.com). Or visit FAQ's section available at KFin's website <https://evoting.kfintech.com/public/Faq.aspx>.
- x. Details of Scrutinizer: M/s Pareek V. R. & Associates, Practicing Company Secretaries has been appointed as Scrutinizer to scrutinize the e - voting process in fair and transparent manner. The Scrutinizer shall within a period of not

exceeding two working days from conclusion of e - voting period unblock the votes in presence of at least two witnesses not in employment of the Company and present his report of votes cast in favour and against the resolutions to Chairman of the Company or any other person as authorized by him.

- xi. The procedure and instructions for remote e - voting are as under:

**Login method for e -Voting: Applicable only for Individual shareholders holding securities in Demat**

As per the SEBI circular dated 09 December 2020 on e - Voting facility provided by Listed Companies, Individual shareholders holding securities in **Demat mode** are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e - Voting facility.

NSDL
<p><b>1. User already registered for IDeAS facility:</b></p> <ul style="list-style-type: none"> <li>I. URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>II. Click on the "Beneficial Owner" icon under 'IDeAS' section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e - Voting"</li> <li>IV. Click on company name or e - Voting service provider and you will be re - directed to e - Voting service provider website for casting the vote during the remote e - Voting period.</li> </ul> <p><b>2. User not registered for IDeAS e - Services</b></p> <ul style="list-style-type: none"> <li>I. To register click on link: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>II. Select "Register Online for IDeAS" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields and follow steps given in point 1 above.</li> </ul>

CDSL
<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <ul style="list-style-type: none"> <li>I. URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with user id and password.</li> <li>IV. Option will be made available to reach e - Voting page without any further authentication.</li> <li>V. Click on e - Voting service provider name to cast your vote.</li> </ul> <p><b>2. User not registered for Easi/Easiest</b></p> <ul style="list-style-type: none"> <li>I. Option to register is available at: <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> </ul>

# Notice [Contd..]

NSDL	CDSL
<p><b>3. By visiting the e - Voting website of NSDL</b></p> <p>I. URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></p> <p>II. Click on the icon "Login" which is available under 'Shareholder/ Member' section.</p> <p>III. Enter User ID (i.e. 16 - digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e - Voting page.</p> <p>V. Click on company name or e - Voting service provider name and you will be redirected to e - Voting service provider website for casting your vote during the remote e - Voting period.</p>	<p><b>3. By visiting the e - Voting website of CDSL</b></p> <p>I. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Provide demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP where the e - Voting is in progress</p>

## Individual Shareholders (holding securities in demat mode) login through their depository participants.

Members can also login using the login credentials of their demat account through their Depository Participant registered with NSDL / CDSL for e - Voting facility. Once login, Member will be able to see e - Voting option. Click on e - Voting option and will be redirected to NSDL / CDSL Depository site after successful authentication. Click on company name or e - Voting service provider name and you will be redirected to e - Voting service provider website for casting their vote during the remote e - Voting period.

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

### Members facing any technical issue – NSDL

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at toll free no.: 1800 1020 990 and 1800 22 44 30

### Members facing any technical issue - CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022 - 23058738 or 022 - 23058542 - 43

## Login method for e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

### A. In case a Member receives an email from KFin (for Members whose email IDs are registered with the Company / Depository Participants [s]):

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com>.
- ii. Enter the login credentials (i.e. User ID and password as mentioned in email). In case of physical folio, User ID will be EVEN [E - Voting Event Number] xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e - voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case [A - Z], one lower case [a - z], one numeric value [0 - 9] and a special character [@,#,\$, etc.]. The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case

# Notice [Contd..]

you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., "Name of the Company".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN". If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution(s).
- xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the

Scrutinizer at [vineet.pareek@pvracs.com](mailto:vineet.pareek@pvracs.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_Event No".

**B. Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-Voting instructions cannot be serviced, will have to follow the following process:**

Members who have not registered their email address and in consequence, the Annual Report, Notice of AGM and e-Voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFin, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

Alternatively, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-Voting instructions.

After receiving the e-Voting instructions, please follow all steps above to cast your vote by electronic means.

**Other Instructions:**

- I. In case of any query and / or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e - voting user manual available at the download section of [evoting@kfintech.com](mailto:evoting@kfintech.com) [KFin Website] or contact Mr. Rajkumar Kale, [Unit: Tasty Bite Eatables Ltd.] of KFin Technologies Limited, Karvy Selenium Tower B, Plot 31 - 32, Gachibowli, Financial

# Notice [Contd..]

District, Nanakramguda, Hyderabad - 500032 or at [evoting@kfintech.com](mailto:evoting@kfintech.com) or toll free no. 1800 - 309 - 4001 or call KFin's toll free No. 1800 3094 001 for any further clarifications.

II. You can also update your mobile number and e - mail id in the user profile details of the folio which may be used for sending future communication[s].

III. In case any person becomes member of the Company after dispatch of Notice of AGM and Annual Report **[cut - off date of BenPo for sending Annual Report is 19 August 2022]**, and holds shares as on the cut - off date for e - voting i.e., 14 September 2022, he / she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against shares held in demat form, the member may send SMS: MYEPWD DP ID Client ID to 9212993399.

Example for NSDL:

MYEPWD IN12345612345678

Example for CDSL:

MYEPWD 1402345612345678

Example for physical:

MYEPWD XXXX1234567890

ii. If e - mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of [evoting@kfintech.com](http://evoting@kfintech.com), the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Member may call KFin's toll free number 1800-309- 4001.

iv. Member may send an e - mail request to [evoting@kfintech.com](mailto:evoting@kfintech.com). However, KFin shall endeavor to send User ID and Password to those new Members whose mail ids are available.

IV. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to modify it subsequently. The Company shall also provide facility for voting through polling at the AGM and members attending the AGM who have not already casted their vote by remote e-voting

shall be able to exercise their right to vote at the AGM. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

V. The Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

VI. The voting rights of the Members shall be in proportion to the paid - up value of their shares in the equity capital of the Company as on the cut - off date [i.e. the record date], being 14 September 2022. A person who is not a member as on the cut - off date should treat this notice for information purpose only.

VII. The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company ([www.tastybite.co.in](http://www.tastybite.co.in)).

VIII. Any person, who acquires the shares of the Company and becomes a members after sending of Notice of AGM [cut - off date of BenPo for sending Annual Report is 19 August 2022, end of business hours] and is holding shares as on the cut - off date i.e. 14 September 2022, may obtain the user id and password by sending a request at KFin's e - mail id [evoting@kfintech.com](mailto:evoting@kfintech.com) / [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or at Company's e - mail id [secretarial@tastybite.com](mailto:secretarial@tastybite.com) or by writing to the Company or KFin.

IX. The Scrutiniser shall after the conclusion of the voting at the meeting first count the voting at the meeting and then unblock the votes cast through e-voting in the presence of at least two [2] witnesses not in the employment of the Company and he shall forthwith make a Consolidated Scrutinizers Report of the total votes cast in favour or against, if any, to the Chairman of the Company or person authorised by Chairman who shall countersign the same.

X. The Scrutinizers decision on the validity of the vote shall be final and binding.

XI. The Chairman or person authorised by Chairman shall immediately / forthwith declare the result of the voting.

# Notice [Contd..]

XII. The result on the Resolutions shall be declared on or after the meeting of the Company and the Resolutions shall be deemed to be passed on the meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.

XIII. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company [[www.tastybite.co.in](http://www.tastybite.co.in)] and on website of the KFin [[evoting@kfintech.com](mailto:evoting@kfintech.com)] immediately after result is declared by the Chairman and forwarded to Stock Exchanges where the shares of the Company are listed.

Process for registration of e - mail id for obtaining Annual Report and user id / password for e - voting and updation of bank account mandate for receipt of dividend:

Physical Holding Send a request to the Registrar and Transfer Agents of the Company, KFin at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) providing Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN [self attested scanned copy of PAN card], AADHAR [self attested scanned copy of Aadhar Card] for registering email address. Following additional details need to be provided in case of updating Bank Account Details:

- a) Name and Branch of the Bank in which you wish to receive the dividend,
- b) The Bank Account type,
- c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions,
- d) 9 digit MICR Code Number,
- e) 11 digit IFSC Code, and
- f) a scanned copy of the cancelled cheque bearing the name of the first shareholder

Demat Holding Please contact your Depository Participant (DP) and register your e - mail address and bank account details in your demat account, as per the process advised by your DP

**23. Brief resume of the directors proposed to be re - appointed vide Item No. 3 as mentioned in the Notice calling AGM, pursuant to the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

Mr. Ashok Vasudevan:

Mr. Ashok Vasudevan, Chairman of the Company, has been a Non - Executive Director since 31 March 1999. He is proposed to be re - appointed as a Director.

A brief profile of Mr. Ashok Vasudevan is as follows:

Date of Birth & Age	09 March 1955 - 67 years
Date of first appointment	31 March 1999
Qualifications	Mr. Vasudevan holds a Bachelor of Science [Agriculture] degree from Bangalore and a Management degree from Jamnalal Bajaj Institute of Management Studies, Bombay. He also holds Owner President Management [OPM] from the Harvard Business School
Expertise in specific functional areas / Experience / Brief resume	Mr. Vasudeven has wide experience of 39 plus years as an entrepreneur and a corporate executive for large multinationals. He headed the India desk of Pepsi World Trade from New York. He received Pepsi's MVP award in 1991 for his contributions. Before joining Pepsi he spent 10 years with the Unilever group in India in various functions that included Management Development, Sale & Marketing and International Business. He is co-founder of Preferred Brands International, Inc., USA

# Notice [Contd..]

Terms and conditions of re-appointment along with details of remuneration sought to be paid	Mr. Vasudevan is a Non-Executive Director & Chairman of the Board of the Company (liable to retire by rotation). No remuneration / sitting fees is drawn by him.
Last drawn remuneration	No remuneration / sitting fees is paid to Mr. Vasudevan
Number of meetings of the board attended during the year	7 out of 7
Relationship with other directors, manager and other key managerial personnel of the Company	Mr. Vasudevan is not related to any Director, manager and other key managerial personnel of the Company
Directorship in other Companies as on 31 March 2022 (including private limited companies and excluding foreign companies)	NIL
Listed entities from which the director has resigned in the past 3 years	NIL
Chairmanship/ Membership of Committees of above mentioned Companies	NIL
Shareholding in the Company	NIL

Apart from himself, no other Director or Key Managerial Personnel or their relatives are interested in the Resolution.

By Order of the Board of Directors  
**Tasty Bite Eatables Limited**

**Ashok Vasudevan**  
 Chairman  
 DIN: 00575574

Date: 10 August 2022  
 Place: Pune

# Notice [Contd..]

## ANNEXURE TO NOTICE

### STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS

#### Item No 4:

Appointment of Statutory Auditor from the conclusion of this thirty-eighth Annual General Meeting till the conclusion of forty-third Annual General Meeting of the Company.

B S R & Associates LLP Chartered Accountants [Firm Registration No: 116231W/W-100024] were appointed as statutory auditors at the 33<sup>rd</sup> AGM held on 20 September 2017 and holding office of the auditors up to the conclusion of the 38<sup>th</sup> AGM and hence, would retire at the conclusion of the forthcoming 38<sup>th</sup> AGM.

The Board of Directors on the recommendation of the Audit Committee has approved the appointment of B S R & Co. LLP, Chartered Accountants [Firm Registration No: 101248W/W-100022] as statutory auditors of the Company, subject to approval of shareholders. Accordingly, as per the said requirements of the Act, B S R & Co. LLP, Chartered Accountants [Firm Registration No: 101248W/W-100022] is proposed to be appointed as statutory auditors of the Company, for a period of five years, commencing from the conclusion of 38<sup>th</sup> AGM till the conclusion of the 43<sup>rd</sup> AGM. Both B S R & Co. LLP and B S R & Associates LLP are a part of the BSR & Affiliates,

a network registered with the Institute of Chartered Accountants of India [ICAI].

B S R & Co. LLP, Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act, and the provisions of the Companies [Audit and Auditors] Rules, 2014.

No Director or Key Managerial Personnel or their relatives are interested in the Resolution.

#### Item No 5:

Regularization of Additional Director, Ms. Emmanuelle Orth [DIN: 09686766] as Director of the Company:

Ms. Emmanuelle Orth, additional director of the Company, has been a non-executive director since 29 July 2022. She is proposed to be appointed as a director.

#### A brief profile of Ms. Emmanuelle Orth is as follows

Date of Birth & Age	12 January 1974 – 48 years
Date of Appointment	29 July 2022 as additional director
Qualifications	Ms. Orth has a Master's degree in International Management from Strasbourg Business School. She also has certifications from Oxford University and Harvard Business School.
Expertise in specific functional areas	Ms. Orth is an experienced executive with 25 years of finance and general management experiences, shaping strategy and leading commercial operations. She is currently VP finance for Mars Petcare Nutrition Europe
Directorship in other Companies as on 31 March 2022 [including Private limited companies and excluding foreign companies]	NIL
Chairmanship/ Membership of Committees of above mentioned Companies	NIL
Shareholding in the Company	NIL

# Notice [Contd..]

## Item No 6 & 7:

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company approved the appointment of Mr. Rajendra Jadhav [DIN: 09678322], General Manager – Works of the Company as Additional Director and Whole-time Director with effect from 13 August 2022 till 31 December 2023. Mr. Rajendra Jadhav is not disqualified from holding the office of Whole Time Director.

The appointment of Mr. Rajendra Jadhav as Whole Time Director of the Company is subject to approval of members by way of Ordinary Resolution.

The Nomination and Remuneration Committee at their meeting held on 10 August 2022, recommended payment of remuneration for the period from 13 August 2022 till

31 March 2023 irrespective of adequacy of the profits or loss of the Company. The recommendation was approved by the Board of Directors at their meeting held on 10 August 2022.

The payment of remuneration to Mr. Rajendra Jadhav is subject to the approval of Members by way of a Special Resolution.

In consideration of the duties and obligations undertaken by the Whole Time Director herein above, the Company shall pay him the remuneration as per the terms and conditions detailed w.e.f. 13 August 2022 till 31 March 2023, subject to the approval of shareholders.

The following terms and conditions have been proposed to be applicable to Mr. Rajendra Jadhav as Whole Time Director of the Company:

No	Remuneration	Slab (amount in INR) for the period
1.	Gross Salary	INR 4.78 Million
2.	Perquisites	INR 0.57 Million
3.	Other benefits	<ul style="list-style-type: none"> <li>Contribution to Provident Fund as per applicable rules &amp; Company policy</li> <li>Gratuity as per Company policy</li> <li>Medical insurance &amp; Group Accident as per Company policy shall not be considered as perquisite</li> <li>Leave encashment as per Company policy</li> </ul>
4.	Performance Bonus (including performance criteria)	NA
5.	Cash based long term incentives	NA
6.	Other terms of appointment	<ul style="list-style-type: none"> <li>Notice period is of 1 month in case of resignation by Mr. Jadhav</li> <li>Notice period in case of termination of employment by Company is 1 month</li> <li>Age of retirement is 60 years</li> <li>All conditions in Non-Disclosure Agreement entered between the Company and Mr. Jadhav need to be abided with</li> <li>Mr. Jadhav has no stock options or any shares in the Company</li> <li>There is no variable pay component in salary of Mr. Jadhav</li> </ul>

# Notice [Contd..]

- In case of absence or inadequacy of profit in financial year, the aforesaid remuneration and perquisites shall be paid to Mr. Rajendra Jadhav as minimum remuneration.
- The terms and conditions of appointment of Whole Time Director may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required.
- Mr. Rajendra Jadhav shall not be paid any sitting fee for attending the Board or any other Committee meetings.
- Mr. Rajendra Jadhav is not liable to retire by rotation.
- The above may be treated as an abstract as required under Section 190 of the Companies Act, 2013, setting out the terms, conditions and limits of remuneration for managerial personnel and may also be regarded as a disclosure under Secretarial Standard on General Meetings ["SS-2"] of the Institute of Companies Secretaries of India.

The other information required is given as follows:

## I. GENERAL INFORMATION:

- Nature of industry: Prepared food consisting Ready-to-Eat, Formed Frozen Product and Specialty Sauces

## II. INFORMATION ABOUT MR. RAJENDRA JADHAV:

- Background and details as per Schedule V of the Companies Act, 2013, Secretarial Standard II on General Meetings and Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Date of Birth & Age	12 May 1964 – 58 years
Date of First Appointment	13 August 2022
Qualifications	Mr. Jadhav is a Bachelor of Science [Tech] in Food Technology from UDCT, Mumbai and has also completed Post Graduate Diploma in Foods, Drugs and Cosmetics from VJTI, Mumbai. Mr. Jadhav is a Bachelor of Science [Chem] from Shivaji University, Kolhapur.
Nature of expertise in specific functional areas	Mr. Rajendra Jadhav joined Tasty Bite Eatables Limited in 1991 as Assistant Manager – Manufacturing and was subsequently appointed Manager in 1998, Head of Supply Chain in 2000, Deputy General Manager in 2004 and General Manager – Works in 2013. Over the last 30 years, Mr. Jadhav has performed key roles in production

- Commencement of commercial production: 1987
- In case of new companies expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus : Not Applicable
- Financial performance of the Company in previous 2 financial years:

[INR in Million]

Particulars	FY 2021-22	FY 2020-21
Total revenue	3,855.60	4,042.89
Profit before tax	144.76	525.75
Profit after tax	103.28	393.42

- Export performance and net foreign collaborations:

[INR in Million]

Particulars	FY 2021-22	FY 2020-21
F.O.B value of exports	2,455.24	3,127.13

- Foreign investments or collaborators, if any:

There is no direct foreign equity participation. The shareholding of Non - Resident Investors as on 31 March 2022 is 16,084 shares [0.63%], Foreign Promoter holds 300 shares [0.01%] and Foreign Portfolio Investors hold 94,258 shares [3.67%].

# Notice [Contd..]

	planning & execution, business development, product development, supply chain and overlooking the entire national and international market demands with respect to manufacturing.
Disclosure of relationship between directors inter-se	Mr. Rajendra Jadhav is not a director in any other listed company and is not inter-se related with any other Director, Manager or Key Managerial Personnel of the Company.
Directorship in other listed companies	NIL
Chairmanship/ Membership of Committees of above mentioned Companies	NIL
Shareholding in the Company	NIL
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Rajendra Jadhav is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business. He has assumed the responsibilities as Whole Time Director by this appointment.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Mr. Jadhav receives remuneration as General Manager - Works. He is not related to any Director or Key Managerial Personnel in the Company.
Past Remuneration / Remuneration last drawn	INR 7.68 million in FY 2021-22 as General Manager – Works of the Company
Recognitions or awards	Mr. Jadhav has been awarded as "Best Employee of 2004", "Most Valuable Player of 2007", GEM (Going Extra Miles) award for 2020 by the Company
Job Profile and Suitability	Mr. Jadhav is currently General Manager – Works of Tasty Bite Eatables Ltd. He has completed Bachelor of Science [Tech] in Food Technology from UDCT, Mumbai and has also completed Post Graduate Diploma in Foods, Drugs and Cosmetics from VJTI, Mumbai along with Bachelor of Science [Chem] from Shivaji University, Kolhapur.  He has 30+ years of experience spanning in manufacturing industry. He has performed key roles in production planning, supply chain, business development and overlooking national and international market demand.
Number of meetings of the Board of Directors attended during the year	N/A
Listed entities from which Mr.Jadhav has resigned in the past three years	N/A

No other Director (other than Mr. Rajendra Jadhav) or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in this resolution. He is not a Promoter / Promoter group member and is appointed under the professional category on the Board.

# Notice [Contd..]

## OTHER INFORMATION:

- a. **Reasons for loss or inadequate profits:** The Company has not incurred losses and has had adequate profits over the past many years. However, in this financial year 2021-22 there is a dip in Consumer Business owing to drop in demand on account of inventory build-up in the US and other markets.

Secondly, due to change in government policies, profit is highly impacted. This is due to discontinuation of Transport and Marketing Assistance Scheme (TMA) and Merchandise Exports from India Scheme (MEIS). A new scheme called Remission of Duties and Taxes over Exported Products (RoDTEP) has been introduced in current year in place of MEIS, however the incentives rate in RoDTEP is much lower than MEIS rate.

- b. **Steps taken or proposed to be taken for improvement:** Our consumer business is on the growth path as most of the inventory is diluted. We are also working to further improve Tasty Bite Food Service (TFS) sales. The Company is on a growth path and is expected to make profits in future.
- c. **Expected increase in productivity and profits in measurable terms:** Management expects to have higher productivity and profits in line with the estimated budget.

**DISCLOSURES:** The Board of Directors recommends the resolutions for approval of the members. None of the other Directors and Key Managerial Personnel or their relatives in anyway, concerned or interested in the said resolutions. Above may also be treated as an abstract of the terms and conditions governing the appointment and remuneration of the Managerial Personnel pursuant to Section 196, 197 and 203 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Item No 8:

#### Rectification of past ordinary resolutions regarding appointment of directors

Ms. Rama Kannan and Dr. Chengappa Ganapati were appointed as additional Independent Directors on the board of the Company on 22 December 2017 and 17 January 2018, respectively. These appointments were regularised by way of ordinary resolutions passed at the

ensuing annual general meeting held on 09 August 2018 for a period of 5 years.

Under Section 149(10) of the Companies Act, 2013, an independent director can only hold office for a term up to five consecutive years on the board of directors of a company. Accordingly, the terms of appointment of Ms. Rama Kannan and Dr. Chengappa Ganapati commenced on 22 December 2017 and 17 January 2018, respectively, and will expire on 21 December 2022 and 16 January 2023, respectively.

However, the resolutions for appointment passed at the annual general meeting held on 09 August 2018 inadvertently and incorrectly mentions 09 August 2018 as the date of commencement of 5 year term of both Ms. Rama Kannan and Dr. Chengappa Ganapati. Accordingly, approval of members is sought to rectify the said error.

There is no inter-se relationship between Dr. Chengappa and Ms. Rama, and any other Director on the board. None of the Directors and Key Managerial Personnel of the Company and their relatives, except Dr. Chengappa and Ms. Rama and their respective relative(s), is in any way concerned or interested (financially or otherwise), in the proposed Ordinary Resolution.

The board accordingly recommends this resolution to be passed as an Ordinary Resolution to the members for their consideration and approval.

### Item No 9:

#### Re-appointment of Dr. Chengappa Ganapati as an Independent Director

Dr. Chengappa, was appointed as an Independent Director not liable to retire by rotation on the Board of the Company by a resolution passed by the Board of Directors of the Company dated 17 January 2018, which was further approved vide ordinary resolution passed by the Members of the Company dated 09 August 2018 and will accordingly hold office up to 16 January 2023. Dr. Chengappa has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and he is eligible for re-appointment i.e. for a second term as Independent Director of the Company.

Securities and Exchange Board of India (SEBI) vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated 09 May 2018 notified the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations,

## Notice [Contd..]

2018 [**“the Amendment Regulations”**] effective from 01 April 2019. One of the amendments requires the listed entities to seek approval of Members, by way of Special Resolution, while appointing or continuing the directorship of any Non-Executive Director who has attained the age of seventy-five years.

Dr. Chengappa, if elected as Independent Director for a second term, will attain the age of seventy-five years during such term and pursuant to the Amendment Regulations, approval of the Members is being sought for continuation of his appointment till 16 January 2028.

Dr. Chengappa is one of the leading Agricultural Economist of India. He brings independent judgement to Board's discussions. His expertise remains in teaching, research, academic administration, economics, agri - business and trade, etc. He has shown exemplary thought leadership during his tenure as a Director. He has been a keen observer of the food industry since decades and his vision in this domain has helped the Company to achieve significant growth in operations and business. He has vast knowledge in agriculture field and has a proactive and futuristic approach towards Risk and Compliance Management. Accordingly, the Nomination and Remuneration Committee at its meeting held on 10 August 2022, formed a view that his expertise and valuable guidance are immensely beneficial to the Company, in its pursuit of growth and hence recommend to the Board to approve his re-appointment as Independent Director and continuation of his directorship on the Board of the Company up to 16 January 2028 notwithstanding him attaining age of seventy-five years.

The Board of Directors in its meeting held on 10 August 2022 and on basis of recommendation of Nomination and Remuneration Committee, approved the re-appointment and such continuation.

The Board further seek the approval of Members, in terms of the provisions of the amendment regulations and such other rules, regulations, provisions as may be applicable, for continuation of directorship of Dr. Chengappa, as an Independent Director, not liable to retire by rotation, till expiry of his term up to 16 January 2028.

Section 149, sub-section [10] of the Companies Act, 2013 provides that an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report. Section 149, sub-section [11] provides that no independent director shall hold office for more than two consecutive terms. Explanation to sub-sections [10] and [11], provide that any tenure of an independent director on the date of commencement of this Act shall not be counted as a term under those sub-sections. The extant term of Dr. Chengappa is his first term as independent director under the Companies Act, 2013, pursuant to the provisions of Section 149 and explanation(s) thereunder. The Board of Directors, is thus, of the opinion that he fulfils the requisite conditions for re-appointment / continuation on the Board of the Company, as an independent director.

**His brief profile along with Directorships, membership of Committees of the Board and other interest, if any, is as below:**

Date of Birth & Age	11 February 1952; Age: 70 years
Date of first appointment	17 January 2018
Qualifications	M.Sc in Agriculture Economics from University of Agriculture Sciences, Bangalore and PhD from Indian Agricultural Research Institute, New Delhi
Expertise in specific functional areas / Experience	Dr. Chengappa is one of the leading Agricultural Economist of India. He has over three decades of experience in teaching, research, extension and academic administration. He served as the Vice Chancellor of University of Agricultural Sciences, Bangalore. He was the National Professor of the Indian Council of Agricultural Research at the Institute for

# Notice [Contd..]

Terms and conditions of re-appointment along with details of remuneration sought to be paid	Social and Economic Change, Bangalore. He is basically a Policy Economist specialised in the area of agri-business and trade. He was the member of the working group on Agricultural Marketing of Planning Commission of India for preparing the 12 <sup>th</sup> Five Year Plan document. His international experience includes working as a consultant in International Food Policy Research Institute, Washington, International Plant Genetics Resource Institute, Rome, International Rice Research Institute, Manila, DSE Germany and visiting Professor in Universities of Reading and Wales. He was president (Elect), Indian Society of Agricultural Economics 2012 and President, Agricultural Economics Review Association, New Delhi 2013-16.
Last drawn remuneration	Remuneration - Not Applicable.
Number of meetings of the board attended during the year	Only acts as Independent Director on the Board Only sitting fees of INR 550,000
Directorship in other Companies as on 31 March 2022 [including private limited companies and excluding foreign companies]	7 out of 7
Listed entities from which the director has resigned in the past 3 years	1. Tata Coffee Ltd 2. SAM Agri Tech Ltd 3. SAM Agri Ventures Ltd 4. Tasty Bite Foundation
Chairmanship/ Membership of Committees of above mentioned Companies (other than TBEL Committees)	NIL
Shareholding in the Company	1. Tata Coffee Ltd - Chairman of Stakeholder Grievance Committee 2. Tata Coffee Ltd - Member of Audit Committee 3. Tata Coffee Ltd - Member of CSR Committee 4. Tata Coffee Ltd - Member of Risk Management Committee
	NIL

His brief profile along with Directorships, membership of Committees of the Board and other interest, if any, forms a part of this Notice. There is no inter-se relationship between Dr. Chengappa and any other Director on the Board or any manager and other key managerial personnel of the Company. None of the Directors and Key Managerial Personnel of the Company and their relatives, except Dr. Chengappa and his relative(s), is in any way concerned or interested [financially or otherwise], in the proposed Special Resolution.

The Board accordingly recommends this resolution to be passed as a Special Resolution to the Members for their consideration and approval.

## Item No 10:

### Re-appointment of Ms. Rama Kannan as an Independent Director

Ms. Rama was appointed as an Independent Director not liable to retire by rotation on the Board of the Company by a resolution passed by the Board of Director of the Company dated 22 December 2017, which was further approved vide ordinary resolution passed by the Members of the Company dated 09 August 2018 and will accordingly hold office up to 21 December 2022. Ms. Rama has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and she is eligible for re-appointment

## Notice [Contd..]

i.e. for a second term as Independent Director of the Company from 22 December 2022 till 21 December 2027.

Ms. Rama works as a coach / mentor / advisor for various senior executives in corporate and social enterprises in India and abroad. She brings independent judgement on the Board's discussions. Her expertise lies in leadership and executive coaching, business planning and social entrepreneurship, general management and leadership, etc. She has shown exemplary thought leadership during the course of her tenure as a Director. She has been a keen observer of the food industry since decades and her vision in this domain has helped the Company to achieve significant growth in operations and business. She has a proactive and futuristic approach towards Risk and Compliance Management. Accordingly, the Nomination and Remuneration Committee at its meeting held on 10 August 2022, formed a view that her expertise and valuable guidance are immensely beneficial to the Company, in its pursuit of growth and hence recommend to the Board to approve her re-appointment as Independent Director and continuation of her directorship on the Board of the Company up to 21 December 2027.

The Board of Directors in their meeting held on 10 August 2022 and on basis of recommendation of Nomination and Remuneration Committee, approved the re-appointment and such continuation.

The Board further seek the approval of Members, in terms of the provisions of amendment regulations and such other rules, regulations, provisions as may be applicable, for continuation of directorship of Ms. Rama, as an Independent Director, not liable to retire by rotation, till expiry of her term up to 21 December 2027.

Section 149, sub-section (10) of the Companies Act 2013, provides that an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report. Section 149, sub-section (11) provides that no independent director shall hold office for more than two consecutive terms. Explanation to sub-sections (10) and (11), provide that any tenure of an independent director on the date of commencement of this Act shall not be counted as a term under those sub-sections. The extant term of Ms. Rama is her first term as independent director under the Companies Act, 2013, pursuant to the provisions of Section 149 and explanation(s) thereunder. The Board of Directors, is thus, of the opinion that she fulfils the requisite conditions for re-appointment / continuation on the Board of the Company, as an independent director.

**Her brief profile along with Directorships, membership of Committees of the Board and other interest, if any, is as below:**

Date of Birth & Age	27 April 1965- 57 years
Date of first appointment	22 December 2017
Qualifications	Ms. Rama is a Commerce and a Law [LLB] graduate from Delhi University. She has a Coaching certification from Neuro leadership group, Australia. She also holds a Master in Business Administration degree from National University of Singapore
Expertise in specific functional areas / Experience	Ms. Rama works as a coach / mentor / advisor for various senior executives in corporate and social enterprises in India and abroad. She also has a wide experience in field of marketing and strategic roles with various companies such as British Petroleum, PepsiCo, etc.
Terms and conditions of re-appointment along with details of remuneration sought to be paid	Remuneration - Not Applicable. Only acts as independent director on the Board

# Notice [Contd..]

Last drawn remuneration	Only sitting fees of INR 350,000
Number of meetings of the board attended during the year	5 out of 7
Directorship in other Companies as on 31 March 2022 (including private limited companies and excluding foreign companies)	1. Tasty Bite Foundation
Listed entities from which the director has resigned in the past 3 years	NIL
Chairmanship/ Membership of Committees of above mentioned Companies (other than TBEL Committees)	NIL
Shareholding in the Company	NIL

Her brief profile along with Directorships, membership of Committees of the Board and other interest, if any, forms a part of this Notice. There is no inter-se relationship between Ms. Rama and any other Director on the Board or any manager and other key managerial personnel of the Company. None of the Directors and Key Managerial Personnel of the Company and their relatives, except Ms. Rama and her relative(s), is in any way concerned or interested (financially or otherwise), in the proposed Special Resolution.

The Board accordingly recommends this resolution to be passed as a Special Resolution to the Members for their consideration and approval.

By Order of the Board of Directors  
**Tasty Bite Eatables Limited**

**Ashok Vasudevan**  
 Chairman  
 DIN: 00575574

Date: 10 August 2022  
 Place: Pune

# Directors' Report

To  
The Members,

Your Directors are pleased to present the 38<sup>th</sup> Annual Report together with audited statement of accounts for the year ended 31 March 2022.

## 1. KEY FINANCIAL HIGHLIGHTS:

(INR in Million)

Particulars	FY 2021-22	FY 2020-21
Revenue from operations	3,720.91	3,853.13
Other income	134.69	189.76
<b>Total income</b>	<b>3,855.60</b>	<b>4,042.89</b>
EBITDA	470.46	727.65
<b>Profit after tax</b>	<b>103.28</b>	<b>393.42</b>
Earnings per share [INR / share - basic and diluted]	40.25	153.32
Net fixed assets including intangible assets	1,300.50	1,121.26
Long term borrowings [excluding current portion]	435.57	496.76
<b>Profit transferred to Balance Sheet</b>	<b>103.28</b>	<b>393.42</b>
<b>Other comprehensive income / [loss] transferred to Balance Sheet</b>	<b>7.43</b>	<b>46.53</b>

## 2. FINANCIAL PERFORMANCE & OPERATIONS:

Your Company de-grew 5% from previous year. Revenues of INR 3,855.6 million during the year against INR 4,042.9 million in the previous financial year. The Exports led Consumer Business de-grew by 17% YoY with sales of INR 2,513.9 million against INR 3,011.3 million in the previous year while the Tasty Bite Food Service (TFS) business grew 43% with sales of INR 1,207.0 million against INR 841.8 million in the previous year. Profit after tax for the financial year ended 2022 at INR 103.3 million against INR 393.4 million in previous financial year 2021, a de-growth of 73.7%. Profit after tax for financial year 2022 is 2.7% against 9.7% in financial year 2021.

## 3. DIVIDEND:

The Board of Directors at their meeting held on 27 May 2022, recommended a final dividend of INR 1.0 per equity share, subject to the approval of shareholders at the ensuing Annual General Meeting.

The total dividend payout on equity shares would involve a cash outgo of INR 2.57 million.

Upon declaration by the members at the ensuing Annual General Meeting, dividend shall be paid to those members, whose names appear on the Register of Members of the Company after effecting all valid share transfers in physical form lodged with the Company or its Registrar & Transfer Agents

on or before 26 August 2022. In respect of shares held in dematerialized form, dividend will be paid on the basis of particulars of beneficial ownership furnished by Depositories as on the closing hours of business on 26 August 2022.

## 4. RESEARCH AND DEVELOPMENT:

Tasty Bite Research Centre (TBRC) located within the factory campus continued to build on its mission to be a centre of excellence in product, process and ingredient innovation. During the course of the year, several new innovative products were developed by TBRC keeping in mind the evolving needs of our consumers. The Department of Science & Industrial Research (DSIR) of the Union Ministry of Science & Technology accreditation to TBRC is valid till March 2025. New products developed at TBRC in the last 2 years contributed 14% of the Company's revenues.

## 5. FIXED DEPOSITS:

The Company has not accepted or invited any deposits from the public during the year under review. Hence, any compliance w.r.t. repayment of deposit or its interest thereon is not applicable to the Company.

## 6. DIRECTORS:

The Board of Tasty Bite Eatables Limited has an optimum combination of executive and non -

# Directors' Report [Contd..]

executive directors. The composition of the Board is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013. As on 31 March 2022, the Board comprised of 1 Chairman (Non-Executive), 1 Whole Time Director, 3 Independent Directors and 2 Non - Executive Directors.

Mr. Kavas Patel, Ms. Rama Kannan and Dr. Chengappa Ganapati continue to act as Independent Directors on Board of the Company. All Independent Directors have provided declaration stating their independence under the provisions of section 149(6) of Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating their independence pursuant to provisions of section 149 of Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"). Further, the Board of Directors in its meeting held on 10 August 2022 and on the basis of recommendation of Nomination and Remuneration Committee, approved the re-appointment and continuation of Ms. Rama Kannan and Dr. Chengappa Ganapati for a second term as Independent Director(s), details form part of Notice of this report.

During the year under review, Mr. Abhijit Upadhye resigned as Managing Director of the Company w.e.f. 31 December 2021. The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mr. Gaurav Gupta as an Additional Director and Whole Time Director of the Company w.e.f. 01 January 2022 in their meeting held on 25 November 2021, subject to approval of the members. Approval of members was obtained by way of Postal Ballot for appointment of Mr. Gaurav Gupta as a Whole Time Director of the Company on 11 March 2022 until the conclusion of the next Annual General Meeting. Notice of Postal Ballot dated 08 February 2022, seeking approval for the aforesaid matter was sent to those Members, whose names appeared in the Register of Members/ List of Beneficial Owners as on 04 February 2022 and whose e-mail addresses were registered with the Company/Depositories. The results of postal ballot through remote e-voting on the aforesaid matters was declared by the Company on 14 March 2022.

After the closure of the financial year 2021-22, Ms. Dawn Allen and Mr. Gaurav Gupta has resigned from the directorship of the Company with effect from 27 May 2022 and 12 August 2022 respectively. The Board places on record their deep appreciation for the invaluable contributions made by Ms. Dawn Allen and Mr. Gaurav Gupta during their association with the Company. Further, Ms. Emmanuelle Orth was appointed as Additional Director w.e.f. 29 July 2022 on the Board of Directors of the Company.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Ashok Vasudevan, retire by rotation at the ensuing Annual General Meeting, and being eligible has offered himself for reappointment.

Mr. Gaurav Gupta was appointed as Alternate Director in July & August 2021 to Mr. Ashok Vasudevan during the year. Later, he resigned as Alternate Director in November 2021.

- **Board evaluation:**

Pursuant to provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out evaluation of its own performance, individual performance of the directors as well as the respective Committees. Evaluation of Chairman was also carried out. The manner of evaluation is mentioned in Corporate Governance Report. Also, the Board is of the opinion that the directors and Board collectively stand the highest level of integrity and all members of the Board has specified skill set and experience required for the Company. Details of which form a part of Corporate Governance Report.

- **Remuneration & Evaluation Policy:**

The Board on recommendation of Nomination & Remuneration Committee adopted 'Remuneration and Evaluation Policy' for selection, appointment and remuneration of Directors and Senior Management Personnel including criteria for determining qualifications, positive attributes, independence of a director and other matters as required by the Companies Act, 2013. Necessary diversity in the board was ensured. Detailed policy is available at Company's website [www.tastybite.co.in](http://www.tastybite.co.in)

# Directors' Report [Contd..]

- **Meetings:**

During the year under review, 7 [Seven] board meetings were held for which proper notices were given to the Board of Directors. These were held on 15 May 2021, 04 August 2021, 14 September 2021, 12 November 2021, 25 November 2021, 15 December 2021 and 08 February 2022. Maximum interval between any two meetings was not more than 120 days. Details of these meetings are stated in Corporate Governance Report.

## 7. EXTRACT OF ANNUAL RETURN:

The extract of Annual Return as provided under Section 92(3) in Form MGT - 9 is in "**Annexure A**" to this Report.

## 8. DIRECTORS' RESPONSIBILITY STATEMENT:

Directors confirm that:

- in the preparation of the annual accounts for the year ended 31 March 2022, applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- they have selected and consistently applied such accounting policies, judgments and estimates that are reasonable and prudent to ensure a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the financial statements / annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and

maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the management and the relevant board committees, including audit committee, the Board is of the opinion that the Company's internal financial controls commensurate with nature and size of organisation and complexity of business.

## 9. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12):

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board of Directors under section 143(12) of Companies Act, 2013.

## 10. CORPORATE GOVERNANCE:

Your Company places great significance to good Corporate Governance as an important step towards building investors' confidence, improve investors' protection and maximize long term shareholders' value. Accordingly, it has taken adequate steps to ensure the provisions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A certificate from Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance is in "**Annexure B**" to this Report. A detailed report on Corporate Governance forms a part of this Annual Report.

## 11. AUDITORS:

- **Statutory Auditors:**

M/s B S R & Associates LLP, Chartered Accountants [Firm Registration No. 116231W/W - 100024], Pune, were appointed by the shareholders as the Statutory auditors of the Company in the 33<sup>rd</sup> Annual General Meeting for a period of 5 years and they hold office up to the 38<sup>th</sup> Annual General Meeting of the Company.

The Company is proposing to appoint M/s. B S R & Co LLP, Chartered Accountants [Firm Registration No. 101248W/W - 100022] as Statutory Auditors for next term of 5 years. The Company has received eligibility and willingness for appointment as prescribed under Section 139(6) of the Companies Act, 2013 from M/s. B S R & Co LLP. The Board of Directors has approved the

# Directors' Report [Contd..]

appointment of the Statutory Auditor for term of 5 years in its meeting held on 27 May 2022, subject to approval of shareholders.

Statutory Auditor in their revised independent audit report have reported "Provision for inventory obsolescence" and "Revenue from contracts with customers" as a key audit matter. This matter was addressed by auditor in context of audit of the financial statements as a whole which was most significant during the course of audit for the year under review.

- **Internal Auditors:**

Pursuant to section 138 of Companies Act, 2013, the Company appointed M/s. Shah Khandelwal Jain & Associates, Chartered Accountants as internal auditor for the year under review. The scope and fee of internal audit was fixed by the Board on recommendation of Audit Committee.

- **Secretarial Auditor:**

Pursuant to section 204 of the Companies Act, 2013, the Company appointed M/s Pareek V. R. & Associates, Practicing Company Secretaries, Pune as Secretarial Auditor. The Secretarial Audit Report is in "**Annexure C**" of this report. Based on the Audit Committee recommendations, Board has approved the appointment of M/s Pareek V. R. & Associates, Practicing Company Secretaries, Pune as Secretarial Auditor for financial year 2022-23.

## 12. WHISTLE BLOWER & VIGIL MECHANISM POLICY:

In compliance with the provisions of Section 177(9) of the Companies Act, 2013, the Company has established Whistle Blower and Vigil Mechanism Policy for its directors and employees to report their genuine concerns and also to deal with the instances of fraud and mismanagements, if any. The details of the Policy are explained in the Corporate Governance Report and the policy is available on the website of the Company [www.tastybite.co.in](http://www.tastybite.co.in)

The Company had received three whistle-blower complaints during March and April 2022 alleging financial irregularities in terms of conflict of interest of certain employees in awarding certain contracts for capital expenditure and scrap sales. The Company had initiated an independent investigation into these matters. The investigating agency had provided an interim report and its preliminary assessment indicated certain financial

irregularities, although the final report was awaited on 27 May 2022 when earlier financial statements were approved by the Board of Directors.

The final investigation report dated 24 June 2022 has confirmed financial irregularities of INR. 4.10 million w.r.t. awarding certain contracts of capital expenditure. The Company has recovered INR. 2.67 million from the alleged employees and is in the process of agreeing the terms of recovery for the balance amount. There are no adverse findings with respect to scrap sales contracts.

The revision to the financial statements have been carried out solely to update the disclosure for the above referred matter. As the total impact of the financial irregularities of INR. 4.10 million as well as the remaining exposure of INR. 1.43 million (net of recovery of INR 2.67 million) is not expected to have a significant impact on the financial statements captions (e.g. Property, plant and equipment, Capital work in progress and depreciation) of the current and previous years, no revision has been made to these financial statement captions.

## 13. AUDIT COMMITTEE:

In compliance with the provisions of Section 177 of the Companies Act, 2013, and SEBI Regulations, the Company has a duly constituted Audit Committee. The composition and other relevant details of the Audit Committee are given in the Corporate Governance Report annexed herewith. All suggestions of Audit Committee during the year were accepted by the Board.

## 14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of the loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 provided in note 8 of notes to the financial statement of the Company. The loans, guarantees and investments made by the Company is within limits as prescribed under section 186 of the Companies Act, 2013.

## 15. SHARE CAPITAL:

During the year under review, the Company has neither issued any shares with differential voting rights nor issued sweat equity shares. Further, the Company did not grant any stock options during the year under review. As on 31 March 2022, details of the shares held by Directors in the Company are as under:

# Directors' Report [Contd..]

Particulars	No. of Equity Shares held	No. of Convertibles held
Mr. Ashok Vasudevan	----- NIL -----	----- NIL -----
Mr. Abhijit Upadhye [till 31 December 2021]	----- NIL -----	----- NIL -----
Mr. Kavas Patel	----- NIL -----	----- NIL -----
Ms. Rama Kannan	----- NIL -----	----- NIL -----
Dr. Chengappa Ganapati	----- NIL -----	----- NIL -----
Ms. Dawn Allen	----- NIL -----	----- NIL -----
Mr. Sukhdev David Dusangh	----- NIL -----	----- NIL -----
Mr. Gaurav Gupta [01 January 2022 onwards]	----- NIL -----	----- NIL -----

There are no convertible instruments issued by the Company.

## 16. SEGMENT WISE OR PRODUCT WISE PERFORMANCE / NATURE OF BUSINESS:

The Company operates in one segment i.e. Prepared Food consisting Ready-to-Eat products and intermediate food products such as Prepared Meals, Formed Frozen Foods and Sauces. There is no change in nature of business of the Company.

## 17. THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has been making significant efforts to ensure conservation of energy. The details of energy conservation, technology absorption, research and development and foreign exchange earnings and outgo are as per "Annexure D".

## 18. RISK MANAGEMENT POLICY:

In compliance with the provisions of Section 134 of the Companies Act, 2013, the Company has identified the elements of the risks, industry specific and in general as well, which in the opinion of the Board may threaten the existence of the Company. The Company has developed and implemented a 'Business Contingency Plan' and an extensive 'Enterprise Risk Management and Mitigation Plan'.

The details of the Business Contingency Plan and Risk Mitigation of the Company are given in the Management Discussion and Analysis

## 19. CORPORATE SOCIAL RESPONSIBILITY:

The Company has a Policy and a Committee for Corporate Social Responsibility in compliance with the provisions of Companies Act, 2013. The details about the Policy and the Committee are given in Corporate Governance Report annexed to this

report. Annual Report on CSR activities is annexed as "Annexure E".

As per the provisions of Section 135 of the Companies Act, 2013, every Company falling under the applicability of Corporate Social Responsibility is required to spend 2% of its average net profits of previous three years on the activities given under Schedule VII of the Companies Act, 2013, and CSR policy adopted by the Board of Directors.

The Company has spent total amount of INR 10.71 million during financial year 2021-22.

The details of amount of expenditure during the year are as follows:

Particulars	Amount in INR Million
a) Gross amount required to be spent by the Company during the year	10.71
b) Amount spent during the year	
(i) Towards Covid 19 relief related work	0.37
(ii) Through Tasty Bite Foundation	10.34
<b>Total [b(i) + (ii)]</b>	<b>10.71</b>
c) Unspent amount	Nil

During the year under review "Tasty Bite Foundation" has been actively involved in CSR activities. The Foundation has carried out CSR activities in various fields such as education, agriculture and rural development. Some of the activities undertaken are as follows:

Programme	Projects
1. Accelerating sustainable & inclusive rural development with Krishi Vigyan Kendra [KVK]	<ul style="list-style-type: none"> <li>• NRM Intervention</li> <li>• Crop production Intervention</li> <li>• Livestock intervention</li> </ul>

# Directors' Report [Contd..]

Programme	Projects
2. Catalyst for sustainable development in rural education and livelihood training with American India Foundation (AIF)	Sustainable Livelihoods through Multi Skills Training & Entrepreneurship Development

## 20. STANDALONE FINANCIAL STATEMENTS AND POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

During the year under review, the Company neither had a subsidiary company nor a joint venture company. Hence, comments and details on preparation of financials on standalone basis or report on the performance of subsidiary company or a joint venture company are not required to be offered.

## 21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contracts or arrangements with related parties in Form AOC - 2 are annexed herewith as "Annexure F". The Board hereby informs that all the related party transactions are carried out in the ordinary course of business and on arm's length basis. Further, the Company has duly complied with the Indian Accounting Standard 24 related to transactions with related parties of the Company. The Company has adopted policy on Related Party Transactions and same is posted on website of the Company [www.tastybite.co.in](http://www.tastybite.co.in).

## 22. SIGNIFICANT/ MATERIAL ORDERS PASSED BY COURTS/ REGULATORS IMPACTING GOING CONCERN STATUS OF THE COMPANY:

There are no significant or material orders or awards passed by the Courts or any other Regulators or Tribunals relating to Companies Act, 2013, or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which would affect the going concern status and Company's future operations.

## 23. APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL:

- The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2021-22:

[INR in Million]

Name of Director	Remuneration of Director [1]	Median remuneration of employees [2]	Ratio [3] = [1] / [2]
Mr. Ashok Vasudevan	----- NIL -----	----- NIL -----	----- NIL -----
Mr. Abhijit Upadhye [till 31 December 2021]	21.76	0.66	32.97
Ms. Dawn Allen	----- NIL -----	----- NIL -----	----- NIL -----
Mr. Kavas Patel	----- NIL -----	----- NIL -----	----- NIL -----
Ms. Rama Kannan	----- NIL -----	----- NIL -----	----- NIL -----
Dr. Chengappa Ganapati	----- NIL -----	----- NIL -----	----- NIL -----
Mr. Sukhdev David Dusangh	----- NIL -----	----- NIL -----	----- NIL -----
Mr. Gaurav Gupta* [01 January 2022 onwards]	1.98	0.66	3.00

\*Mr. Gaurav Gupta received remuneration as CFO till 31 December 2021 and as Whole Time Director w.e.f. 01 January 2022. Independent directors receive only sitting fees for attending the meetings.

- The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

[INR in Million]

Name of Director	Designation	Remuneration in FY 2020 - 21	Remuneration in FY 2021 - 22	Increase (in %)
*Mr. Abhijit Upadhye	Managing Director	24.23	21.76	-10.2%
Mr. Gaurav Gupta	CFO & Whole Time Director	7.74	8.59	NA as not paid for entire year as WTD
Ms. Minal Talwar	Company Secretary	1.54	1.95	26.6%

\* Remuneration paid till 31 December 2021

# Directors' Report [Contd..]

3. Number of permanent employees are 250 on the role of company as on 31 March 2022.
4. The remuneration paid to the employees is in affirmation with Remuneration & Evaluation Policy of the Company.
5. Average percentile increase in salaries of employees other than the managerial personnel in the last financial year 2022 was 11.5%. Percentile increase in the managerial remuneration in 2022 was NIL.
6. The Company has a variable pay compensation structure only for Managing Director basis achievement of targets. No other employee has variable pay component structure. The Company further confirms that remuneration paid to employees is in line with its Remuneration Policy.
7. Statement of employees receiving remuneration under Section 197(12) of Companies Act, 2013, and Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 is attached as "Annexure G".

## 24. MARKET CAPITALIZATION:

Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over / decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies:

Particulars	Issued capital (No. of Shares)	Closing Market price per share	Earnings per share	Price Earnings Ratio	Market capitalization (INR in Million)
As on 31 March 2021	2,566,000	14,391.15	153.32	93.86	36,927.69
As on 31 March 2022	2,566,000	10,864.70	40.25	269.93	27,878.82
Increase / Decrease	-	-3,526.45	-113.07	176.07	-9048.87
% Increase / Decrease	-	-24.50%	-73.75%	187.59%	-24.50%

The Company made Public Offering in February 1987 of 750,000 equity shares at INR 10.00 each. The market quotation of the equity shares of the Company as on 31 March 2022 was INR 10,864.70 for shares of face value of INR 10.00 each, representing an increase of 1,08,547% over the period.

## 25. INVESTMENTS IN ITS OWN SHARES BY COMPANY, ITS SUBSIDIARIES, ASSOCIATES ETC:

The Company during the year under review has not made investments in its own shares, its subsidiaries or associate companies

## 26. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS:

During the year under review, there was no pecuniary relationship or pecuniary transactions between the Company and its non - executive directors.

## 27. INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

Your Company is an equal opportunity employer and safety of all employees and all other persons while within the premises is of utmost importance to your Company. The Company has been practicing safety of women at workplace as part of its formally adopted Code of Conduct. In order to strengthen it and also in compliance to newly enacted Act for protection of women, your Company has formed Internal Complaints Committee and adopted "Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace". The Committee's mandate is to bring awareness about ensuring safe workplace for women; receive and take appropriate decision on complaints, if any.

The Committee as appointed by the Management consist:

# Directors' Report [Contd..]

1. Ms. Anila Thomas – Presiding Officer
2. Ms. Minal Talwar – Member
3. Mr. Rajendra Jadhav – Member
4. Ms. Suman Bhagwat – Member
5. Mr. Kuldeep Joshi – Independent Member
6. Ms. Nirmala Lagad – Member

No complaints have been received during the year.

## 28. CYBER SECURITY:

Covid-19 made it imperative for the organisation to embrace certain practices, including social distancing, remote working and all these, in turn, led to significant dependence on and increased usage of digital technologies.

We have implemented advanced security controls, technologies, processes and practices designed to protect networks, computers and data from attack, damage or unauthorized access and threat analytics by leveraging industry leading technologies to help identify and mitigate internal and external threats to the Company.

Our Cyber Security Policy ensures that our people are aware of the best practices to be followed in order to ensure that the company's data and infrastructure do not become vulnerable to external threats.

We ensure our IT Team is up to speed by providing them with avenues for continuous learning and making internal training forums available as well as courses through external academic institutions, to keep them enriched and in turn, help protect the Company from cyber-threats on a day-to-day basis.

## 29. COVID-19:

The COVID-19 pandemic, continued to be a global challenge, creating disruption across the world. In the first three months and last quarter of FY 2021-22, the second wave & third wave of the pandemic overwhelmed India's medical infrastructure. Through this trying period, hospitalization support was provided to our employees & their families, including many of our external vendor partner teams. Covid care centers

in nearby villages and hospitals were supported by supplies of oxygen cylinders, medicines, ventilators. dry ration kits were also distributed to labourers. This was in addition to the medical helpline, self-help and counselling services provided across the organisation.

Amid the pandemic, the Company launched vaccination drive to ensure the safety and well-being of associates and their families.

**30.** The Company has not made any application under The Insolvency and Bankruptcy Code, 2016 nor any application is pending against the Company under the said Code.

**31.** The Company has not done any one time settlement with any Bank or Financial Institution during the year and hence declaration under the said clause is not applicable.

**32.** The Company is not required to maintain Cost Records as specified under section 148(1) of the Act by the Central Government.

## 33. DISCLOSURE REQUIREMENTS:

As per SEBI [Listing Obligations and Disclosure Requirements] Regulations 2015, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis are attached, which forms part of this report.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

By Order of the Board of Directors  
**Tasty Bite Eatables Limited**

**Ashok Vasudevan**

Chairman

DIN: 00575574

Date: 10 August 2022

Place: Pune

# Management Discussion and Analysis

## Company Overview

Tasty Bite is a leading Indian brand in the natural, organic and ready-to-eat food category and the fastest growing Asian brand in USA. Its ready-to-eat and easy-to-cook food include an assorted choice of entrees, ready-to-cook sauces, organic rice and whole-grain preparations, spanning across Indian and Asian cuisines.

The Company enjoys an extensive customer base, across the United States, Canada, Australia, France, Germany, and the United Kingdom. The consumer business is export driven with sales and marketing handled by PBI [for North America] and Mars [for all other geographies].

Tasty Bite Food Service business comprises of diverse customized specialty formed frozen products, sauces and gravies and is a trusted partner to marquee Quick

Service Restaurants (QSR) and cloud kitchen brands across India, South East Asia and Middle East markets.

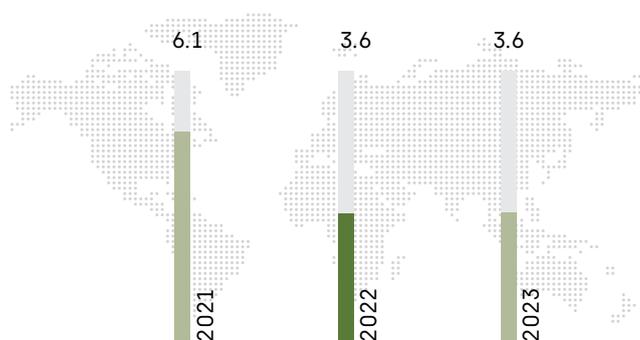
## Global Economy

Businesses were compelled to re-examine their business model to keep up with the changing demand patterns triggered by Covid. This led to a disruption in the supply chain and significant inflation across various countries. The Ukraine war exacerbated the situation.

Owing to pandemic and the war, the IMF has predicted the global economy to grow at only 3.6% in CY 2022. The economies of most of the regions is expected to slow down, owing to the government's tightening of fiscal policies. Rising inflation concerns will continue to be the headwind for economic growth with increase in commodity prices, driven by supply disruptions and geopolitical concerns.

## GDP Growth

[% change]



Source: [World Economic Outlook, April 2022: War Sets Back The Global Recovery \[imf.org\]](https://www.imf.org/en/Publications/WEO/Issues/2022/04/27/wEO2204)

## Indian Economy

According to second advance estimates, Indian GDP growth is estimated to be 8.9%, the highest among major economies. Notwithstanding the worst economic recession, India has shown remarkable recovery. It is currently considered as one of the world's most prominent economic players. Moreover, with the macro and micro economic growth factors in place and majority of the population vaccinated, India is the world's fastest growing major economy<sup>1</sup>.

The government's PLI schemes and increased spending on infrastructure boosted the manufacturing and construction sectors and it's driving the economic

growth. Additionally, with the introduction of 'Amrit Kaal', the union budget FY 2022-23 has strategized a long-term goal of achieving economic growth to achieve macro economic growth while focusing on micro economic welfare of the country.

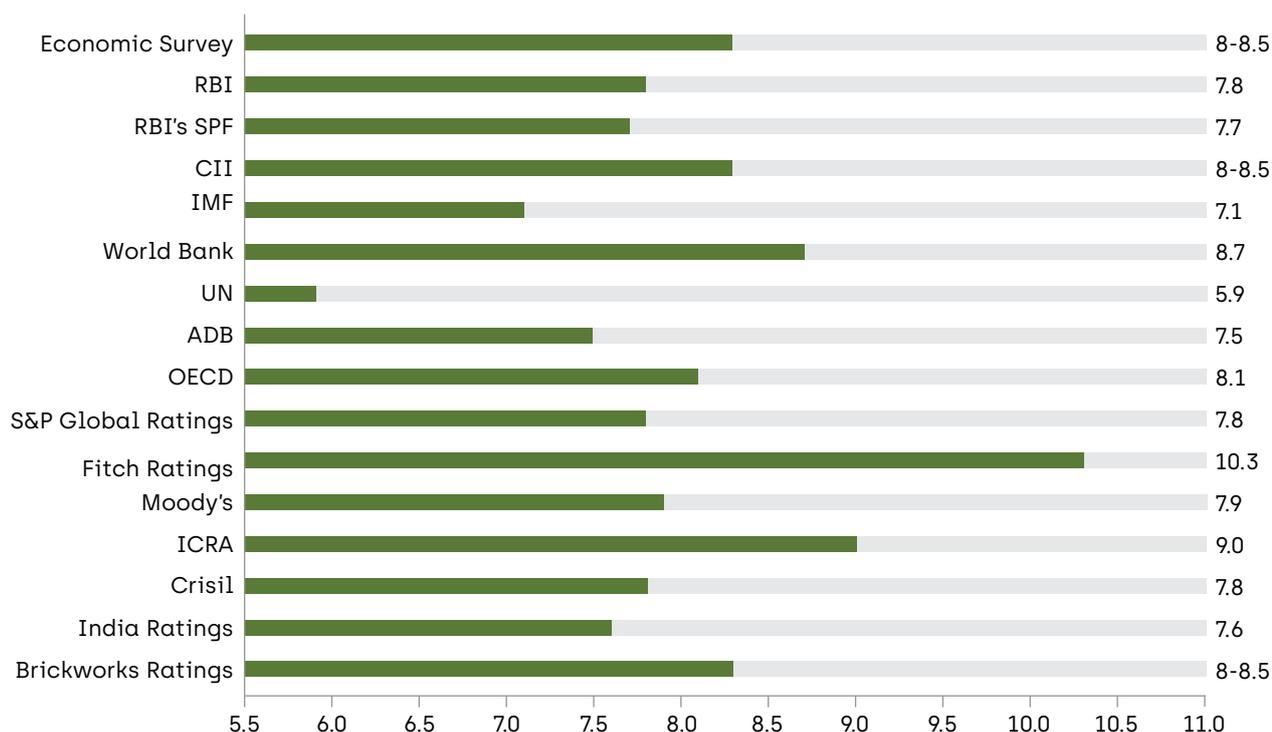
The pandemic has had the least impact on the agriculture sector which has registered a strong growth in FY 2021-22. The sector generated 18.8% of the country's Gross Value Added (GVA) in 2021-22, growing at a rate of 3.9%. Livestock, dairy, and fisheries contributed to the sector's overall growth along with conducive monsoons that resulted in significant harvest crop and an overall output rise.

<sup>1</sup> <https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/1STATEOFTHEECONOMY3692CDF981BA418682A60908EBFBC695.PDF>

# Management Discussion and Analysis [Contd..]

## The Growth Optimism

### Growth forecasts for India's real GDP in 2022-23



Source: centre for monitoring Indian economy Pvt. Ltd.

## Industry Overview

### Global Ready-To-Eat Industry

Ready-to-eat (RTE) meals have become one of the most diverse segments of the global ready-meal business. This can be attributed to shifting consumer expectations for convenient food and rise of food delivery apps. The number of people working in emerging economies have grown significantly along with longer and unpredictable working hours. This created a progressive shift from the conventional daily cooking model and offered convenience to the consumer by lowering the preparation time, making it affordable and causing minimal spoilage. RTE meals are now the go to option for working individuals.

Notwithstanding the toughest times, the demand for RTE surged globally and proved to be very profitable in 2021.

Because of the restricted services in the restaurants, there was a medium-term increase in the use of ready-to-eat products. With most individuals working from home and in quest for healthy food, ready-to-cook food is the closest to home cooked food and could be sold a lot faster than expected in the year under review.

The global market for ready-to-eat foods is estimated to grow at a CAGR of 5.2% from CY 2022-27 and is expected to reach USD 231.4 billion<sup>2</sup>. This is attributable to the evolving lifestyle of people. Rise in nuclear families, diverse employment opportunities (especially for women) and the growing inclination towards plant-based foods, collectively contribute towards a seamless acceptance of ready-to-eat meals.

RTH [ready-to-heat] stands out from other segments in terms of its long shelf life and durable packaging. This provides an easy marketing advantage and enable

<sup>2</sup> [Ready To Eat Food Market Research Report: Market size, Industry outlook, Market Forecast, Demand Analysis, Market Share, Market Report 2021 - 2026 \[industryarc.com\]](https://www.industryarc.com/reports/ready-to-eat-food-market-research-report-2021-2026)

# Management Discussion and Analysis [Contd..]

corporations to sell it in markets outside of the nation of origin and create a global demand. Advancements in packaging technology including the advent of microwave technology, increasing quick-service restaurants (QSR) along with expanding café culture, expansion of internet retailing networks and strong promotional activities by sellers are some of the other growth drivers in the industry.

The North American RTE market is experiencing a rising demand for ready-to-eat meals and is expected to dominate the market between 2022 and 2027. This resulted in the highest share of revenue in 2021.

## Indian Ready-To-Eat Industry

Food manufacturers in India are rapidly integrating ready-to-eat food in their product portfolio to accommodate the changing palate of Indian consumers. This swift change can be attributed to the trend of on-the-go snacking as well as the convenience factor, brought in by the ready-to eat food products.

The market is expected to grow by USD 751.43 million in the period from 2021- 2026, registering a CAGR of 18.63% in the forecast period.<sup>3</sup> A young and working demography along with expanding retail chain industry in India, and new product introductions are some of the major growth drivers.

## Food Service Industry

Indian palate is influenced by multiple cultures and has developed an appetite for diverse cuisines. This provided momentum to restaurants, which are serving cuisines other than Indian cuisine and boosted the Indian food service industry. Owing to this, the industry was valued at INR 4.2 trillion<sup>4</sup> in 2021.

With the pandemic easing out, Indians resumed dining out with full vigour. An estimate of over 45 million people enjoyed going for their favourite eateries. It accounted for 40% rise in average bill, from INR 1,907 in 2020 to INR

2,607 in 2021. Pent-up dining-out demand is considered to be the major cause of this upsurge. The Indian food service industry (FSI) is further expected to see growth by 9% CAGR over the FY2020-25<sup>5</sup>. Gradual increase in income levels, urbanisation, innovative offerings and with the growth of online food delivery and food technology contributes effectively to the growth.

The Indian food service market players are attracting significant interest from domestic as well as international private equity and venture capital funds reflecting the market growth potential. According to the Federation of Indian Chambers of Commerce and Industry (FICCI), among all of FSI's segments, QSR have the fastest growth rate in the country. It is estimated to reach INR 826.37 billion by FY2025<sup>6</sup>, followed by casual dining restaurants<sup>7</sup> and cafes.

The QSR is expected to drive expansion through an operating model that includes centralised commissaries and a strong supply chain to aid better foraying into Tier II and Tier III cities.

## Food Delivery and Cloud Kitchens

The number of takeaway food options have exponentially increased across geographies. This shift was foreseen but the pandemic catalysed the entire change. Even before the lockdowns, the online delivery sector was exploding, driven by convenience and the ability to consume any cuisine from the comfort of home.

The growth in on-demand food delivery is revolutionising the global food business with cloud kitchens playing a significant role. More production is expected to go 'into the cloud', with a rising separation between production facilities and consumer engagement. This separation is attributable to surging demand for freshly made meals.

The cloud kitchen services have several advantages, including the elimination of brick and mortar-related costs and relatively a lesser operating capital. Owing to its ability of delivering more orders than dine-in

<sup>3</sup> Mordor Intelligence

<sup>4</sup> <https://www.theweek.in/news/biz-tech/2021/12/08/future-looks-prosperous-for-food-service-industry-organised-players-witnessing-rapid-growth.html>

<sup>5</sup> [https://www.business-standard.com/article/economy-policy/food-service-industry-expected-to-grow-by-9-cagr-over-fy20-25e-mofs1-121121100356\\_1.html](https://www.business-standard.com/article/economy-policy/food-service-industry-expected-to-grow-by-9-cagr-over-fy20-25e-mofs1-121121100356_1.html)

<sup>6</sup> [https://blog.finology.in/business/future-of-qsr-in-india#:~:text=The%20Quick%20Service%20Restaurant%20\[a.k.a.,%E2%82%B9826.37%20billion%20by%20FY2025.](https://blog.finology.in/business/future-of-qsr-in-india#:~:text=The%20Quick%20Service%20Restaurant%20[a.k.a.,%E2%82%B9826.37%20billion%20by%20FY2025.)

<sup>7</sup> <https://www.mordorintelligence.com/industry-reports/india-foodservice-market>

# Management Discussion and Analysis [Contd..]

restaurants, cloud kitchens can lead to an increased volume and income per square foot. Cloud kitchens have benefited greatly from the rise of smartphones, the expansion of delivery services, changes in consumer expectations and with technological advancements, shift in lifestyle preferences, and upgradation of the value chain. They are poised to create substantial earnings in the coming decade.

By 2030, the global cloud kitchen market is expected to grow by 12.5% annually to USD 13.97 billion<sup>8</sup>. The online food delivery industry was valued at USD 106.1 billion in 2021 and is predicted to grow at a CAGR of 11.44% to USD 223.7 billion by 2027<sup>9</sup>. With the prediction of a situation where most home-cooked meals would be purchased online and delivered from restaurants or central kitchens, it creates a huge opportunity for the food delivery and cloud kitchen services<sup>10</sup>.

## Industry Trends

- **Rapid urbanisation**

Urban settlements offer better employability than villages, thus resulting in significant outflow of people from rural areas to metropolitan areas. With more employment options, Urbanisation resulted in relatively increased disposable income to spend on eating out.

- **Digital marketing**

In today's world, prominent digital presence is extremely important to keep up with the times. Brands across India are thus using digital marketing for affordable yet enhanced consumer reach and generate significant returns. It is also a cost-effective way to increase digital users by providing massive growth opportunities to the food services or cloud kitchens.

- **Maintaining the rent-to-revenue ratio through space optimization**

India has experienced rising real estate prices, owing to the rising demand and the availability of cheap loans. After raw materials, real estate

[rentals] is the second greatest cost component for a food services business. As a result, domestic and foreign firms consider optimising their retail shop space allocation, which is not just restricted to refurbishing the same area for another sub-brand, but also reduces the kitchen size to accommodate the format in a smaller location. The QSR sector is thus transitioning to an omnichannel model; the compact kitchens are enabling brands to operate smaller outlets with decrease in rental costs and more profits.

- **Technological breakthroughs and internet usage**

With mobile devices and cloud computing, technology has infiltrated every area of life. With rapid globalisation and internet exposure, the Indian food industry is rapidly changing. The industry is transforming to a more connected, automated future for everything from preparing, packing, and delivering food to stay relevant.

- **Importance of hygiene and safety**

Post pandemic, people are becoming more concerned about food safety and preparing conditions. ACDR and QSR chains are well equipped with safety and hygiene and expected to increase in the future.

- **Increase in private equity investment**

Over the last few years, India's food services sector has garnered steady private equity investments, with key investments from very renowned firms. Significant growth potential, which is bolstered by demand-side trends such as shifting consumer behaviour towards eating out and expanding women's employment in urban India are some key growth drivers.

To address this surging demand, organisations need to continue providing a diverse selection of offerings which necessitates a multi-format and multi-location expansion of the business. Furthermore, the capital-intensive structure of food services business, which involves extended gestation periods and limits the sector's growth in case of prolonged

<sup>8</sup> <https://www.globenewswire.com/news-release/2022/01/27/2374126/0/en/Virtual-Kitchen-Market-Estimated-to-Gain-USD-13-97-Billion-by-2030-Registering-a-Massive-12-5-CAGR-Report-by-Market-Research-Future-MRFR.html>

<sup>9</sup> <https://www.imarcgroup.com/online-food-delivery-market>

<sup>10</sup> <https://www.toptal.com/finance/growth-strategy/cloud-kitchen>

# Management Discussion and Analysis [Contd..]

liquidity crunches. PE investors are encouraging the Indian food services sector by providing the necessary financing and has been a major growth driver for the sector's constant double-digit growth in India over the previous five years and is expected to fuel future growth as well.

## Tasty Bite's Strengths

**Brand Name:** Tasty Bite is one of the leading brand in North America amongst Indian and Asian prepared foods. In the Indian shelf of prepared foods, the Company own a dominant market share. It is one of the fastest growing brand in the Asian and rice category.

**Management Experience:** The Company's senior and middle management has significant experience in the food industry and a strong understanding of consumer business as well as food service.

**Innovation:** Strong marketing and consumer insights with highly skilled culinary professionals and food technologists make innovation stronger in the Company. Additionally, the innovation team leverages its R&D centre equipped with latest technology.

**Trusted Partner:** The Company partners with leading QSR brands to provide customized product solutions in Formed Frozen Product (FFP) and specialty sauces category.

**Strong Distribution and Marketing:** Tasty Bite RTE is supported by Preferred Brands International Inc. in North America and by Mars Food Corporation for all markets outside of North America. Both these companies have a well-established marketing and distribution network in their respective markets.

**Robust Supply Chain:** The Company is one of the largest organic processors in the country and is backed by a very strong, agile and efficient supply chain.

**Product Quality:** The Company manufactures high quality products for its food service as well as consumer business and is audited by several customers and meets stringent quality standards of several countries including the US, UK, Australia, Germany, France and Canada.

## Competition

The global food industry is a large and highly competitive, evolving industry with consumer trends

and consumption habits. New brands can now be found in the retail store, thus driving competition. In the market, the Company's products compete not only with other Indian ready-to-eat foods but other specialty meal options including other cuisines.

Likewise, in the Company's food service business vertical, there are global and domestic players with advancements and capability to manufacture similar products. Many of them have international relationships, well recognized consumer brands in India and extensive distribution networks. This is also a highly price sensitive market and industry. The Company needs to continuously innovate, enhance its procurement strategies and effectively manufacture to remain ahead of its competition.

## Sustainability

The company aims to be environmentally and socially responsible by the adoption of ecologically sound processes to safeguard the environment while conserving energy and natural resources. It strives to craft sustainable practices for the wellbeing of the planet and the people. The company practices extensive usage of renewable sources to reduce the carbon footprints and underline it's commitment towards the planet. Tasty Bite continues to work for the welfare of people and goes the extra mile to help those in need.

## Strategy

Our strategy and mission statement is to be a socially responsible company that will delight consumers by offering great taste, good value and real convenience achieved through manufacturing and marketing natural, convenient and specialty foods in a knowledge - driven, energetic and fun work environment.

Our endeavor and goal is to make Tasty Bite:

- Synonymous with 'Wholesome Mazaa' & a household name in key global markets
- Brand of choice for the Aspirationals
- Benchmark for Sustainable & Responsible food manufacturing
- Preferred and trusted partner for leading food service brands

# Management Discussion and Analysis [Contd..]

**For the consumer business, following is our growth strategy:**

- **Improve Distribution Points** – Our focus will continue to be increasing reach by adding new channels as well as expand to newer geographies across grocery & club format
- **Lead Innovation** – We would continue to be leaders in category innovation through transition to organic, new line extensions and new formats.
- **Manufacturing partner for Mars** – We will continue to explore opportunities to manufacture different products for Mars Food
- **Increase conversion** – Product sampling and demonstrations, use of focused digital media will increase the consumer base of Tasty Bite brand lovers.

**For the Food Service business, our growth will be enabled through:**

- Value Leadership & Innovation
- International & HoReCa Expansion
- Superior Customer Service
- The food service industry is driven by innovation, value consciousness and customer - supplier partnership.

During the year under review, most brands had a clear focus towards menu innovations, premiumization and nurturing omni-channel customer experience. With opening of markets and travel, eating-out occasions are back to old normal and rising. This gives tremendous opportunities of brand-supplier collaboration, backed by clear winning sentiments of brand loyalty, safety, and consistency. Your company is at the right sweet spot of utilizing the expansion in food service industry, through strong pillars of clean-label, plant-based, innovative, and consistent product offerings.

HoReCa segment is back to its shining glory in the coming years. Various regional and national chains are investing in expanding their footprint as well as their brand-product portfolio. This gives a bright opportunity for 'Tasty Bite XCLUSIVE' to capture the uncharted portion of this larger pie of food service, with the help of a robust and wide sales & distribution network.

## Outlook, Risks and Concerns

Your company intends to continue focusing on both the consumer as well as the food service business. This year witnessed a relatively weaker demand for the consumer business and gradual recovery in the food service business. Over the long term, we are confident of a strong growth in both the verticals.

The underlying risks and concerns that we see in the business:

- With the rise in packaged foods consumption in 2020, several new brands entered the market and competition for shelf-space has increased multi-fold especially in the fast growing ethnic category. There is always uncertainty whether the Company would be able to get its products listed in grocery stores. As new product reviews take place only once or twice a year, any delay in getting listing could impact growth.
- The success of any product or category depends finally on consumer acceptance of the same and new launches may or may not be successful.
- In the short to medium term with possible ease in commodity inflation, there would be immense pricing pressure from our food service customers as they seek lower cost options or discounts on existing products.
- We do not have any long - term contracts with our customers and they could stop purchasing from the Company with little or no notice period. This could negatively impact our revenues and profits.
- This year witnessed unprecedented commodity inflation mainly due to Russia-Ukraine war, causing erosion in overall profitability owing to the limitations of a brand's menu price revisions as well as consumers becoming more price conscious.
- We have a robust forex risk management policy in place and it allows us to hedge movements in foreign currency exchange rates for a period of twelve months. However, we are exposed to risk of fluctuations in foreign currency on our export sales. As we are a net exporter, any long – term strengthening of the Indian rupee would have an adverse impact on our profitability.
- All our raw materials are agricultural commodities that sometimes see significant price volatility

# Management Discussion and Analysis [Contd..]

depending on weather and market conditions. While we do strategic purchases to hedge risk of key commodities, it would not cover all the raw materials that we purchase.

- We have one manufacturing facility for all our products of our consumer and food service business. Any untoward incident beyond our control can impact our ability to fulfill customer orders and our reputation.
- Our products are shipped globally and ocean freight forms a material portion of our total costs. This year too continued to witness disruption in global supply chains and while freight costs increased multi-fold, reliability dipped to an all-time low. This continues to be a challenge in 2022 as well. Some of these risks of ocean freight could impact the company.
- A few of our raw and packing materials are imported and have longer procurement lead times. Changes in exchange rates and any delays on import can impact production schedules and our ability to fulfill orders.
- Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material adverse effect on our business.
- Any shortcoming in the quality of our products could have a financial impact aside from impacting the reputation of the brand.
- We could be the subject of litigation, which if adversely determined, could harm our business and operating results.
- Any changes to import policies and taxes in the countries where we export our products could increase the cost of our products for our consumers which could impact demand.
- We need to invest in manufacturing facilities and physical infrastructure ahead of market demand given the long lead times in creating new capacity. Our profitability could be reduced if our business does not grow proportionately.

## Result of Operations

Detailed category-wise performance of your Company for financial year 2021-22:

Business	*Revenue	Product	Key Markets	Customers
Consumer Business (RTE)	INR 2,513.9 Million (67.56% of total revenue)	Ready - to - Eat food [natural, convenient, ethnic or specialty food segment]	USA, Canada, UK, Germany, Australia	Marketed through affiliates to retail customers
Food Service Business (FFP and Sauces)	INR 1,207.0 Million (32.44% of total revenue)	Formed Frozen Product and Specialty Sauces	QSRs, Cloud Kitchens in India, South East Asia and Middle East	

\*Excludes other income

## Financial performance

Particulars	FY 2021-22	FY 2020-21	% Change
Revenue from Operation	3,720.91	3,853.13	-3.43%
Other Income	134.69	189.76	-29.02%
EBITDA	470.46	727.65	-35.35%
Finance Cost	82.85	30.25	173.88%
Depreciation & Amortization Expense	242.85	171.65	41.48%
Income Tax	41.48	132.33	-68.65%
PAT	103.28	393.42	-73.75%

# Management Discussion and Analysis [Contd..]

Your Company revenues de-grew by 5% over the previous year. The export business de-grew 17% on account of lower volume due to inventory correction at PBI and touched a revenue of INR 2,513.9 million.

The Tasty Bite Food Service (TFS) business grew 43%, as FY 2021 was impacted on account of shut down of stores due to nationwide lockdown. Our Food Service Business (TFS) touched revenue of INR 1,207.0 million.

Overall revenue from both businesses touched INR 3,855.6 million including other income.

Material cost in the year increased by 360 bps over previous year to 63.8% of revenue mainly on account of higher commodities rate impact, lower incentive income in current year and business mix impact.

EBITDA landed at 12.2% of revenues (de-growth of 35.4% over the previous year on account of lower revenues, higher material cost and lower export incentive income in current year).

During FY'22 Profit before tax (PBT) was INR 144.8 million as against INR 525.8 million in FY'21. Profit after tax decreased by 73.8% to INR 103.3 million from INR 393.4 million in FY'21.

Other comprehensive income records the remeasurement gains/ losses on our defined benefit plan (gratuity) and the mark to market gain / loss on the effective portion of cash flow hedges taken by the Company to hedge its forex exposure, net of taxes. There was an actuarial gain, net of taxes of INR 3.8 million as compared to INR 0.3 million in FY'21 and mark to market gain, net of taxes on effective portion of cashflow hedges of INR 3.7 million as compared to INR 46.2 million in FY'21.

## Financial ratios

Particulars	FY 2021-22	FY 2020-21
Current Ratio [in times]	1.51	1.66
Debt-Equity Ratio [in times]	0.34	0.51
Adjusted Debt Equity Ratio [in times]	0.32	0.35
Debt Service Coverage Ratio [in times]	1.52	1.28
Interest Coverage Ratio [in times]	2.75	18.38
Return on Equity Ratio [in %]	4.8%	19.0%
Inventory turnover ratio [in times]	5.49	5.98
Trade Receivables turnover ratio [in times]	6.84	6.92
Trade payables turnover ratio [in times]	6.73	7.94
Net capital turnover ratio [in times]	6.96	4.84
EBITDA Margin [in %]	12.2%	18.0%
Net profit ratio [in %]	2.7%	9.7%
Return on Capital employed [in %]	7.0%	21.1%
Return on Net Worth [in %]	4.8%	19.0%

## Sources and uses of funds

As at 31 March 2022, the Company had three long - term foreign currency loans - two from Japanese banks (one from Mizuho Bank Ltd. and one from MUFG Bank Ltd.) and third from Mars Netherlands with a total outstanding balance of USD 6.8 million (INR 515.4 million).

These loans have maturity of eight years with an interest cost of 3 months Libor + 0.90% on two loans from banks and 2.2% fixed on loan from Mars Nederland's. The Company has entered into an interest rate swap (IRS) agreement with Japanese banks to convert the floating

rate liability of these loans into a fixed rate liability. As at 31 March 2022 the IRS has a mark to market gain of INR 0.8 million.

During the year, the Company has also availed short term working capital borrowing in the form of packing credit in foreign currency from Mizuho Bank for meeting its working capital requirements, as at 31 March 2022 an amount of USD 3.0 million (INR 227.7 million) is outstanding.

Total net property, plant & equipment (including capital work-in-progress and Intangible assets) stood at INR

# Management Discussion and Analysis [Contd..]

1,917.4 million vs INR 1,545.8 million in the previous year. Assets that were capitalized during the year (net of disposals) totaled INR 313.2 million.

## Supply Chain

While 2020-21 was one of the most challenging years ever for supply chain globally, the real impact of disruptions unfolded in 2021-22 due to continuous uncertainties and devastating Covid waves in India and other parts of the world.

Predicting business certainties became even more difficult with lockdowns being imposed again in several parts of the world including India leading to a huge supply side shock. This resulted into a significant food commodity inflation worldwide. Your company did well in managing the commodity inflation through a mix of hedging strategies worked through a significant commodity and business insights.

While we saw considerable improvement in labour supply situation, we kept on having multiple challenges on materials front. We saw extreme swings in demand as we saw our exports demand plummeting in Q2 & Q3 led by customers inability to predict consumer demand behaviour. We continue to work on challenging tasks on managing inventories and adapt the supply model to minimise impact to the organisation.

Global logistics situation had never been so unreliable as we saw in 2021-22 with the largest of shipping lines operating at their lowest reliability factor even when the shipping costs went up multiple times. Your company did good under such circumstances through hedging and protecting the bottom line.

We continue to work with customers and supplier partners to have a better predictability to manage our inventory situation in a much effective manner amidst a significant increase in the suppliers lead times.

We expect long term disruptions in supply chains to continue even in 2022 and learn to proactively manage the emerging risk in changing world supply demand pattern.

## Human Source

During the year 2021-2022, inspite of ups and down in & around Tasty Bite, Human Resource function continued to follow its strategy **“to be an engine for instituting**

**values and a Performance-driven culture”** in your Company by articulating the future-back capabilities in talent management & development. The prime focus was on the concept of transformational leadership which could inspire positive changes and new leadership concepts, motivating and energising the leaders of tomorrow. During the year, Human Resource continued to engage Associates with several On-line & Off-line **employee engagement activities** and also introduced the digitisation of its entire HR processes to help employees to feel the ease in accessing and using Companies policies and processes.

Industrial relations of your Company continued to be cordial and peaceful. Total personnel employed in the Company were 250 as on 31 March 2022. Various learning and growth opportunities for the Associates were organised to help the them build their capabilities and be aligned with Organisational changes. Awareness workshops were conducted to help the people on post covid medical care. We set up series of vaccination camp to ensure 100% associates including our contractual associates to be vaccinated. Our team was engaged not only to keep our associates & their family safe but has done a commendable work to ensure medical help reaches to the people of surrounding community, assisting govt authorities & local hospital in fighting the covid with medicines and medical accessories. As every year, this year also, the Company recognised its 180 Associates which included its contractual Associates and vendor partner with various Rewards and Recognition during the Annual day conducted in February 2022.

Owing to continued effort, the Head of Human Resources, Ms Anila Thomas, Dy. General Manager was honoured with a special **“HR Leader Award 2021-2022”** by the Great Place to Work Institute, India for her **‘Commitment To Creating a Great Place to Work!’**

## Quality

The Company's stated mission for quality is to “rise beyond certifications”. Consequently, the Company's own Quality Management system is designed to ensure Excellence in Quality which spans our entire business defining quality requirement for design, procurement, manufacture, sales and distribution, and listening and responding to the voice of the consumer and customer. The Company is committed to manufacture high quality products, while ensuring highest standards in food

# Management Discussion and Analysis [Contd..]

safety, in full compliance with all legal and regulatory requirement in the markets in which our products are sold.

In keeping with industry requirements, the Company continues to be certified for the following certifications:

- ISO 14001:2015 [Environmental Management Systems]
- ISO 45001:2018 [Occupational Health and Safety Management System]
- FSSC 22000 v5.1 [Global Standard for Food Safety System Certification]
- India Organic NPOP
- USDA Organic NOP
- Indonesia Halal MUI
- Kosher India

The Company also adheres to the highest levels of compliance with CT-PAT [Customs Trade Partnership against Terrorism] standards, which gives the company an advantage for smooth exports to US, our most important market.

## Compliance, Finance, Accounts, and Internal Financial Controls:

Finance and accounting team work with all the other functions to continually increase the intrinsic value of the business and institute strong and effective financial and management control systems in day-to-day operations.

The Company has a comprehensive ERP system to manage its operations and record its financial transactions. It has implemented additional system tools to manage stores, spares and consumables procurement that also ties in with the ERP system.

Your Company attaches significant importance on frequently testing internal control systems, risk assessment and management of operating risks. These risks are actively managed by the Management Committee [Management Committee] through robust reviews and strong internal processes. This internal control structure also has considerable oversight and is monitored by an external set of auditors, both statutory and internal. Your Company's internal controls

commensurate with the nature of the business and size and complexity of its operations.

Some significant aspects covered in the internal control framework include:

- Standard Operating Procedures and Risk Control Matrix for all business processes to ensure effective internal financial control;
- Oversight by an Audit Committee carried out by an experienced and qualified firm of Chartered Accountants;
- End to end integration of ERP system across supply chain, manufacturing and sales processes;
- Review and approval of annual operative and capital expenditure budget and monthly monitoring of actual spend;
- Regular review of key business risks such as new product development, foreign exchange management, commodity risk management, financial reporting;
- Legal framework w.r.t. compliances applicable to the Company. Company has implemented compliance tool in factory and head office;
- For overall supervision of controls, your Company has a Management Committee [MCom] to take key business decisions.

The statutory auditors have issued an unmodified audit report with emphasis of matter, on account of recent whistleblower allegations and investigation made thereon. Qualified opinion by auditors are made on the internal financial control report of the Company w.r.t. the on-boarding process of certain small and medium sized capital expenditure vendors.

The Company has started taking corrective actions on the same. Vendor onboarding system is modified by taking additional documents and Standard Operating Procedure [SOP] updation.

The Audit Committee and Independent Directors believe that the internal financial control commensurate with nature and size of the organization and complexity of the business.

# Management Discussion and Analysis [Contd..]

## Sustainability:

Entire portfolio of Organic products is based on sustainability concept. More than 50% of Consumer Business Portfolio is Organic.

Also, Company uses around 16% of its total energy from renewable sources. Biogas- 1%; Solar-7% and Windmill- 8% of total power.

The Company uses biomass fuel in boilers to generate steam. This means the company uses 75% of renewable energy of its total energy consumption.

Plus, the Company ensures zero water wastage. 100% water from Effluent Treatment Plant (ETP) is utilised by the Company in its own farm. The Company also has in place "rain water harvesting" system.

Company's organic farm has 'Sustainability Center' and the Training & Development lab for farmer extension programmes wherein we interact with a large community of farmers and exchange information and learnings on modern organic farming techniques and sustainable practices.

## Corporate Social Responsibility:

Tasty Bite Foundation acts as CSR arm of the Company. Tasty Bite Foundation has partnered with 2 agencies -

1. Krishi Vigyan Kendra (KVK) for agricultural and soil & water conservation and
2. American India Foundation (AIF) for skill entrepreneurship.

With KVK, the Company has built mati (clay) dams and cement dams in nearby villages of Daund, Pune. The Company also helped farmers with crop rotation which has helped them increase their income. Plus, secondary income source is created by poultry farming help provided by the Foundation to the farmers.

With AIF, the Company arranged for 3 skill development programmes on Computer training and tailoring classes for women in nearby area.

## Cautionary Statement

Statements in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward looking statements' within the meaning of applicable securities law and regulations. Actual results may differ materially from those expressed or implied.

Important factors that could make a difference to results include economic conditions affecting demand / supply, price conditions in domestic and overseas markets in which the Company operates, competitive pressures in these markets, changes in government regulations, tax laws and other statutes and incidental factors.

## Appreciation

The Company's Directors wish to express their sincere appreciation for the co - operation received from the banks, government authorities, customers, vendors and suppliers during the FY 22. The Directors would also like to acknowledge the contribution of its parent, Preferred Brands International Inc. in the role of the marketing company in growing and developing the business in all international markets. To record a deep sense of appreciation, the Directors acknowledge the significant contribution made by each & every employee of the Company. The Directors are also thankful to all stakeholders for their continued patronage.

By Order of the Board of Directors  
**Tasty Bite Eatables Limited**

**Ashok Vasudevan**  
Chairman  
DIN: 00575574

Date: 10 August 2022  
Place: Pune

# Annexure A

**Form No. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**[As on financial year ended on 31 March 2022]**  
**[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Company**  
**(Management & Administration) Rules, 2014]**

## I. REGISTRATION AND OTHER DETAILS:

1	Corporate Identity Number	L15419PN1985PLC037347
2	Registration Date	02 September 1985
3	Name of the Company	Tasty Bite Eatables Limited
4	Category/Sub - category of the Company	Company Limited by Shares / Indian Non - Government Company
5	Address of the registered office & contact details	201 - 202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune – 411 005/ 020 - 3021 6000
6	Whether listed company	Yes / No
7	Name, Address and contact details of Registrar & Transfer Agent, if any	KFin Technologies Limited Address: Karvy Selenium, Tower B, Plot 31 - 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Phone No.: +91 040 - 67162222; 1800 - 309 - 4001 Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:;

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sr. No	Name and description of main products / services	NICCodeof the Product/ service	% to total turnover of the company
1	Ready - to - eat food products	107	67.56 %
2	Frozen food products and sauces	107	32.44%

## III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name and Address of the Company	CIN/GLN	Holding Subsidiary/ Associate	% of shares held	Applicable Section
Preferred Brands Foods (India) Private Limited Regd. Off.: Off. No. 1401, 1402, 14 <sup>th</sup> Floor, F Wing, Lotus Corporate Park, Graham Firth Steel Compound, Goregaon (E), Mumbai 400 063	U15400MH1998PTC113768	Holding	74.22	2 [46]
Effem Holdings Ltd. Regd.Off.:3DDundeeRoad, Slough, SL1 4LG, United Kingdom	-	Holding	0.01	2[46]

## IV.SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity):

### i) Category - wise share holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>[A] Promoters</b>									
[1] Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	1,904,510	-	1,904,510	74.22	1,904,510	-	1,904,510	74.22	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub - total [A] [1]:</b>	<b>1,904,510</b>	<b>-</b>	<b>1,904,510</b>	<b>74.22</b>	<b>1,904,510</b>	<b>-</b>	<b>1,904,510</b>	<b>74.22</b>	<b>-</b>
[2] Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	300	-	300	0.01	300	-	300	0.01	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub - total [A] [2]:</b>	<b>300</b>	<b>-</b>	<b>300</b>	<b>0.01</b>	<b>300</b>	<b>-</b>	<b>300</b>	<b>0.01</b>	<b>-</b>
<b>Total shareholding of Promoter [A] = [A] [1]+[A][2]</b>	<b>1,904,810</b>	<b>-</b>	<b>1,904,810</b>	<b>74.23</b>	<b>1,904,810</b>	<b>-</b>	<b>1,904,810</b>	<b>74.23</b>	<b>-</b>
<b>[B] Public Shareholding</b>									
[1] Institutions									
a) Mutual Funds	12,985	-	12,985	0.51	6,351	-	6,351	0.25	[0.26]
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (FPI)	93,353	-	93,353	3.64	94,258	-	94,258	3.67	0.03
<b>Sub - total [B][1]: -</b>	<b>106,338</b>	<b>-</b>	<b>106,338</b>	<b>4.15</b>	<b>100,609</b>	<b>-</b>	<b>100,609</b>	<b>3.92</b>	<b>[0.23]</b>
[2] Non - Institutions									
a) Bodies Corp.									
i) Indian	40,144	300	40,444	1.58	45,766	300	46,066	1.80	0.22
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto INR 0.1 million	283,134	37,074	320,208	12.48	294,434	28,522	322,956	12.59	0.11
ii) Individual shareholders holding nominal share capital in excess of INR 0.1 million	113,332	-	113,332	4.42	113,343	-	113,343	4.42	[0.00]
c) Others									
Directors and relatives	-	-	-	-	-	-	-	-	-
Non Resident Indians	9,108	-	9,108	0.35	9,316	-	9,316	0.36	0.01
IEPF	42,441	-	42,441	1.65	39,341	-	39,341	1.53	[0.12]
Clearing members	2,352	-	2,352	0.09	2,101	-	2,101	0.08	[0.01]
Trust	118	-	118	0.00	100	-	100	0.00	0.00
NRI Non - Repatriation	4,903	-	4,903	0.19	6,768	-	6,768	0.27	0.08
Alternative Investment Fund	21,946	-	21,946	0.86	20,590	-	20,590	0.80	[0.06]
<b>Sub - total [B][2]: -</b>	<b>517,478</b>	<b>37,374</b>	<b>554,852</b>	<b>21.62</b>	<b>531,759</b>	<b>28,822</b>	<b>560,581</b>	<b>21.85</b>	<b>0.23</b>
<b>Total Public Shareholding [B]=[B] [1] + [B][2]</b>	<b>623,816</b>	<b>37,374</b>	<b>661,190</b>	<b>25.77</b>	<b>632,368</b>	<b>28,822</b>	<b>661,190</b>	<b>25.77</b>	<b>0.00</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs									
<b>GrandTotal(A+B+C)</b>	<b>2,528,626</b>	<b>37,374</b>	<b>2,566,000</b>	<b>100.00</b>	<b>2,537,178</b>	<b>28,822</b>	<b>2,566,000</b>	<b>100.00</b>	<b>0.00</b>

**ii) Shareholding of Promoter:**

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Preferred Brands Foods [India] Private Limited	1,904,510	74.22	-	1,904,510	74.22	-	-
Effem Holdings Ltd.	300	0.01	-	300	0.01	-	-
<b>Total</b>	<b>1,904,810</b>	<b>74.23</b>	<b>-</b>	<b>1,904,810</b>	<b>74.23</b>	<b>-</b>	<b>-</b>

**iii) Change in Promoters' shareholding (please specify, if there is no change):**

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Preferred Brands Foods [India] Pvt Ltd:</b>				
At the beginning of the year	1,904,510	74.22	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease [e.g. allotment / transfer / bonus/ sweat equity etc.]	No change		-	-
At the end of the year	-	-	1,904,510	74.22
<b>Effem Holdings Ltd:</b>				
At the beginning of the year	300	0.01	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease [e.g. allotment /transfer / bonus/ sweat equity etc.]	No change		-	-
At the end of the year	-	-	300	0.01

iv) Shareholding Pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs) as on 31 March 2022:

For each of the top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Jupiter India Fund</b>				
At the beginning of the year	73,774	2.88	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	(1,275)	(0.05)	-	-
At the end of the year	-	-	72,499	2.83
<b>Investor Education and Protection Fund Authority</b>				
At the beginning of the year	42,441	1.65	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	(3,100)	(0.12)	-	-
At the end of the year	-	-	39,341	1.53
<b>Mukul Mahavir Prasad Agrawal</b>				
At the beginning of the year	30,130	1.17	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	-	-	-	-
At the end of the year	-	-	30,130	1.17
<b>Tanvi Jignesh Mehta</b>				
At the beginning of the year	30,008	1.17	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	11	(0.00)	-	-
At the end of the year	-	-	30,019	1.17
<b>Prasoon Bhatt</b>				
At the beginning of the year	27,000	1.05	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	-	-	-	-
At the end of the year	-	-	27,000	1.05
<b>Rahul Kayan</b>				
At the beginning of the year	26,194	1.02	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	-	-	-	-
At the end of the year	-	-	26,194	1.02
<b>C Mackertich Private Limited</b>				
At the beginning of the year	25,900	1.01	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	-	-	-	-
At the end of the year	-	-	25,900	1.01
<b>Sundaram India Premier Fund</b>				
At the beginning of the year	20,590	0.80	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	-	-	-	-
At the end of the year	-	-	20,590	0.80
<b>Parul Prasoon Bhatt</b>				
At the beginning of the year	19,800	0.77	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	(3600)	(0.14)	-	-
At the end of the year	-	-	16,200	0.63
<b>Jupiter South Asia Investment Company Limited</b>				
At the beginning of the year	14,516	0.57	-	-
Net Transactions (purchase / sale) during the year (01 April 2021 – 31 March 2022)	1238	0.05	-	-
At the end of the year	-	-	15,754	0.61

## v) Shareholding of directors and key managerial personnel - Not Applicable:

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	-	-	-	-
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	(no change)		-	-
At the end of the year	-	-	-	-

## V INDEBTEDNESS - Indebtedness of Company including interest outstanding/accrued but not due for payment

(Amount in INR)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	-	1,063,520,819	-	1,063,520,819
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2,355,342	-	2,355,342
<b>Total (i+ii+iii)</b>	-	<b>1,065,876,161</b>	-	<b>1,065,876,161</b>
Change in Indebtedness during the financial year				
Addition	-	640,436,889	-	640,436,889
Reduction	-	963,252,055	-	963,252,055
<b>Net change</b>	-	<b>[322,815,166]</b>	-	<b>[322,815,166]</b>
Indebtedness at the end of the financial year				
i) Principal Amount	-	743,060,995	-	743,060,995
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2,217,815	-	2,217,815
<b>Total (i+ii+iii)</b>	-	<b>745,278,810</b>	-	<b>745,278,810</b>

Note: Statement includes re - instatement gain / loss also

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

## A Remuneration to Managing Director / Whole Time Director (WTD):

(Amount in INR)

Particulars of Remuneration	Mr. Gaurav Gupta WTD (01.01.2022 onwards)	Mr. Abhijit Upadhye Managing Director (till 31.12.2021)
1 Gross salary		
(a) Salary as per provisions contained in section 17(1) of the Income - tax Act, 1961	1,618,848	17,597,049
(b) Value of perquisites u/s 17(2) Income - tax Act, 1961	268,606	171,483
(c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961	-	-

[Amount in INR]

Particulars of Remuneration		Mr. Gaurav Gupta WTD (01.01.2022 onwards)	Mr. Abhijit Upadhye Managing Director (till 31.12.2021)
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify -	-	-
	- Performance Linked Incentive	-	-
	- Provident fund	91,800	910,800
	- Leave encashment	-	3,084,004
	- Petrol reimbursement	-	-
	- Gratuity	-	-
	<b>Total (A)</b>	1,979,254	21,763,336
	Ceiling as per the Companies Act 2013	NA as special resolution approval taken from shareholders	

**B. Remuneration to other directors:**

[Amount in INR]

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Kavas Patel	Dr. Chengappa Ganapati	Ms. Rama Kannan	
1	Independent Directors				
	Fee for attending board, committee meetings	450,000	550,000	350,000	1,350,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	450,000	550,000	350,000	1,350,000
2	Other Non - Executive Directors				
	Fee for attending board, committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify (remuneration)	-	-	-	-
	Total (2)	-	-	-	-
	<b>Total (B) = [1+2]</b>	<b>450,000</b>	<b>550,000</b>	<b>350,000</b>	<b>1,350,000</b>
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall ceiling as per the Act</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

No remuneration paid to non-executive directors viz; Mr. Ashok Vasudevan, Ms. Dawn Allen and Mr. Sukhdev David Dusangh during the financial year.

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:**

[Amount in INR]

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Ms. Minal Talwar [Company Secretary]	*Mr. Gaurav Gupta [Chief Financial Officer]	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income - tax Act, 1961	1,615,956	4,856,544	6,472,500
	(b) Value of perquisites u/s 17(2) Income - tax Act, 1961	166,644	1,144,798	1,311,442
	(c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961 [provident Fund, Leave encashment, drivers salary]	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others	-	-	-
5	Others, please specify	-	-	-
	- Provident Fund	93,600	275,400	369,000
	- Leave encashment	75,255	336,247	411,502
	<b>Total</b>	<b>1,951,455</b>	<b>6,612,989</b>	<b>8,564,444</b>

\* Remuneration as CFO received till 31 December 2021.

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:** NIL under Companies Act, 2013 and Securities Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015.By Order of the Board of Directors  
**Tasty Bite Eatables Limited**Date: 10 August 2022  
Place: Pune**Ashok Vasudevan**  
Chairman  
DIN: 00575574

# Annexure B

## INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI [Listing Obligations and Disclosure Requirements] REGULATIONS, 2015

**To**  
**The Members of Tasty Bite Eatables Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 01 May 2018.
2. We have examined the compliance of conditions of Corporate Governance by **Tasty Bite Eatables Limited** ["the Company"], for the year ended 31 March 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015 as amended from time to time ["Listing Regulations"] pursuant to the Listing Agreement of the Company with Stock Exchanges.

### Management's Responsibility

- 3 The compliance of conditions of Corporate Governance as stipulated under the Listing Regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

### Auditors' Responsibility

- 4 Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 5 Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31 March 2022.
- 6 We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes [Revised 2016]

and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India [the "ICAI"], in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

- 7 We have complied with the relevant applicable requirements of the Standard on Quality Control [SQC] 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

- 8 In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
- 9 We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on use

- 10 The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **BSR & Associates LLP**  
*Chartered Accountants*  
 Firm's Registration No.:116231W/W-100024

**Raajnish Desai**  
 Partner

Place: Pune  
 Date: 27 May 2022

Membership No. 101190  
 UDIN: 22101190AJSGZO2538

# Annexure C

## Secretarial Audit Report

To,  
The Members,  
**Tasty Bite Eatables Limited,**  
CIN L15419PN1985PLC037347  
201-202, Mayfair Tower,  
Wakdewadi, Shivajinagar,  
Pune – 411005

Our Secretarial Audit Report, for the financial year 2021-22 is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedure followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

**For PAREEK V. R. & ASSOCIATES**  
Practicing Company Secretaries  
Firm Unique Code: S2017MH498500

**VINEET RAMOO PAREEK**  
PROPRIETOR  
M.NO. – A49730  
C.P. NO. – 18556

Date: 27 May 2022  
Place: Pune

# Secretarial Audit Report (Contd..)

## Form No. MR – 3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
[Appointment and Remuneration Personnel Rules, 2014]

To,  
The Members,  
**Tasty Bite Eatables Limited,**  
CIN L15419PN1985PLC037347  
201-202, Mayfair Tower,  
Wakdewadi, Shivajinagar,  
Pune – 411005

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **Tasty Bite Eatables Limited (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the Financial Year ended on **31st March, 2022**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute book, and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India [Substantial Acquisition of Shares and Takeovers] Regulations, 2011;
  - b) The Securities and Exchange Board of India [Prohibition of Insider Trading] Regulations, 2015;
  - c) The Securities and Exchange Board of India [Issue of Capital and Disclosure Requirements] Regulations, 2018 [**Not Applicable to the Company during the Audit Period**];
  - d) The Securities and Exchange Board of India [Share Based Employee Benefits] Regulations, 2014 [**Not Applicable to the Company during the Audit Period**];
  - e) The Securities and Exchange Board of India [Issue and Listing of Debt Securities] Regulations, 2008 [**Not Applicable to the Company during the Audit Period**];
  - f) The Securities and Exchange Board of India [Registrars to an Issue and Share Transfer Agent] Regulations, 1993 regarding the Companies Act and dealing with client [**Not Applicable to the Company during the Audit Period**];
  - g) The Securities and Exchange Board of India [Delisting of Equity Shares] Regulations, 2009 [**Not Applicable to the Company during the Audit Period**];
  - h) The Securities and Exchange Board of India [Buyback of Securities] Regulations, 2018 [**Not Applicable to the Company during the Audit Period**];

# Secretarial Audit Report [Contd..]

- i) The Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015
- (vi) The Management has identified and confirmed the following laws as specifically applicable to the Company:
  - i. Food Safety and Standards Act, 2006 and Rules 2011 with allied rules and regulations.
  - ii. Standards of Weights and Measures Act, 1956 with allied rules and regulations.
  - iii. The Legal Metrology Act, 2009;
  - iv. The Legal Metrology (Packaged Commodities) Rules, 2011;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regards to Meeting of Board of Directors [SS-1] and General Meetings [SS-2] issued by the Institute of Company Secretaries of India;
- (ii) SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. During the period under review, Mr. Abhijit Upadhye – Managing Director resigned with effect from 31 December 2021 and Mr. Gaurav Gupta was appointed as Whole Time Director of the Company with effect from 01 January 2022.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent seven days in advance, and a system exists for seeking and obtaining further

information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Wherever, prescribed advance notice is not served, permission for shorter consent for conducting the meeting was taken as prescribed under the Companies Act, 2013 and other regulations.

- All decisions at Board Meetings and Committee Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be;
- During the year under review, the company has received One [1] Whistle Blower complaint. The Board and the Senior Management received 4 anonymous letters. The Company appointed an external independent agency for internal review of the Whistle Blower complaint. As on date of this report, the complaint is under investigation. In view of the ongoing investigation, we are unable to form an opinion on the matter.

**I further report that** based on review of compliance mechanism established by the Company, I am of the opinion that there are adequate systems and processes in place in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules regulations and guidelines.

- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the audit period there were no following specific events/actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

**For PAREEK V. R. & ASSOCIATES**  
 Practicing Company Secretaries  
 Firm Unique Code: S2017MH498500

**VINEET RAMOO PAREEK**  
 PROPRIETOR  
 M.NO. – A49730  
 C.P. NO. – 18556  
 UDIN: A049730D000438976

Date: 27 May 2022  
 Place: Pune

# Annexure D

## Energy, Technology and Foreign Exchange Earnings & Outgo

### A CONSERVATION OF ENERGY:

#### i) Steps taken or impact on Energy Conservation

- Company continues to use VFD (Variable Frequency drive) to drive power savings in cold store.
- Company continues to use briquettes as a measure for energy conservation.
- Biogas plant installed in factory to generate energy.
- Solar panels have been installed on the roof top of the Company.

#### ii) Steps taken by the company for utilizing alternate sources of energy: The Company is availing wind power energy and energy generated by biogas plant, solar panels a non - conventional source of energy for utilization in operations of the Company.

#### iii) Capital investment on energy conservation equipment: Nil

### B TECHNOLOGY ABSORPTION:

i	Efforts made towards technology absorption	Company has an accredited R&D center (TBRC) that is continuously engaged in research on new and innovative products, both for export and domestic market. TBRC's research and expertise ensures that Company can provide "Great taste, Good value and Real Convenience" to its customers worldwide. Innovation coupled with expertise, and quality enables to serve natural, convenient and specialty foods to its customers.
ii	Benefits derived like product improvement, cost reduction, product development or import substitution;	Successful development of innovative products in domestic and export market accomplished through expertise and research in specific areas. Technology adoption helped import substitution thereby reducing cost and also product development.
iii	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	No imported technology
iv	Expenditure incurred on Research and Development: Capital (in INR '000) Recurring (in INR '000) <b>Total (in INR '000)</b> <b>Total R&amp;D expenditure as % of total turnover</b>	 0.00 27,003.68 27,003.68 0.70%

### C FOREIGN EXCHANGE ACTUAL INFLOW AND OUTFLOWS:

Particulars	[INR in Million]	
	FY 2021 - 22	FY 2020 - 21
Inflows	2,455.24	3,127.13
Outflows	505.78	737.79

Date: 10 August 2022  
Place: Pune

**Ashok Vasudevan**  
Chairman  
DIN: 00575574

# Annexure E

## Annual Report on CSR Activities

[Pursuant to section 135 of the Companies Act, 2013]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web - link to the CSR policy and projects or programmes:

Company has duly adopted CSR Policy which is available on website of the Company at [www.tastybite.co.in](http://www.tastybite.co.in). CSR Policy concentrates on 4 major areas - sustainable agriculture, disaster relief, education and health. During financial year 2021 - 22, the Company continued to work on project in all the field mentioned above, Company would focus on major areas highlighted in its policy or any other area as mentioned under the Companies Act, 2013. Also refer [www.tastybitefoundation.com](http://www.tastybitefoundation.com) for Tasty Bite Foundation website in relation to work carried on for CSR Activities.

2. The Composition of the CSR Committee:

The composition of the Committee and the attendance by the Committee Members are as follows:

Sr. No.	Name of the Director	Position	Category	No. of Meetings	
				Held	Attended
1	Mr. Kavas Patel	Chairman	Independent	3	3
2	Mr. Abhijit Upadhye [till 31.12.2021]	Member	Executive	2	2
3	Mr. Ashok Vasudevan	Member	Non Executive	3	3
4	Dr. Chengappa Ganapati	Member	Independent	3	3
5	Ms. Rama Kannan	Member	Independent	3	1
6	Mr. Gaurav Gupta [from 01.01.2022]	Member	Executive	1	1

3. Provide the web - link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company [www.tastybite.co.in](http://www.tastybite.co.in)
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub - rule (3) of rule 8 of the Companies [Corporate Social responsibility Policy] Rules, 2014, if applicable (attach the report) Not Applicable
5. Details of the amount available for set off in pursuance of sub - rule (3) of rule 7 of the Companies [Corporate Social responsibility Policy] Rules, 2014 and amount required for set off for the financial year, if any Not applicable since the Company has spent the required amount during each particular year.
6. Average net profit of the company as per section 135(5) INR 535.63 million
7. (a) Two percent of average net profit of the company as per section 135(5) Total amount to be spent was INR 10.71 million
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years -
- (c) Amount required to be set off for the financial year, if any -
- (d) Total CSR obligation for the financial year [7a+7b+7c] INR 10.71 million
8. (a) CSR amount spent or unspent for the financial year Spent: INR 10.71 million  
Unspent: NIL

[INR in Million]

Total amount spent in FY 2021-22	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
10.71	-	-	-	-	-

## (b) Details of CSR amount spent against ongoing projects for the financial year:

(INR in Million)

[1] Sr. No.	[2] Name of the Project	[3] Item from the list of activities in Schedule VII to the Act	[4] Local area [Yes/No]	[5] Location of the project		[6] Project duration	[7] Amount allocated for the project [in INR]	[8] Amount spent in the current financial Year [in INR]	[9] Amount transferred to Unspent CSR Account for the project as per Section 135(6) [in INR]	[10] Mode of Implementation - Direct [Yes/No]	[11] Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1	Krishi Vigyan Kendra (KVK)	Schedule VII, Item iv [ensuring environmental sustainability]	Yes	Maharashtra	Pune	28 months	8.47	8.47	Nil	No	Tasty Bite Foundation	CSR00004096
2	Rural development [AIF]	Schedule VII, Item x [Rural development projects]	Yes	Maharashtra	Pune	28 months	1.00	1.00	Nil	No	Tasty Bite Foundation	CSR00004096
Total							9.47	9.47				

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(INR in Million)

[1] Sr. No.	[2] Name of the Project	[3] Item from the list of activities in Schedule VII to the Act	[4] Local area [Yes/No]	[5] Location of the project		[6] Amount spent for the project [in INR]	[7] Mode of implementation on - Direct [Yes/No]	[8] Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Covid 19 relief	Covid relief	Yes	Maharashtra	Pune	6.49	No	Tasty Bite Foundation	CSR00004096
2	Covid 19 relief	Covid relief	Yes	Maharashtra	Pune	0.37	Yes	-	-
Total						6.86			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent in financial year (8b+8c+8d+8e): INR 16.33 million [out of which INR 10.71 million contributed by Tasty Bite Eatables Limited in FY 2021-22]

(g) Excess amount for set off, if any: NIL

Sr. No.	Particular	Amount [INR in Million]
(i)	Two percent of average net profit of the company as per section 135(5)	10.71
(ii)	Total amount spent for the Financial Year	10.71
(iii)	Excess amount spent for the financial year [(ii) - (i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii) - (iv)]	-

## 9. (a) Details of Unspent CSR amount for the preceding three financial years: – Not Applicable

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) [in INR]	Amount spent in the reporting Financial Year [in INR]	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years [in INR]
				Name of the Fund	Amount [in INR]	Date of transfer	
Total		-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project [in INR]	Amount spent on the project in the reporting Financial Year [in INR]	Cumulative amount spent at the end of reporting Financial Year [in INR]	Status of the project - Completed / Ongoing
			-	-	-	-	-	-
	Total		-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset - wise details**).
- (a) Date of creation or acquisition of the capital asset(s). -
- (b) Amount of CSR spent for creation or acquisition of capital asset. -
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc -
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). -
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). The Company spent INR 10.71 Million during the period under review and nothing remained unspent during the year

**Ashok Vasudevan**

Chairman  
DIN: 00575574

Date: 10 August 2022  
Place: Pune

**Kavas Patel**

Chairman – CSR Committee  
DIN: 00002634

# Annexure F

## Related Party Transactions as per the Indian Accounting Standard [Ind AS] 24

**[Pursuant to clause (2A) of Schedule V and Regulation 34(3) and 53(f) of the Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015]**

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub - section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto and Regulation 34(3) and 53(f) of the Securities and Exchange Board of India [Listing Obligations And Disclosure Requirements] Regulations, 2015

### A. Parent, Ultimate Holding Company and Fellow Subsidiary

Sr. No.	Name	Relationship
1.	Mars, Incorporated, USA	Ultimate Holding Company
2.	Effem Holdings Limited	Holding Company
3.	Preferred Brands International, Inc. USA [PBI Inc. is Holding Company of Preferred Brands Foods [India] Private Limited]	Holding Company
4.	Preferred Brands Foods [India] Private Limited	Holding Company
5.	Preferred Brands Australia Pty. Ltd.	Fellow Subsidiary
6.	Preferred Brands UK Ltd.	Fellow Subsidiary
7.	Mars Australia Pty. Ltd.	Fellow Subsidiary
8.	Mars Food UK Limited	Fellow Subsidiary
9.	Royal Canin India Private Limited	Fellow Subsidiary
10.	Mars International India Pvt. Ltd.	Fellow Subsidiary
11.	Mars GmbH	Fellow Subsidiary
12.	Mars LLC	Fellow Subsidiary
13.	Mars Canada, Inc.	Fellow Subsidiary
14.	Wrigley India Private Limited	Fellow Subsidiary
15.	Mars Food USA	Fellow Subsidiary
16.	MARS Nederland's	Fellow Subsidiary
17.	Mars Food Europe CV France	Fellow Subsidiary

### B. Entities controlled by key management personnel

Sr. No.	Name
1.	Tasty Bite Employees Gratuity Trust
2.	Tasty Bite Foundation

### C. Transactions with key management personnel

Sr. No.	Name	Relationship
1.	Mr. Ashok Vasudevan	Non - Executive Chairman
2.	Mr. Abhijit Upadhye	Managing Director (upto 31 December 2021)
3.	Mr. Gaurav Gupta	Whole Time Director w.e.f. 01 January 2022 and CFO
4.	Ms. Minal Talwar	Company Secretary
5.	Ms. Rama Kannan	Non - Executive Independent Director
6.	Mr. Chengappa Ganapati	Non - Executive Independent Director
7.	Mr. Kavas Patel	Non - Executive Independent Director
8.	Ms. Dawn Allen	Non - Executive Director
9.	Mr. Sukhdev David Dusangh	Non - Executive Director (from 06 November 2020)
10.	Mr. P V V Srinivas Rao	Non - Executive Director (upto 05 November 2020)

(INR in Million)

Key management personnel compensations	Mr. Abhijit Upadhye		Mr. Gaurav Gupta		Ms. Minal Talwar	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Short term employee benefits	21.76	24.23	8.59	7.74	1.95	1.54
Long Term benefits	-	-	-	-	-	-
<b>Post - employment benefits payable</b>						
Defined benefit plan - Gratuity	-	1.01	1.04	0.86	0.33	0.29
Compensated absences - Leave encashment	-	4.46	1.18	1.26	0.26	0.27
	<b>21.76</b>	<b>29.70</b>	<b>10.81</b>	<b>9.86</b>	<b>2.54</b>	<b>2.10</b>
Compensation payable at end of the year	-	3.30	-	-	-	-

**Remuneration to Non - Executive Independent Directors**

(INR in Million)

Name of the Director	31 March 2022	31 March 2021
Ms. Rama Kannan	0.35	0.30
Dr. Chengappa Ganapati	0.55	0.30
Mr. Kavas Patel	0.45	0.30
<b>Total</b>	<b>1.35</b>	<b>0.90</b>

**D. Related party transactions other than those with key management personnel**

Transaction / Balance	Enterprise	31 March 2022	31 March 2021
<b>Sale of Goods</b>	Preferred Brands International, Inc. USA	2,054.74	2,864.21
	Mars Australia Pty. Ltd.	-	16.15
	Mars Food UK Limited	6.38	5.14
	Mars GmbH	23.53	8.39
	Mars Canada, Inc.	60.70	22.94
	Mars LLC	-	3.60
	Mars Food USA	24.80	19.76
	Mars Food Europe CV France	4.15	-
<b>Sale of MEIS Scripts</b>	Royal Canin India Private Limited	-	24.35
	Mars International India Pvt. Ltd.	-	6.67
<b>Product recall claims</b>	Mars GmbH	12.00	-
<b>Dividend paid on equity shares</b>	Preferred Brands Foods (India) Private Limited	3.81	3.81
<b>External Commercial Borrowing Taken</b>	MARS Nederland's	-	365.80
<b>Interest on loan taken</b>	MARS Nederland's	10.14	1.74
<b>Contributions made</b>	Tasty Bite Employees Gratuity Trust	8.50	8.00
	Tasty Bite Foundation	10.34	7.77
<b>Balance outstanding</b>			
<b>A. Trade receivables</b>	Preferred Brands International, Inc. USA	259.98	361.17
	Mars Food UK Limited	4.15	1.68

Transaction / Balance	Enterprise	31 March 2022	31 March 2021
	Mars GmbH	12.62	4.66
	Mars Canada, Inc.	-	2.74
	Mars LLC	-	1.34
	Mars Food USA	-	9.95
	Mars Food Europe CV France	4.15	-
<b>B. Other receivables</b>	Preferred Brands International, Inc. USA	27.89	-
<b>C. Loans payables</b>	MARS Nederland's	379.50	365.80
<b>D. Other payables</b>	Preferred Brands International, Inc. USA	-	45.30
	Mars GmbH	5.43	-
<b>Expense charged to related parties in nature of:</b>			
<b>A. Courier and postage</b>	Preferred Brands International, Inc. USA	-	-
<b>B. Reimbursements</b>	Preferred Brands International, Inc. USA	183.24	-
	Preferred Brands Foods (India) Private Limited	-	2.40
	Mars GmbH	8.33	0.64
	Mars Food UK Limited	7.66	1.63
	Mars Australia Pty. Ltd.	-	6.24
	Mars Canada, Inc.	11.83	3.16
	Tasty Bite Foundation	-	0.93
	Mars LLC	0.14	-
<b>Expense charged by related parties in nature of:</b>			
<b>A. Reimbursements</b>	Preferred Brands International, Inc. USA	7.08	0.18
	Mars International India Pvt. Ltd.	2.49	2.15
	Mars, Incorporated, USA	0.37	-
<b>B. Project Maintenance Charges</b>	Wrigley India Private Limited	3.56	7.42
	Mars International India Pvt. Ltd.	3.38	3.95

# Annexure G

Statement under Section 197 [12] of the Companies Act, 2013, read with the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 and forming part of the Directors' Report for the year ended 31 March 2022.

(INR In Million)									
Name	Remuneration*	Nature of employment	Qualification	Total Experience	Date of commencement of employment	Age	Last employment	% of equity shares held	Whether relative of any director
Mr. Abhijit Upadhye [till 31 December 2021]	30.00	Permanent	Engineer from VJTI, Mumbai and MBA from NMIMS, Mumbai	25	12-Jul-18	51	Instakart Services Pvt. Ltd. [Flipkart]	Nil	No
Mr. Arvind Kalra	12.00	Permanent	Master of Management Studies from Benaras Hindu University	35	15-Jun-21	57	Perfetti Van Melle India	Nil	No
Mr. Gaurav Gupta	8.18	Permanent	Chartered Accountant, CPA, CFE, CISA, B. Com (hons), CCSA, CISM	19	09-Jul-15	40	Kesoram Industries Ltd	Nil	No
Mr. Rajendra A. Jadhav	7.68	Permanent	BSC Tech - Food Technology and Post graduation in Foods, Drugs and Cosmetics	34	15-Nov-91	58	Kwality Candies and Sweets Limited	Nil	No
Mr. Vinay Hastak	7.13	Permanent	BSC Chemistry, BSC Tech - Food Technology & LLB	32	27-Nov-17	58	Hardcastle Restaurants Pvt Ltd	Nil	No
Mr. Ujjawal Jain	5.52	Permanent	B. Com (hons) and Post Graduate Programme in Management	15	02-May-11	38	CITI Financial Consumer Finance India Ltd	Nil	No
Mr. Ankit Singhal	5.18	Permanent	B Tech, Post Graduate Diploma in Rural management from Institute of Rural Management	19	31-Aug-09	42	Multi commodity Exchange of India Ltd	Nil	No
Mr. Shashish Hodlur	5.17	Permanent	Bachelor in Hotel Management & Catering Technology	25	16-Jul-07	46	Taj Sats Air Catering Ltd	Nil	No
Mr. Terence D'cruz	4.84	Permanent	BE from Bharathiar University, Coimbatore	28	01-Mar-12	53	Innovative Foods Ltd	Nil	No
Mr. Ashutosh Parmar	4.44	Permanent	BSC Food Tech	17	14-Sep-10	39	ITC Ltd	Nil	No

\*Basis cost to Company excluding variable pay and leave encashment.

**Ashok Vasudevan**

Date: 10 August 2022  
Place: Pune

Chairman  
DIN: 00575574

# Corporate Governance

## GOVERNANCE PHILOSOPHY

The Company is committed to best business practices coupled with excellence in Corporate Governance. The principles of transparency, accountability, integrity and innovation constitute the foundation on which the edifice of the organization is built.

The Company believes that Corporate Governance is also about what the Board does and how it sets values of the Company and drives the Company's business with these principles. The Board strongly agrees that good governance is not merely an objective, but only the means to achieve the objective of operating as a global citizen. It is distinguished from the day-to-day operational engagement of the Company by full-time executives. The responsibilities of your Board thus include implementing the principles of Corporate Governance in the Company, setting the Company's strategic aims, guiding the management with their leadership, and reporting to shareholders on their stewardship. Together, the Management, the Board and Committees thereof ensure that Tasty Bite continues to remain a company of uncompromised integrity, excellence and is driven towards responsible growth. Your Board has adopted a vision to make your Company a 'best in class organization' surpassing stakeholder expectations.

### Transparency

The Company firmly believes in right of all its stakeholders to information regarding the Company's business and financial performance.

### Accountability

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), as applicable, with regards to corporate governance.

### Integrity

The Company has adopted a Code of Conduct for its employees including the executive director and the non-executive directors which also includes Code of Conduct

for Independent Directors that suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013.

### Innovation

The Company prides itself on leading innovation in the food segment. We constantly strive to improve operations by adapting new technology, not only in our production processes but also in the way we expand our operations. Our production unit is highly automated to ensure superior quality output and renovations at the plant have incorporated high standards of environment friendly waste management techniques.

## BOARD OF DIRECTORS

The Company's governance structure comprises the Board of Directors ["Board"] and the Committees of the Board ["Committee(s)"] at the apex level and the management structure at the operational level. The Board sets down the overall objectives and provides freedom and guidance to the management to achieve these objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

The Company's Board plays a pivotal role in ensuring the Company runs on sound and ethical business practices. The Board operates in such a manner which effectively enables them to discharge its fiduciary duties of safeguarding the interest of Company and shareholders, ensuring fairness in decision making process, integrity and transparency while dealing with its members and all its stakeholders.

### a) Composition of the Board

As on 31 March 2022, the Company has 7 directors. The structure of the Board is as follows:

- 1 Chairman (Non-Executive/ Non-Independent)
- 1 Whole Time Director (Executive)
- 3 Independent Directors
- 2 Non-Executive Directors

The Board of Tasty Bite Eatables Limited has an optimum combination of executive and non-executive directors. The composition of Board is in conformity with Regulation 17 of the SEBI Regulations, 2015 read with Section 149 of the Companies Act, 2013. We strive to ensure that representation on the Board is in line with best corporate governance practices.

# Corporate Governance [Contd..]



### Diversity of the Board



### Category of Directors



### Nationality of Directors



Director	Skills/expertise/competence
	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">                       Integrated Marketing                 </div> <div style="text-align: center;">                       Customer Insight                 </div> <div style="text-align: center;">                       Brand Management                 </div> <div style="text-align: center;">                       Business Strategies                 </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">                       Public Relations Negotiation                 </div> <div style="text-align: center;">                       Team Building                 </div> <div style="text-align: center;">                       Governance                 </div> </div>
<p><b>Mr. Ashok Vasudevan</b>                      Chairman [Non-Executive/ Non-Independent]                      Appointed: 31 March 1999</p>	<p>Mr. Vasudevan has a wide experience of 39 plus years as an entrepreneur and a corporate executive for large multinationals. He has spent 10 years with the Unilever group in India in various functions that included Management Development, Sales &amp; Marketing and International Business.</p> <p><b>Key external appointments : Nil</b></p>

# Corporate Governance [Contd..]



Director	Skills/expertise/competence
	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Finance Planning &amp; Operations</p> </div> <div style="text-align: center;"> <p>Business Strategies</p> </div> <div style="text-align: center;"> <p>Governance</p> </div> <div style="text-align: center;"> <p>Acquisitions &amp; Divestments</p> </div> </div>
<p><b>Ms. Dawn Allen</b> Non-Executive Director Appointed: 14 November 2017 Resigned w.e.f: 27 May 2022</p>	<p>Ms. Allen worked at Mars, Incorporated group of companies for 24 years and during this time has held several local, regional and global CFO position.</p> <p><b>Key external appointments</b> VP Global Finance Transformation for Mars, Inc. and Director of Preferred Brands Foods (India) Private Limited</p>



Director	Skills/expertise/competence
	<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="text-align: center; width: 25%;"> <p>Corporate Finance</p> </div> <div style="text-align: center; width: 25%;"> <p>Budgeting</p> </div> <div style="text-align: center; width: 25%;"> <p>Mergers &amp; Acquisitions</p> </div> <div style="text-align: center; width: 25%;"> <p>Governance</p> </div> <div style="text-align: center; width: 25%;"> <p>Business Strategies</p> </div> <div style="text-align: center; width: 25%;"> <p>Wealth Management</p> </div> </div>
<p><b>Mr. Kavas Patel</b> Independent Director Appointed: 29 May 2009</p>	<p>Mr. Patel is a Chartered Accountant from Wales &amp; England and started his career with Franklin Wild and Co., Chartered Accountants, London. He then joined Polaroid Corporation in 1974 and worked with them on various international assignments in Europe, Far East, USA and India.</p> <p><b>Key external appointments :</b></p> <p>Serving on the Board of</p> <ul style="list-style-type: none"> <li>• Inarco Private Limited</li> <li>• Dai-Ichi Karkaria Limited</li> <li>• Uni Klinger Limited</li> <li>• Indian Oxides And Chemicals Private Limited</li> <li>• Champion Dai-Ichi India Private Limited</li> <li>• Tasty Bite Foundation</li> </ul>

# Corporate Governance [Contd..]



Director	Skills/expertise/competence
	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">   <b>Leadership &amp; Executive Coaching</b> </div> <div style="text-align: center;">   <b>Business Planning &amp; Social Entrepreneurship</b> </div> <div style="text-align: center;">   <b>General Management &amp; Leadership</b> </div> <div style="text-align: center;">   <b>Governance</b> </div> </div>
<p><b>Ms. Rama Kannan</b> Independent Director Appointed: 22 December 2017</p>	<p>Ms. Kannan works as a coach / mentor / advisor for various senior executives in corporate and social enterprises in India and abroad. She also has a wide experience in field of marketing and strategic roles with various companies such as British Petroleum, PepsiCo, etc.</p> <p><b>Key external appointments:</b> Current: Serving on the Board of Tasty Bite Foundation</p>



Director	Skills/expertise/competence
	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">   <b>Teaching</b> </div> <div style="text-align: center;">   <b>Research</b> </div> <div style="text-align: center;">   <b>Governance</b> </div> <div style="text-align: center;">   <b>Agri - Business &amp; Trade</b> </div> </div> <div style="margin-top: 20px; text-align: center;">   <b>Economics</b> </div>
<p><b>Dr. Chengappa Ganapati</b> Independent Director Appointed: 17 January 2018</p>	<p>Dr. Chengappa is one of the leading Agricultural Economist of India. He has over three decades of experience in teaching, research, extension and academic administration.</p> <p><b>Key external appointments:</b> Current: Serving on the Board of</p> <ul style="list-style-type: none"> <li>Tasty Bite Foundation</li> <li>Sam Agri Tech Limited</li> <li>Sam Agri Ventures Limited</li> <li>Tata Coffee Limited</li> </ul>

# Corporate Governance [Contd..]



Director	Skills/expertise/competence
	<div style="display: flex; justify-content: space-around; text-align: center;"> <div data-bbox="571 629 655 757">  Sales         </div> <div data-bbox="735 629 975 786">  Marketing &amp; General Management         </div> <div data-bbox="1054 629 1177 786">  Business Strategies         </div> <div data-bbox="1246 629 1390 757">  Governance         </div> </div>
<p><b>Mr. Sukhdev David Dusangh</b> Director [Non - Executive] Appointed: 06 November 2020</p>	<p>Mr. Dusangh is an experienced executive with 29 years of sales, marketing and general management experiences, shaping strategy and leading commercial operations at Tier 1 CPG companies for North America and International markets.</p> <p><b>Key external appointments</b> Current: Serving on the Board of Preferred Brands Foods [India] Private Limited and Mars Canada Inc.</p>



Director	Skills/expertise/competence
	<div style="display: flex; justify-content: space-around; text-align: center;"> <div data-bbox="571 1404 655 1509">  Finance         </div> <div data-bbox="794 1404 911 1547">  Business Strategies         </div> <div data-bbox="1007 1404 1166 1509">  Supply Chain         </div> <div data-bbox="1246 1404 1390 1509">  Governance         </div> </div>
<p><b>Mr. Gaurav Gupta</b> Whole Time Director &amp; CFO [Executive Director] Appointed: 01 January 2022 as WTD and 03 November 2018 as CFO Resigned w.e.f: 12 August 2022</p>	<p>Mr. Gupta is a Chartered Accountant by profession and also is a CPA, CFE, CISA, CCSA and B.Com [Hons] degree holder. He has 19 plus years of experience spanning IT industry, telecom industry, tyre and FMCG with mix of international stints and domestic exposure.</p> <p><b>Key external appointments</b> Current: Serving on the Board of</p> <ul style="list-style-type: none"> <li>Preferred Brands Foods [India] Private Limited.</li> <li>Sadhy Foundation</li> </ul>

# Corporate Governance [Contd..]



Director	Skills/expertise/competence
	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">                       Finance Planning &amp; Operations                 </div> <div style="text-align: center;">                       Business Strategies                 </div> <div style="text-align: center;">                       Governance                 </div> <div style="text-align: center;">                       Acquisitions &amp; Divestments                 </div> </div>
<p><b>Ms. Emmanuelle Orth</b>                      Non-Executive Director                      Appointed w.e.f. 29 July 2022</p>	<p>Ms. Orth is working with Mars, Incorporated group of companies for past 22 years and during this time has held several local, regional and global CFO position.</p> <p><b>Key external appointments</b>                      Currently, she is VP for Mars Petcare Nutrition in Europe.</p>



Director	Skills/expertise/competence
	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">                       Manufacturing                 </div> <div style="text-align: center;">                       Business Strategies                 </div> <div style="text-align: center;">                       Supply Chain                 </div> <div style="text-align: center;">                       Governance                 </div> </div>
<p><b>Mr. Rajendra Jadhav</b>                      Whole Time Director                      [Executive Director]                      Appointed w.e.f. 13 August 2022: subject to approval of shareholders</p>	<p>Mr. Rajendra Jadhav is an accomplished professional over 30 years of cross functional experience in managing various aspects of food industry involving manufacturing, quality assurance &amp; quality systems, new product development, supply chain management, logistics, export-import and client relationship management. He has been associated with the Company for past 30 years.</p> <p><b>Key external appointments:</b> Nil</p>

# Corporate Governance [Contd..]

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. Being into the business of food industry, the Company's business runs across different industry verticals, geographical markets and is global in nature. The Directors so appointed are drawn from diverse backgrounds and possess special skills regarding the industries / fields from where they come.

None among the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all Companies in which he / she is a director. Necessary disclosures regarding Committee positions and other directorships have been given by all the Directors. For the purpose of determination of limit of the Committees, Chairperson and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1) [b] of the SEBI Regulations.

Changes in directors during the year/ as on date of this report are mentioned as below:

- Mr. Abhijit Upadhye resigned as Managing Director of the Company effective 31 December 2021.
- Mr. Gaurav Gupta was appointed as Whole Time Director w.e.f. 01 January 2022. He resigned w.e.f. 12 August 2022 [approved by the Board in 10 August 2022 meeting]
- Ms. Dawn Allen also resigned as director w.e.f. 27 May 2022.
- Ms. Emmanuelle Orth was appointed as additional director under the category of non – executive, non-independent director w.e.f. 29 July 2022.

- Mr. Rajendra Jadhav was appointed as additional and Whole Time Director under the executive category w.e.f. 13 August 2022 [approved by the Board in 10 August 2022 meeting, subject to shareholders approval].

The above proposals for appointment are placed before the Members for approval in Notice of Annual General Meeting.

Ms. Rama Kannan, Mr. Kavas Patel and Dr. Chengappa Ganapati continued to act as the Independent Directors on the Board of the Company as defined under Regulation 16(1)(b) of SEBI Regulations and Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Regulations and amendments thereto, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Company confirms that the Independent Directors fulfill conditions specified in SEBI Regulations and they are independent of the senior management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

None among the Independent Directors of the Company have resigned during the financial year ended 31 March 2022 and thus confirmation with respect to no other material reason is not provided. However, Ms. Rama Kannan and Dr. Chengappa have proposed their candidature for re-appointment as independent directors for second term. Details of proposals are mentioned in Notice of Annual General Meeting.

# Corporate Governance [Contd..]

None among the Directors of the Company are related to each other in any manner and hence disclosure of relationships between Directors is not applicable.

Schedule V of the SEBI Regulations has mandated all the companies to publish in its annual report the skills / expertise / competence required by the Company and also to present the skills / expertise / competence of its directors against the said requirement. The Board has identified the skill matrix in the below mentioned areas:

No.	Area		Particulars
1	Global Economics		Understanding of diverse business environments, regulatory framework, economic & political conditions, cultures globally.
2	Corporate Governance		Protection of stakeholders' interest, observing best governance practices, identifying key governance risks.
3	General Management and Leadership		General know-how of business management, talent management & development, workplace health & safety.
4	Science & Technology		Significant background and experience in agriculture, food and manufacturing sector, science & technology domain.
5	Finance & Accounts		Proficiency in financial management, financial reporting process, budgeting, treasury operations, audit, capital allocation.
6	Manufacturing, Quality and Supply Chain		Operational expertise and technical know how in the area of manufacturing, quality, supply chain.
7	Sales, Marketing, Commercial		Experience in strategizing market share growth, building brand awareness, enhancing enterprise reputation.
8	M&A's Business Development		Examining M&A deals for inorganic growth in line with the Company's growth strategy.

Accordingly, the above-mentioned skill matrix, the skills which are currently available with the Board as on 31 March 2022 have been mapped below:

Director	Global Economics	Corporate Governance	General Mngt & Leadership	Science & Technology	Finance & Accounts	Manufacturing, QA & SCM	Sales, Marketing & Commercial	Business Development
Mr. Ashok Vasudevan	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Mr. Gaurav Gupta	Yes	Yes	Yes	No	Yes	No	Yes	Yes
Mr. Kavas Patel	Yes	Yes	Yes	No	Yes	No	No	Yes
Dr. Chengappa Ganapati	Yes	Yes	Yes	Yes	No	No	No	Yes
Ms. Rama Kannan	Yes	Yes	Yes	No	No	No	Yes	Yes
Ms. Dawn Allen	Yes	Yes	Yes	No	Yes	No	No	Yes
Mr. Sukhdev David Dusingh	Yes	Yes	Yes	No	No	Yes	Yes	Yes

The names and categories of directors on the board, their attendance at board meetings held during the year under review and at the last Annual General Meeting ("AGM"), names of other listed entities in which the Director is a director and the number of directorships and committee chairmanships / memberships held by them in other public limited companies as on 31 March 2022 are given in the report.

Other directorships include directorships of private limited companies and companies registered under Section 8 of the Companies Act and excludes foreign companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director.

For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Regulations.

# Corporate Governance [Contd..]

## b) Board Meetings and information placed before the Board:

There were seven (07) board meetings held during the financial year ended 31 March 2022. These were held on 15 May 2021, 04 August 2021, 14 September 2021, 12 November 2021, 25 November 2021, 15 December 2021 and 08 February 2022. The maximum interval between any two meetings was not more than 120 days. Necessary quorum was present for all the meetings.

All the board meetings were scheduled well in advance and the notices of the board meetings were sent well in advance to all the directors. Agenda was accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial / business plans, financial results, detailed presentations were made. Agenda and the relevant notes were also sent in advance to each director. The Board members are free to recommend inclusion of any important matter for discussion in consultation with the Chairman of the meeting. Whenever prescribed advance notice is not served, permission for shorter consent for conducting the meeting is taken as prescribed under the Companies Act, 2013 and other regulations.

To enable the Board to discharge its responsibilities effectively, at every Board Meeting, the members of the Board are briefed on the overall performance of the Company, with detailed presentations.

The Board's role, functions, responsibility, accountability and its evaluation framework are clearly defined. In addition to the matters statutorily requiring Board's approval including provisions mentioned in SEBI Regulations and provisions of the Companies Act, 2013, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, compliance with statutory / regulatory requirements, major accounting provisions and write-offs are considered by the Board. The Board also reviews periodically the risk and mitigation procedure to ensure that executive management controls risk through means of properly defined framework. The minutes of the Board meeting are circulated in advance to all Directors for their comments and confirmed at subsequent meeting.

## Availability of information to the Board:

During the financial year 2021-22, information as mentioned in Part A of Schedule II of the SEBI Regulations, has been placed before the Board for its consideration. The Board has unrestricted access to the following information:

- Annual operating plans and budgets, including any updates
- Capital budgets and any updates
- Quarterly results for the Company and its operating divisions or business segments
- Details of any joint venture or collaboration agreement
- Minutes of meetings of Audit Committee and other Committees of the Board
- Information on recruitment and remuneration of Senior Officers just below board level including the appointment and removal of CFO and Company Secretary
- Show cause, demand, prosecution notices and penalty notices which are materially important
- Fatal or serious accidents, dangerous occurrences any material effluent or pollution problems
- Material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company
- Any issue which involves public or product liability, claims of substantial nature or any judgment or adverse view regarding another enterprise that can have negative implications on the Company
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant labour problems and their proposed solutions. Significant development in Human Resources / Industrial relations front like signing of wage agreement, implementation of VRS, etc.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.

# Corporate Governance [Contd..]

- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business
- Material financial / commercial transactions, with senior management personnel, in which they are personally interested, and which potentially conflicts with the interest of the Company
- Details of foreign exchange exposures and the steps taken by the management to limit the risk of adverse exchange rate movement
- Quarterly compliance report and investor grievance reports
- Dividend data

At board meetings, managers and representatives who can provide additional insight into the items / agenda being discussed are invited.

## c) Code of Conduct for Directors and Senior Management:

The Company has adopted "Code of Conduct for Board Members and Managerial Personnel" ("Code"). Code is posted on the website of the Company [www.tastybite.co.in](http://www.tastybite.co.in). All Board Members and Managerial Personnel have affirmed compliance with the Code of Conduct. A confirmation from the Chairman regarding the compliance with the Code by all the directors and senior management is annexed to the Report.

## d) Director attendance record & directorship in other companies as on 31 March 2022:

No	Director	Category of directorship	Attendance in Board meetings during 2021-22	Attendance in last AGM held on 5 August 2021	No of Directorship* as on 31 March 2022 [other companies]	No of other Committee <sup>s</sup> position held as on 31 March 2022 [other companies]	Category of Directorship and Names of other listed entities in which the Director has Directorships	No. of shares / convertible instruments held
1	Mr. Ashok Vasudevan	NED	7	Yes	Nil	Nil	Nil	Nil
2	Mr. Gaurav Gupta	ED [w.e.f. 01 January 2022]	1 as WTD; 6 as CFO	Yes	2	Nil	Nil	Nil
3	Mr. Kavas Patel	ID	6	Yes	6	3 [2 as chairman and 1 as member]	Independent Director - Dai-Chi Karkaria Limited	Nil
4	Dr. Chengappa Ganapati	ID	7	Yes	4	2 [1 as chairman and 1 as member]	Independent Director - Tata Coffee Limited	Nil
5	Ms. Rama Kannan	ID	5	Yes	1	Nil	Nil	Nil
6	Ms. Dawn Allen	NED	7	Yes	1	Nil	Nil	Nil
7	Mr. Sukhdev David Dusingh	NED	7	Yes	1	Nil	Nil	Nil
8	®Mr. Abhijit Upadhye	ED [till 31 December 2021]	6	Yes	1 [till 31 December 2021]	Nil	Nil	Nil

# Corporate Governance [Contd..]

NED - Non-Executive Director, ED - Executive Director, ID – Independent Director, WTD – Whole Time Director

# including private limited companies, section 8 companies and excluding foreign companies

\$ Chairmanship/ Membership in Audit and Stakeholders' Grievance Committee of public limited companies are considered

@Mr. Abhijit Upadhye resigned as Managing Director of the Company effective 31 December 2021. Mr. Gaurav Gupta was appointed as Whole Time Director in the Company w.e.f. 01 January 2022. Approval of shareholders was taken through Postal ballot. Mr. Gupta resigned w.e.f. 12 August 2022.

e) Video / tele - conferencing facilities are also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings. Due to the exceptional circumstances caused by the Covid - 19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in financial year 2021-22 were held through Video Conferencing.

## f) Familiarization Programme of Directors:

All directors of the Company (Independent and Non - Independent) are provided opportunity to familiarize themselves with the Company, its management and its operations. The directors interact with executive directors, senior management personnel / key managerial personnel, as and when required, and are provided all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. The weblink with details of familiarization of independent directors is [www.tastybite.co.in](http://www.tastybite.co.in)- investor-corporate governance section. Directors are at liberty to visit the manufacturing plant of the Company for further understanding of the business and processes.

In addition to the above, the following measures have been undertaken in this behalf:

- i. The duties and responsibilities of Independent Directors have been incorporated in the Code of Conduct as required by the Companies Act, 2013.
- ii. The amendments / updates in statutory provisions are informed from time to time.
- iii. The information w.r.t. the nature of industry in which the Company operates and business

model of the Company, etc. is made known through various presentations on operational performance, strategy, budgets & business forecasts, etc. to the board.

- iv. Directors visit the manufacturing plant of the Company and directly deal with senior management personnel / key management personnel and auditors to resolve the queries.
- v. The Board on a quarterly basis reviews the compliance reports of all laws applicable to the Company.
- vi. None of the directors of the Company holds any shares in the Company.

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. The new director is given an orientation on the products of the business, group structure, board constitution and procedures, matters reserved for the Board and the major risks and risk management strategy of the Company. Visits to plant location are organised for the new director to enable them to understand the business better.

Details of familiarization programme imparted to Independent Directors in terms of Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the website of the Company at [www.tastybite.co.in](http://www.tastybite.co.in).

## COMMITTEES OF THE BOARD

There are five (05) Board Committees as on 31 March 2022 details of which are as follows:

# Corporate Governance [Contd..]

## 1. Audit Committee

### Statutory Committee

Name	Position held	Category
Mr. Kavas Patel	Chairman	Independent Director (Non-Executive)
Ms. Rama Kannan	Member	Independent Director (Non-Executive)
Dr. Chengappa Ganapati	Member	Independent Director (Non-Executive)
Mr. Abhijit Upadhye (till 31 December 2021)	Member	Managing Director (Executive)
Mr. Gaurav Gupta (w.e.f. 01 January 2022)	Member	Whole Time Director (Executive)

*Change in composition of the Audit Committee during the year are mentioned above*

### Extract of terms of reference

Committee is duly constituted as per the provisions of Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of SEBI Listing Regulations.

- Oversight of financial reporting process.
- Recommend appointment, remuneration and terms of appointment of Auditors of the Company.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Review the quarterly, half yearly and annual financial statements before submission to the Board or to the Members.
- Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.
- Review the adequacy and quality of internal control systems.
- To consider any other matter as may be prescribed under Companies Act, 2013 and SEBI Listing Regulations.
- Review whistleblower complaints and investigation.

### Other details

- Four meetings of the Audit Committee were held during the year under review. These were held on 15 May 2021, 04 August 2021, 12 November 2021 and 8 February 2022. The gap between two meetings did not exceed 120 days.
- Committee invites such executives as it considers appropriate, CFO, representatives of

the statutory auditors and internal auditors, to be present at its meetings.

- The Company Secretary acts as the Secretary to the Audit Committee.
- Ms. Minal Talwar is the Compliance Officer to ensure compliance and effective implementation of the Insider Trading Code.
- The previous AGM of the Company was held on 05 August 2021 and was attended by Mr. Kavas Patel, the Chairman of the Audit Committee.

The C.F.O., Statutory Auditors and Internal Auditors are invited to attend the meetings. All Members of the Committee have wide exposure and possess sound knowledge in the areas of accounts, finance, business and internal control. The composition of the Committee is in conformity with Regulation 18 of SEBI Regulations.

## 2. Stakeholders' Relationship Committee

### Statutory Committee

Name	Position held	Category
Mr. Kavas Patel	Chairman	Independent Director (Non-Executive)
Ms. Rama Kannan	Member	Independent Director (Non-Executive)
Dr. Chengappa Ganapati	Member	Independent Director (Non-Executive)

*No change in the composition of the Stakeholders' Relationship Committee of the Company during the year under review.*

### Extract of terms of reference

Committee is duly constituted as per the provisions of Section 178 of the Companies Act, 2013 and

# Corporate Governance [Contd..]

the provisions of Regulation 20 of SEBI Listing Regulations.

The broad terms of reference are as under:

- Consider and resolve the grievances of security holders.
- Consider and approve issue of share certificates, transfer and transmission of securities, etc.
- Committee of executives which includes the MD/ WTD, CFO and CS of the Company deals with the transfer, transmission, removal, deletion of name, issue of duplicate share certificate, etc.
- To consider any other matter as may be prescribed under Companies Act, 2013 and SEBI Listing Regulations.

## Other details

- Four meetings of the Stakeholders' Relationship Committee were held during the year under review. These were held on 14 May 2021, 04 August 2021, 11 November 2021 and 07 February 2022.
- Details of Investor complaints and Compliance Officer—  
**Ms. Minal Talwar**  
Tasty Bite Eatables Limited  
201 - 202, Mayfair Towers,  
Wakdevadi, Shivajinagar,  
Pune – 411 005  
Telephone: 91 20 3021 6026  
e - mail: [secretarial@tastybite.com](mailto:secretarial@tastybite.com)
- The Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee.
- Previous AGM of the Company was held on 05 August 2021 and was attended by Mr. Kavas Patel, the Chairman of the Stakeholders' Relationship Committee.
- Details of investor complaints received and redressed during financial year 2021 - 22 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
-	36	36	-

## 3. Corporate Social Responsibility Committee Statutory Committee

Name	Position held	Category
Mr. Kavas Patel	Chairman	Independent Director [Non-Executive]
Ms. Rama Kannan	Member	Independent Director [Non-Executive]
Dr. Chengappa Ganapati	Member	Independent Director [Non-Executive]
Mr. Ashok Vasudevan	Member	Non-Executive Director
Mr. Abhijit Upadhye [till 31 December 2021]	Member	Managing Director [Executive]
Mr. Gaurav Gupta [w.e.f. 01 January 2022]	Member	Whole Time Director [Executive]

*Change in composition of the CSR Committee during the year are mentioned above.*

## Extract of terms of reference

Committee is constituted in line with the provisions of Section 135 of the Companies Act, 2013.

- To formulate and approve revisions to the CSR Policy and recommend the same to the Board for its approval.
- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- To formulate and recommend an Annual Action Plan (including any revisions thereto) to the Board for its approval.
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- Identify project(s) of the Company as 'Ongoing Project(s)'.

# Corporate Governance [Contd..]

- Monitor the CSR Policy.
- To consider any other matter as may be prescribed under Companies Act, 2013.

## Other details

- Three meetings of the CSR Committee were held during the year under review i.e. on 14 May 2021, 11 November 2021 and 07 February 2022.
- Five board meetings of Tasty Bite Foundation, a Section 8 Company which was incorporated with sole objective of carrying on Corporate Social Responsibility [CSR] activities of the Company were held during the year.

## 4. Nomination and Remuneration Committee

### Statutory Committee

Name	Position held	Category
Mr. Kavas Patel	Chairman	Independent Director [Non-Executive]
Ms. Rama Kannan	Member	Independent Director [Non-Executive]
Dr. Chengappa Ganapati	Member	Independent Director [Non-Executive]

*No change in the composition of the Nomination and Remuneration Committee of the Company during the year under review.*

### Extract of terms of reference

Committee is duly constituted as per the provisions of Section 178 of the Companies Act, 2013 and the provisions of Regulation 19 of SEBI Listing Regulations.

- Recommend to the Board the composition of the Board and its Committees.
- Recommend to the Board the appointment / re-appointment of Directors and Key Managerial Personnel.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual Directors.
- Recommend to the Board the Remuneration Policy for directors, executive team or key

managerial personnel as well as senior managerial personnel.

- Oversee familiarization programmes for Directors.
- To consider any other matter as may be prescribed under Companies Act, 2013 and SEBI Listing Regulations.

## Other details

- Four Nomination and Remuneration Committee meetings were held during the year under review. These were held on 14 May 2021, 11 November 2021, 25 November 2021 and 07 February, 2022
- The Company does not have any Employee Stock Option Scheme.
- Details of Performance Evaluation Criteria and Remuneration Policy are provided in this report.
- The previous AGM of the Company was held on 05 August 2021 and was attended by Mr. Kavas Patel, the Chairman of the Nomination and Remuneration Committee.

## 5. Risk Management Committee

### Statutory Committee

Name	Position held	Category
Mr. Kavas Patel	Chairman	Independent Director [Non-Executive]
Ms. Rama Kannan	Member	Independent Director [Non-Executive]
Dr. Chengappa Ganapati	Member	Independent Director [Non-Executive]
Mr. Ashok Vasudevan	Member	Non-Executive Director
Mr. Abhijit Upadhye (till 31 December 2021)	Member	Managing Director [Executive]
Mr. Gaurav Gupta	Member	CFO & Whole Time Director [Executive]

*Change in composition of Risk Management Committee during the year are mentioned above.*

# Corporate Governance [Contd..]

## Extract of terms of reference

Committee is duly constituted as per the provisions of Regulation 21 of SEBI Listing Regulations.

- To frame, implement and monitor the risk management plan for the Company.
- The Committee is responsible for monitoring and reviewing the Risk Management Plan and ensuring its effectiveness.
- The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.
- To consider any other matter as may be prescribed under SEBI Listing Regulations.

## Other details

- Two Risk Management Committee meetings were held during the year under review i.e. on 14 May 2021 and 11 November 2021.
- The majority of members of Risk Management Committee consist members of the board and senior management.
- The Chairperson of the Risk Management Committee is a member of the Board of Directors and other members include senior executives of the Company

## Details of remuneration of Board of Directors

All decisions related to the remuneration of the directors, both executive and non - executive are decided by the Board of Directors of the Company in accordance with the shareholders' approval and/or Central Government, wherever necessary and in compliance with the provisions of applicable laws. Details of remuneration paid to the executive and non-executive directors for the year 2021 - 22 are as follows:

[Amount in INR]

Director	Basic Salary	Allowance & perquisite	Performance linked incentive/ bonus/ commission	Company contribution to PF & pension fund	Sitting fees	Total
Mr. Ashok Vasudevan	-	-	-	-	-	-
Mr. Abhijit Upadhye [till 31 December 2021]	10,119,999	10,732,537	-	910,800	-	21,763,336
Mr. Gaurav Gupta [w.e.f. 01 January 2022]	765,000	1,122,454	-	91,800	-	1,979,254
Mr. Kavas Patel	-	-	-	-	450,000	-
Ms. Rama Kannan	-	-	-	-	350,000	-
Dr. Chengappa Ganapati	-	-	-	-	550,000	-
Mr. Sukhdev David Dusangh	-	-	-	-	-	-
Ms. Dawn Allen	-	-	-	-	-	-

### Notes:

1. Remuneration of Mr. Abhijit Upadhye as Managing Director was fixed from 03 November 2018 till 31 March 2022 by the shareholders. Mr. Upadhye resigned as Managing Director w.e.f. 31 December 2021.
2. Mr. Gaurav Gupta was appointed as Whole Time Director w.e.f. 01 January 2022. Shareholder's approval was sought vide Postal Ballot.

# Corporate Governance [Contd..]

3. Agreement between Company & Whole Time Director can be terminated by Mr. Gupta by giving three month notice in writing. Company may terminate the agreement by giving one month notice.
4. No stock option scheme has been framed by the Company for directors and other executives.
5. There is only fixed component criteria in the Company for directors and employees apart from variable component (bonus) paid to erstwhile Managing Director as mentioned in the above table.
6. No other director including any non-executive director receives any remuneration, commission or any other incentive from the Company.
7. Mr. Gaurav Gupta received remuneration as Chief Financial Officer of the Company from 01 April 2021 till 31 December 2021. He received remuneration as Whole Time Director of the Company from 01 January 2022 onwards and no separate remuneration as CFO was paid to him.
4. The Committee shall evaluate the performance of Directors basis their engagement with the management, contribution and participation level. Also, the Committee shall consider the time and energy devoted by individual director for performing the duties and responsibilities.
5. The remuneration of the Managing Director / Whole Time Director or any other director of the Company shall be reviewed and recommended by the Nomination and Remuneration Committee, based on criteria such as industry benchmarks, the Company's performance vis à - vis the industry, responsibilities shouldered, performance/track record, macro - economic review on remuneration packages of heads of other organizations and decided by the Board of Directors.
6. Sitting fee paid to independent directors was INR 75,000 per quarter till 14 September 2021 board meeting. It was increased to INR 100,000 per board meeting w.e.f. 12 November 2021. Sitting fee paid is within statutory limit.

## Remuneration Policy:

The Board adopted Remuneration and Evaluation Policy on recommendation of Remuneration and Nomination Committee covering Board diversity, evaluation criteria, qualifications, etc under the provisions of Companies Act, 2013 and SEBI Regulations. Detailed policy is available at Company's website [www.tastybite.co.in](http://www.tastybite.co.in).

The following criteria shall be followed for selection, appointment, evaluation and remuneration of directors:

1. The directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having diverse background and experience in business, academics, technology and in areas that are relevant for the Company's global operations.
2. The Board and Nomination and Remuneration Committee to satisfy themselves before recommending any person for directorship that he or she is not disqualified being appointed as director under Companies Act, 2013.
3. In case of appointment of independent director, the Committee to also satisfy itself that person satisfies all criteria of being appointed as independent director.

7. The remuneration of key managerial personnel and senior managerial personnel is reviewed by the Committee. The remuneration of employees largely consists basic remuneration, perquisites and allowances. The components of the total remuneration may vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, individual performances, short & long term performance objectives appropriate to the working of the Company, etc. As per SEBI Regulations, even the remuneration of the senior managerial personnel shall be recommended by the Committee.

The non - executive directors do not draw any remuneration from the Company, except sitting fees for each meeting of the Board and Committees thereof, which is paid to the Independent Directors only.

## Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI Regulations, the Board has carried out annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Stakeholders Relationship, Nomination & Remuneration Committee and Corporate

# Corporate Governance [Contd..]

Social Responsibility Committee. A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture and performance of duties and governance.

Individual directors including the Chairman of the Board were also evaluated on parameters such as level of engagement and contribution, independence of judgement. The performance evaluation of the independent directors was carried out by the entire Board basis participation of independent directors in the meeting, raising of concerns to the Board, safeguarding the confidential information, rendering of independent decisions, unbiased opinions and resolution of issues in the meetings, timely inputs on

the minutes, initiatives in terms of planning and new ideas. The Directors expressed their satisfaction with the evaluation process.

## SEPARATE MEETING OF INDEPENDENT DIRECTORS

As per the provisions of the Companies Act, 2013 and SEBI Regulations, a separate meeting of independent directors was held on 07 February 2022 for evaluation of performance of entire Board and Chairman of the Company. 2 out of 3 Independent Directors attended the meeting. They also assessed the quality, contents and timeline of flow of information between the management and the Board.

## GENERAL BODY MEETINGS

Details of the last three Annual General Meetings are as follows:

Financial year ended	Date & Time	Venue	Special Resolution
2020-21	05 August 2021 at 12.30 p.m. IST	Through Video Conferencing ["VC"] / Other Audio Visual Means ["OAVM"]	1. Fixation of remuneration of Mr. Abhijit Upadhye as Managing Director till 31 March 2022
2019 - 20	06 August 2020 at 12.30 p.m. IST	Through Video Conferencing ["VC"] / Other Audio Visual Means ["OAVM"]	1. Fixation of remuneration of Mr. Abhijit Upadhye as Managing Director till 31 March 2021
2018-19	08 August 2019, at 11.00 a.m. IST	Hotel Sheraton Grand Pune, RBM Road, Pune – 411 001	1. Fixation of remuneration of Mr. Abhijit Upadhye as Managing Director till 31 March 2020 2. Re - appointment of Mr. Kavas Patel as an Independent Director 3. Issue of equity shares on preferential basis

- The registered office of the Company is situated at 201 - 202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune – 411 005
- All resolutions moved in financial year 2018 - 19 annual general meeting were passed through e - voting facility and Poll by way of Ballot Papers at meeting made available to the shareholders. All resolutions moved in 2019 – 20 and 2020-21 annual general meetings were passed through e - voting facility provided before and during the meeting.
- There was no Extra Ordinary General Meeting of members held in financial year 2021 - 22. However, there was Postal Ballot proposed in February 2022 for two resolutions [1 Ordinary and 1 Special] for appointment of Mr. Gaurav Gupta as Whole Time Director and Fixation of his remuneration as Whole Time Director. Both resolutions were passed by requisite majority on 11 March 2022. Mr. Vineet Ramoo Pareek [ACS: 49730 CP: 18556], practicing company secretary was appointed to scrutinise the postal ballot process held by voting through electronic means (remote e-voting) in a fair and transparent manner.

# Corporate Governance [Contd..]

Description of the Resolutions		Appointment of Mr. Gaurav Gupta as Whole Time Director of the Company	Fixation of remuneration of Mr. Gaurav Gupta as Whole Time Director of the Company
Votes in favour of the resolution	Number of members voted	67	65
	Number of valid votes cast [shares]	2021982	2021970
	Percentage of total number of valid votes cast	99.98%	99.98%
Votes against the resolution	Number of members voted	5	8
	Number of valid votes cast [shares]	319	332
	Percentage of total number of valid votes cast	0.02%	0.02%
Invalid votes	Total number of members whose votes were declared invalid	1	0
	Total number of invalid votes cast [shares]	1	0
	Percentage of total number of invalid votes cast	0%	0%

## Procedure for postal ballot:

The postal ballot was carried out as per the provisions of Section 110 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, and other applicable rules read with General Circular no. 39/2020 dated 31 December 2020 (in continuation of circular no. 14/2020 dated 08 April 2020, 17/2020 dated 13 April 2020, 22/2020 dated 15 June 2020, and 33/2020 dated 28 September 2020, issued by the Ministry of Corporate Affairs, Government of India and SEBI circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15 January 2021 (in continuation of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020 /79 dated 12 May 2020) issued under Regulation 101 (SEBI Circulars) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through Postal Ballot.

## DISCLOSURES

1. The transactions with related parties do not have potential conflict with the interests of the Company at large. A comprehensive list of related party transactions as required by the Indian Accounting Standards (Ind AS) issued by Institute of Chartered Accountants of India, forms part of note no. 45 of the accounts in the annual report.
2. The Company has complied with the formalities as laid down by National Stock Exchange of India Ltd, BSE Ltd, SEBI and other statutory authorities on matter related to capital market. There were

no penalties, strictures laid down on the Company relating to capital market during last three years.

3. The Company is committed to high standard of Corporate Governance and stakeholder's responsibility. The Company has a Vigil Mechanism that provides a formal channel for all its directors, employees and vendors to approach the Chairman of the Audit Committee and make protected disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. No person is denied access to the Chairman of the Audit Committee.

As per Regulation 22 of SEBI Regulations the Company has framed Whistle Blower and Vigilance Mechanism Policy to enable reporting unethical or improper activity to the Management/ Board. The Whistle Blower Policy and the Vigilance Mechanism are available at Company's [website www.tastybite.co.in](http://www.tastybite.co.in). Every employee/ whistle blower has access to the Chairman of the Audit Committee. Details of Chairman of Audit Committee are as under –

Name- Mr. Kavasp Patel  
Address- C-33, Rivernest, 311 North Main Road, Koregoan Park, Pune 411011  
Phone: +91 020 29510197;  
E-mail: [kavasp@hotmail.com](mailto:kavasp@hotmail.com)

The Whistleblower Policy is an extension of the Company's Code of Conduct that encourage every Director and employee to promptly report any actual or possible violation of the Company's Code of Conduct or any event that he or she becomes aware of that could affect the business or reputation of the Company.

# Corporate Governance [Contd..]

There is also a 'Ombudsman' nominated by Mars group for the employees of the Company and reporting of violations.

4. The Company has formed a policy on Related Party Transaction. It is also available on website of the Company at [www.tastybite.co.in](http://www.tastybite.co.in).
5. The Company has laid down procedures to inform Board members about the risk assessment and mitigation process. The Company has identified major and minor risks like market risk, fluctuation in foreign exchange, interest rate, commodity (raw materials etc.) price risks and packaging material prices and other business risks and these risks are analyzed from time to time by the executive management team and reviewed by the Risk Management Committee and the Board. There exist proper "Business Contingency plan" and "Enterprise Risk Management" of the Company which is reviewed by the Risk Management Committee and Board.
6. There has been no public, rights or preferential issues of shares or debentures during the year.
7. As required by Schedule V [E] of the SEBI Regulations, the Company has obtained a certificate from Statutory Auditor regarding compliance of conditions of Corporate Governance. The certificate is given as Annexure B to the Directors' Report.
8. The Company has also adopted Policy on Material Disclosures, Policy on Preservation of Documents and Archival Policy. The policies are available on website of the company ([www.tastybite.co.in](http://www.tastybite.co.in))
9. As per Regulation 43A of the SEBI Regulations, the Company has adopted Dividend Distribution Policy in its board meeting held on 15 May 2020. The Policy is available on website of the Company at [www.tastybite.co.in](http://www.tastybite.co.in)
10. A Certificate has been received from M/s. Pareek V. R. & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

11. Following fees paid (including provisions for the financial year 2020 - 21 and 2021 - 22) to Statutory Auditors and its member firm / network firm:

INR in Million		
Name of firm	FY 2021-22	FY 2020-21
B S R & Associates LLP (Statutory Auditors)	3.76	3.57
B S R & Co. LLP (Tax Consultants - Transfer Pricing & Corporate Tax)	1.03	2.95
B S R and Company (Tax Consultants - Transfer Pricing & Corporate Tax)	0.85	-
	<b>5.64</b>	<b>6.52</b>

12. Company does not have any material subsidiary and therefore policy with respect to material subsidiaries is not applicable to the Company.
13. The Company has adopted a Policy on Archival and Preservation of Documents as per Regulation 9 of the SEBI Regulations.
14. Details of familiarization programme imparted to Independent Directors in terms of Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the website of the Company at [www.tastybite.co.in](http://www.tastybite.co.in).
15. In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has adopted following codes as prescribed therein.
  - a. "Code of Fair Disclosure of Unpublished Price Sensitive Information" for employees and other connected persons.
  - b. "Code of Conduct to Regulate Monitor and Report Trading" for its employees and Connected Persons to Directors.
16. The Company has adopted a Policy on Determination of Materiality for Disclosure as per Regulation 30 of the SEBI Regulations.

The Company has complied with all the requirements of the SEBI Listing Regulations. The extent of adoption of non - mandatory requirements are given below mandatory:

# Corporate Governance [Contd..]

## Non - mandatory requirements:

- The quarterly un-audited results of the Company after being subjected to Limited Review by the Statutory Auditors are published in newspapers. These results are not sent to shareholders individually.
- The Auditors have issued an unqualified report [emphasis of matter] on the statutory financial statements of the Company.
- Internal auditors of the Company make presentation to the audit committee on their reports.
- All the non-executive directors have requisite qualification, rich experience and expertise in their respective functional areas. They attend various programmes in the personal capacities which keep them abreast of relevant developments. There is a formal system of evaluating them. The Company also arranges various training programmes pertinent to the directors, their liabilities, responsibilities, etc.
- Terms and conditions of appointment/ re-appointment of Independent Directors in terms of Regulation 46 of the Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015 and Section 149 read with Schedule IV of the Companies Act, 2013 are available on the website of the Company at [www.tastybite.co.in](http://www.tastybite.co.in).
- Disclosure under the Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2018 forms part of the Annual Report. Further, no complaints were received under the Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2018 and no complaints were pending as on the end of the financial year ended 31 March 2022.
- The Code of Fair Disclosure is available on the Company's website [www.tastybite.co.in](http://www.tastybite.co.in). Ms. Minal Talwar, Company Secretary,

is Compliance Officer under the Codes. The Promoters, Directors and Key Managerial Persons have provided initial disclosures of holding of securities by them. The Company may require any of its connected persons to make disclosure of holding and trading of securities to the Company.

## Fund Utilisation:

The Company does not have any unutilised funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations. No allotment made by the Company during the year.

## Recommendation by the Committees to the Board:

During the year under review, there were no instances of non-acceptance of any recommendation of any statutory committees of the Board

## MEANS OF COMMUNICATION

- The annual, half-yearly and quarterly results of the Company are published in National newspapers viz. Financial Express/Asian Age and local newspaper viz. Loksatta; or any other equivalent newspaper.
- These newspapers are selected on the basis of having reasonable circulation in the areas where majority of our shareholders are located and also on the basis of cost effectiveness.
- The Company provides information to the National Stock Exchange of India Limited [NSE] and BSE Limited [BSE] as per the requirement of the Listing Agreement.
- The Company promptly updates the quarterly results, shareholding pattern and other official news releases, if any, on its website [www.tastybite.co.in](http://www.tastybite.co.in) which provides all information as required by the SEBI Regulations. The website of the Company also contains presentations made to institutional investors and other official news releases, if any.
- Management Discussion and Analysis forms part of this Annual Report.

# Corporate Governance [Contd..]

## GENERAL SHAREHOLDER INFORMATION

<b>a) Annual General Meeting</b> - Date, Time and Venue	21 September 2022 at 11:00 a.m. IST Hotel Sheraton Grand, RBM Road, Pune – 411005 For more details please refer to the Notice of Annual General Meeting. As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re - appointment at this AGM are given in the Annexure to the Notice of Annual General Meeting
<b>b) Financial Calendar</b> Tentative financial reporting for - the quarter ending 30 June 2022 - the half year ending 30 September 2022 - the quarter ending 31 December 2022 - year ending 31 March 2023 Annual General Meeting for the year ending 31 March 2023	Second week of August 2022 Second week of November 2022 Second week of February 2023 Third week of May 2023 September 2023
<b>c) Financial Year</b>	01 April to 31 March
<b>d) Dates of Book Closure</b>	27 August 2022 to 21 September 2022 (both days inclusive)
<b>E) Dividend Payment</b>	INR 1.00 on each equity share of INR 10 within 30 days from the date of declaration of dividend by the shareholders in the Annual General Meeting
<b>f) Listing on Stock Exchange, Address and Stock Code</b>	<b>BSE Limited [BSE]</b> Code : 519091 Address: 1st Floor, New Trading Ring, Rotunda Bldg., P.J. Towers, Dalal Street, Mumbai 400 001 <b>National Stock Exchange of India Limited [NSE]</b> Symbol: TASTYBITE Address: Corporate Services, Exchange Plaza, Bandra Kurla Complex, Bandra [E], Mumbai – 400 051
<b>g) Corporate Identity Number [CIN]</b>	L15419PN1985PLC037347
<b>h) ISIN Number for NSDL &amp; CDSL</b>	INE488B01017
<b>i) Registrar &amp; Share Transfer Agent</b>	M/s . KFin Technologies Limited Karvy Selenium, Tower B, Plot 31 - 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Ph: 040 - 67161528 Fax: 040 – 230011 e-mail: rajkumar.kale@kfintech.com;
<b>j) Plant location</b>	At Post 490, Village Bhandgaon, Taluka - Daund, Dist - Pune - 412214, Maharashtra
<b>k) Registered Office and Correspondence address</b>	201 - 202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune – 411 005
<b>l) Credit Rating</b>	Long - term rating: [ICRA]A+ Short - term rating: [ICRA]A1

Listing fees as applicable have been paid

# Corporate Governance [Contd..]

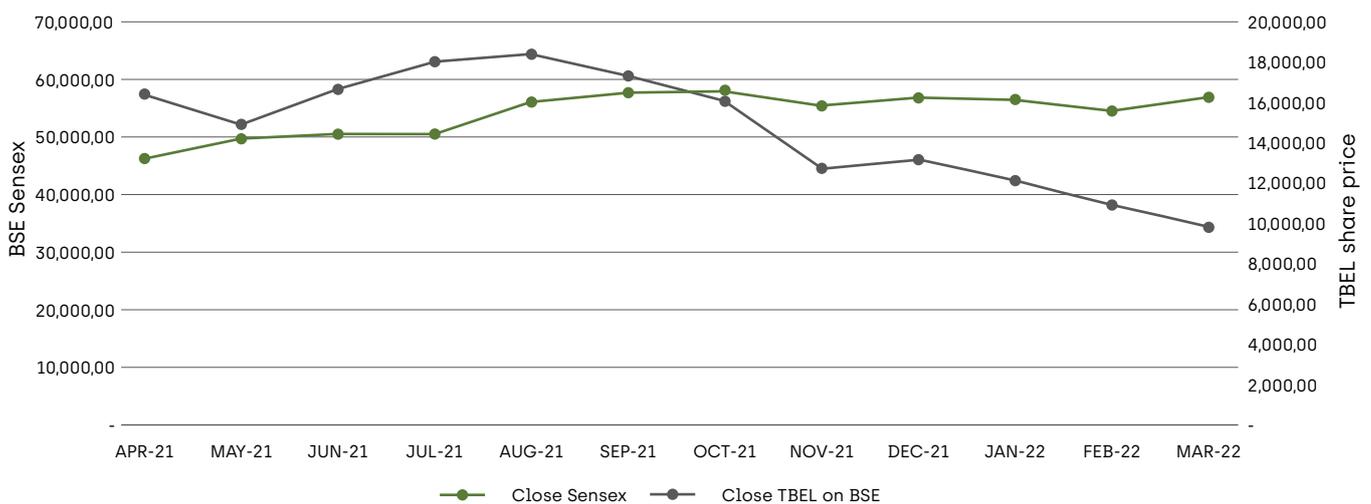
## m) Stock Market data

Market price of the Company's equity shares traded on BSE Limited; Mumbai during the year 2021–22 is as follows:

Period	TBEL share prices on BSE		BSE Sensex	
	High [Rupees]	Low [Rupees]	High	Low
April 2021	17,000.00	13,610.00	50,375.77	47,204.50
May 2021	16,997.00	14,801.60	52,013.22	48,028.07
June 2021	17,582.00	14,455.05	53,126.73	51,450.58
July 2021	21,470.50	16,734.20	53,290.81	51,802.73
August 2021	19,970.00	16,525.50	57,625.26	52,804.08
September 2021	19,816.65	17,451.40	60,412.32	57,263.90
October 2021	18,895.00	16,266.05	62,245.43	58,551.14
November 2021	16,800.10	13,209.80	61,036.56	56,382.93
December 2021	14,970.00	12,067.55	59,203.37	55,132.68
January 2022	14,410.05	12,131.25	61,475.15	56,409.63
February 2022	13,238.60	11,018.75	59,618.51	54,383.20
March 2022	11,919.95	10,480.00	58,890.92	52,260.82

Note: The above data has been downloaded from the official website of the BSE Limited.

### BSE SENSEX VS TBEL SHARE PRICE



# Corporate Governance [Contd..]

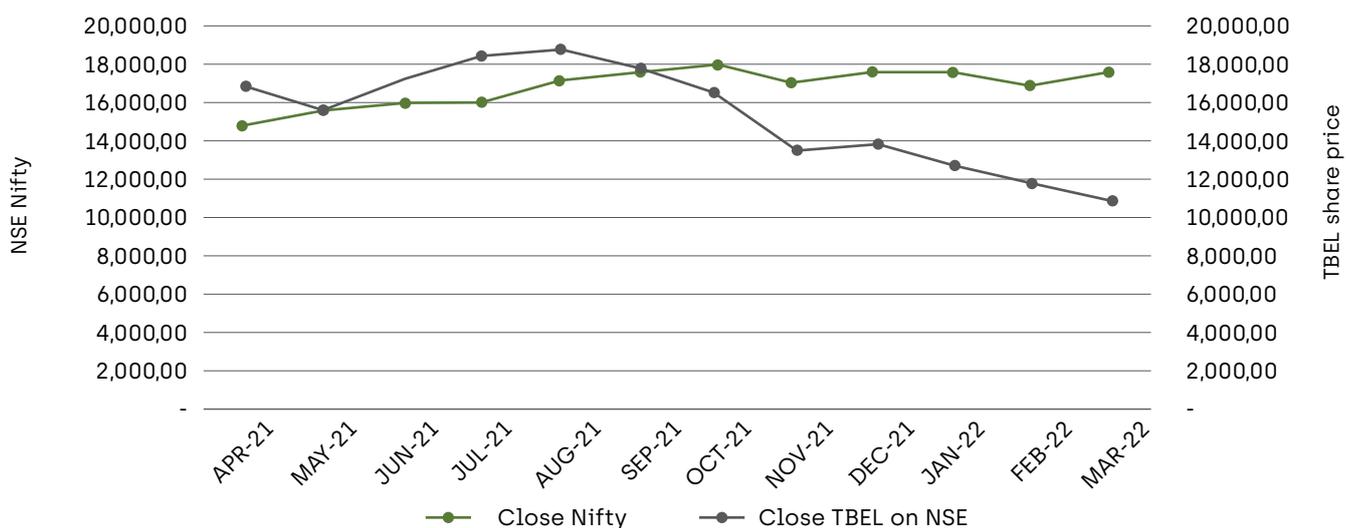
## Stock performance Vs NSE Nifty:

The market price of the Company's equity shares traded on the NSE during the year 2021-22 is as follows:

Period	TBEL share prices on NSE		NSE Nifty	
	High [Rupees]	Low [Rupees]	High	Low
April 2021	17,000.00	13,912.15	15,044.35	14,151.40
May 2021	17,000.00	14,766.75	15,606.35	14,416.25
June 2021	17,600.00	14,590.00	15,915.65	15,450.90
July 2021	21,487.00	17,030.00	15,962.25	15,513.45
August 2021	19,870.00	16,500.00	17,153.50	15,834.65
September 2021	19,850.00	17,725.00	17,947.65	17,055.05
October 2021	19,100.00	16,434.60	18,604.45	17,452.90
November 2021	16,865.00	13,180.00	18,210.15	16,782.40
December 2021	14,800.00	12,027.80	17,639.50	16,410.20
January 2022	14,440.00	12,101.00	18,350.95	16,836.80
February 2022	13,157.65	11,000.00	17,794.60	16,203.25
March 2022	11,980.00	10,451.25	17,559.80	15,671.45

Note: The above data has been downloaded from the official website of the NSE Limited

## NSE NIFTY VS TBEL SHARE PRICE



# Corporate Governance [Contd..]

## n) Reconciliation of Share Capital Audit Report

The Securities and Exchange Board of India (SEBI) has, vide its circular dated 31 December 2002, made it mandatory for listed companies to subject themselves to Reconciliation of Share Capital Audit to, inter alia, confirm that the total of the shares held in National Securities Depository Limited (NSDL), Central Depository Services Limited (CDSL) and in physical form tally with the issued / paid up capital listed with the Stock Exchanges. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is placed before the Board of Directors.

## o) Distribution of Shareholding (without grouping) as on 31 March 2022

As of 31 March 2022, the distribution of the Company's shareholding was as follows:

Category (Shares)	No. of Holders	% of Holders	No. of Shares	% to Equity
1 - 5000	17168	99.90	356,400	13.89
5001 - 10000	5	0.03	38,003	1.48
10001 - 20000	2	0.01	26,754	1.04
20001 - 30000	3	0.02	68,344	2.66
30001 - 40000	3	0.02	99,490	3.88
40001 - 50000	0	0.00	0.00	0.00
50001 - 100000	1	0.01	72,499	2.83
100001& Above	1	0.01	1,904,510	74.22
<b>Total</b>	<b>17,183</b>	<b>100.00</b>	<b>2,566,000</b>	<b>100.00</b>

## p) Shareholding Pattern (without grouping) as on 31 March 2022

Category	No. of Holders	Total Shares	% to Equity
Trusts	2	100	0.00
Resident Individuals	15,757	426,706	16.63
Non Resident Indians	592	9,316	0.36
Clearing Members	54	2,101	0.08
Foreign Portfolio Corp	14	94,258	3.68
Mutual Funds	4	6,351	0.25
Promoter Companies	1	1,904,510	74.22
Non Resident Indian (Non-Repatriable)	207	6,768	0.27
Bodies Corporates	165	46,066	1.80
I E P F	1	39,341	1.53
H U F	384	9,593	0.37
Foreign Corporate Bodies (foreign promoter)	1	300	0.01
Alternative Investment Fund	1	20,590	0.80
<b>Total</b>	<b>17,183</b>	<b>2,566,000</b>	<b>100.00</b>

## q) Dematerialization of shares and liquidity (without grouping) as on 31 March 2022

Description	No. of cases	Total Shares	% to equity
Physical	167	28,822	1.12
NSDL	7,652	2,388,070	93.07
CDSL	9,364	149,108	5.81
<b>Total</b>	<b>17,183</b>	<b>2,566,000</b>	<b>100.00</b>

# Corporate Governance [Contd..]

## r) Outstanding GDR/ADR/Warrants or any convertible instruments: Not Applicable

No securities were suspended from trading during the year.

## s) There are no shares in demat suspense account of the Company.

t) **Commodities price risk and commodity hedging activities:** Strategic buying, alternate vendor development, medium to long term rate contracts are used for mitigating risk by the Company. The Company does not deal in commodities hedging on exchanges and hence the disclosure pursuant to SEBI Circular dated 15 November 2018 is not required to be given.

## u) Share Transfer System:

In terms of Regulation 40[1] of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 01 April 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/transmission/ transposition of securities shall not be processed unless the securities are held in the dematerialised form. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

## v) Unclaimed dividend and transfer to Investor Education and Protection Fund (IEPF):

Section 124 of Companies Act, 2013 mandates the companies to transfer dividend which remains unclaimed for a period of 7 years, from unpaid dividend account to IEPF. In accordance with the provisions of the Act, the dividend for below mentioned years, if unclaimed for a period of 7 years, will be transferred to IEPF:

Year	Dividend per share in INR	Date of declaration*	Due date of transfer to IEPF**	Amount outstanding as on 31 March 2022 [INR]
2014 - 15	1.00	14 - 09 - 2015	20 - 10 - 2022	87,702
2015 - 16	2.00	19 - 09 - 2016	25 - 10 - 2023	165,626
2016 - 17	2.00	20 - 09 - 2017	27 - 09 - 2024	168,064
2017 - 18	2.00	09 - 08 - 2018	14 - 09 - 2025	109,540
2018 - 19	2.00	08 - 08 - 2019	13 - 09 - 2026	74,738
2019 - 20	2.00	06 - 08 - 2020	11 - 09 - 2027	72,754
2020 - 21	2.00	05 - 08 - 2021	10 - 09 - 2028	53,077

\*Date of declaration is date of AGM

\*\*Due date is calculated 30 days from AGM plus 7 days and 7 years.

The Company transferred 1,700 shares in November 2021 to Investor Education and Protection Fund account. Shareholders are requested to follow the prescribed procedure for claiming the shares from the government.

The Company will transfer amount for the year 2014 - 15 that remained unpaid at the end of 7 years from the date of declaration of dividend after 20 October 2022 to the Investor Education and Protection Fund (IEPF) account as required under Section 124 of the Companies Act, 2013.

# Corporate Governance [Contd..]

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF - 5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF - 5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

By Order of the Board of Directors  
**Tasty Bite Eatables Limited**

Date: 10 August 2022  
Place: Pune

**Ashok Vasudevan**  
Chairman  
DIN: 00575574

---

## CEO Certification stating compliance with Code of Conduct:

I, declare that all Directors and members of the Senior Management have affirmed compliance with the Code of Conduct for the year ended 31 March 2022. This certificate is being given pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Date: 10 August 2022  
Place: Pune

**Gaurav Gupta**  
Whole Time Director  
DIN: 07529010

# Certificate of Non-Disqualification of Directors

*[Pursuant to Regulation 34(3) and Schedule V Para Clause 10] (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Members of  
**TASTY BITE EATABLES LIMITED**  
201-202, MAYFAIR TOWER,  
WAKDEWADI, SHIVAJINAGAR,  
PUNE – 411 005

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **TASTY BITE EATABLES LIMITED** having **CIN L15419PN1985PLC037347** having registered office at **201-202, MAYFAIR TOWER, WAKDEWADI, SHIVAJINAGAR, PUNE – 411 005, MAHARASHTRA, INDIA** [hereinafter referred to as 'the Company'], produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub clause 10(i) of the Securities Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulation, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number [DIN] status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry Of Corporate Affairs, or any such other statutory authority.

No	Name of Director	DIN	Date of Appointment in Company*
1	Mr. Kavas Patel	00002634	29/05/2009
2	Mr. Ashok Vasudevan	00575574	31/03/1999
3	Dr. Chengappa Ganapati	06771287	17/01/2018
4	Mr. Sukhdev David Dusangh	08944427	06/11/2020
5	Ms. Dawn Allen	07983206	14/11/2017
6	Ms. Rama	08005849	22/12/2017
7	Mr. Gaurav Gupta	07529010	01/01/2022

\*The date of appointment is as per MCA portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **PAREEK V. R. & ASSOCIATES**  
Practicing Company Secretaries  
Firm Unique Code: S2017MH498500

**VINEET RAMOO PAREEK**  
**PROPRIETOR**  
**M.NO. – A49730**  
**C.P. NO. – 18556**  
**UDIN: A049730D000821149**

Date: 27 May 2022  
Place: Pune

# Business Responsibility Report

(As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. no.	Particulars	Details
1	Corporate Identity Number [CIN]	L15419PN1985PLC037347
2	Name	Tasty Bite Eatables Limited
3	Registered address	201-202, Mayfair Towers, Wakdevadi, Shivajinagar, Pune 411005 Maharashtra, India
4	Website	<a href="http://www.tastybite.co.in">www.tastybite.co.in</a>
5	E - mail id	<a href="mailto:secretarial@tastybite.com">secretarial@tastybite.com</a>
6	Financial Year reported	1 April 2021 to 31 March 2022
7	Sector(s) that the Company is engaged in (industrial activity code - wise)	Name and description of main product/ services: Prepared foods NIC code of the product / service: 107
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Ready to Eat Formed Frozen Products Sauces
9	Total number of locations where business activity is undertaken by the Company	
a)	International locations	
	No. of Plants (for manufacturing business)	0
	No. of Offices (for non-manufacturing business)	0
b)	National locations	
	No. of Plants (for manufacturing business)	1
	No. of Offices (for non-manufacturing business)	1
	Total	2
10	Markets served by the company (local/ state/ national/ international)	
	National (No. of states)	11
	International (No. of countries)	20

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

		[INR in Million]
1	Authorised Capital	50.00
2	Paid Up Capital	25.66
3	Total Turnover	3,855.60
4	Total Profit after Taxes	103.28
5	Net Worth	2,171.78

### 6 (a)

- (i) Is CSR applicable as per section 135? – Yes  
(ii) Turnover – 3,855.60  
(iii) Net worth – 2,171.78

### (b) Net Profits for last three financial years

	[INR in Million]		
Financial Year ended	2018-19	2019-20	2020-21
Profit Before Tax	470.76	533.54	525.75
Net Profit computed u/s 198 adjusted as per rule 2(1)(f) of the Companies (CSR Policy) Rules, 2014	495.20	566.60	545.08

# Business Responsibility Report (Contd..)

(c) Average net profit of the company for last three financial years (as defined in explanation to sub-section (5)) section 135 of the Act: INR 535.63 million

7 Prescribed CSR Expenditure (two percent of the amount as in point above): INR 10.71 million

(a) Total amount spent on CSR for the financial year: INR 10.71 million

(b) Amount spent in local area: INR 10.71 million

**(c) List of activities / manner in which the amount spent during the financial year as detailed below:**

(INR in Million)

Sr No.	CSR project or activity identified	Sector in which the project is covered	State/Union Territory where Project/ Programme was undertaken	Specify the districts where the programme was undertaken	Amount outlay (budget) project or programme wise	Amount spent on project or programme
1	Integrated Agriculture Development Projects	Rural Development	Maharashtra	Pune dist. Daund Taluka	8.47	8.47
2	Sustainable Livelihoods through Multi-Skills Training & Entrepreneurship Development	Women Empowerment and Livelihood	Maharashtra	Pune dist. Daund Taluka	1.00	1.00
3	Covid-19 relief	Covid relief	Maharashtra	Pune	6.49	6.49
4	Covid-19 relief	Covid relief	Maharashtra	Pune	0.37	0.37

INR 16.33 million spent in FY 2021-22 (out of which INR 10.71 million contributed by Tasty Bite Eatables Limited in FY 2021-22). Sr. No. 1,2 & 3 through Tasty Bite Foundation. Details in Annual Report of CSR activities.

**(d) Details of Implementing Agencies**

Sr No.	Project Name	Project Location Address	Details of Implementation Agency			
			Name	Address of Registered Office	Contact No.	Email Address
1	Integrated Agriculture Development Project	Khor, Deulgaon gad and Padvi. Daund Tal, Pune Dist.	Krishi Vigyan Kendra (KVK)	A/p. Malegaon Khurd, Tal. Baramati, Dist. Pune – 413 115	02112 255227	<a href="mailto:kvkbmt@yahoo.com">kvkbmt@yahoo.com</a>
2	Sustainable Livelihoods through Multi-Skills Training & Entrepreneurship Development	Deulgaon gad and Padvi. Daund Tal, Pune Dist.	American India Foundation (AIF)	15/11, Ground Floor, Sarva Priya Vihar, New Delhi - 110016	T: 91-124-4551850 M: 91-8527759990	<a href="mailto:kavita.srivastava@aif.org">kavita.srivastava@aif.org</a>

## SECTION C : OTHER DETAILS

**Holding, Subsidiary and Associate Companies :**

**(a) Names of Holding Companies**

Sr No.	Name of the Company	CRN/FCRN	Holding/Subsidiary/ Associate/Joint Venture	% of shares held
1	Preferred Brands Foods (India) Pvt. Ltd.	U15400MH1998PTC113768	Holding	74.22%
2	Effem Holdings Ltd.	NA	Holding	0.01%

# Business Responsibility Report (Contd..)

## (b) Subsidiary Companies :

1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	NA
3	Do any other entity/entities [e.g. suppliers, distributors etc.] that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

## SECTION D: BR INFORMATION (Governance, Leadership and Oversight)

### 1 Details of Director/Directors responsible for BR

#### a. Details of the Director/Directors responsible for implementation of the BR policy/policies

No.	Particulars	Details
1	No. of Directors	1
2	DIN Number	07529010
3	Name	Gaurav Gupta
4	Designation	Whole Time Director and CFO

#### b. Details of the BR head

No.	Particulars	Details
1	DIN (if applicable)	07529010
2	Name	Gaurav Gupta
3	Designation	Whole Time Director and CFO
4	Telephone number	(020) 30216000
5	e-mail id	<a href="mailto:gaurav@tastybite.com">gaurav@tastybite.com</a>

#### c. Details of review by the Company

No.	Particulars	Details
1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year	The Board of Directors and the Committees of the Board assess the BR performance of the Company periodically. Managing Director / Whole Time Director reviews the performance of Business Responsibility every 6 months by way of evaluating the performance of departments and entire organization.
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Report is published on annual basis as a part of annual report. The same can be viewed at <a href="http://www.tastybite.co.in">www.tastybite.co.in</a>
3	Has the company carried out independent assessment/ evaluation of the working of this policy by an internal or external agency?	The Business Responsibility Policy is evaluated internally. Policies pertaining to health, safety and environment are audited externally by DNV [a leading global independent risk and assurance certification organisation. The Company is ISO 14001 certified and ISO 45000 certified.

# Business Responsibility Report (Contd..)

## 2 Principle-wise (as per NVGs) BR Policy/policies

### a. Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Name your company's policy/policies that cover each principle and its core elements of the NGRBCs	Code of Conduct, Whistleblower & Vigilance Mechanism Policy, Anti bribery/ Anti corruption Policy	Product Responsibility is in our Mission Statement, Code of Conducts, Integrated Management System Policy	Code of conduct	Code of Conduct, Integrated Management System Policy	Code of conduct	Code of Conduct, CSR policy, Integrated Management System	Code of conduct	Code of Conduct, CSR policy, Integrated Management System	Code of conduct
2	Has the policy being formulated in consultation with the relevant stakeholders?	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Does the policy conform any national / international standards? If yes, specify? [50 words]	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Yes. These policies have been devised in confirmation with respective regulations or national standards that come into effect from time to time. These policies are revisited on a regular basis and are updated as and when there is any change in the norms.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board of Director?	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Indicate the link for the policy to be viewed online?	Details given below								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Does the company have inhouse structure to implement the policy/ policies.	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	✓	✓	✓	✓	✓	✓	✓	✓	✓

#### Details of Policies:

- Code of Conduct, Integrated Management System Policy are internally available to the employees and other relevant stakeholders
- CSR Policy, Whistleblower and Vigilance Mechanism Policy, Mission Statements are available on [www.tastybite.co.in](http://www.tastybite.co.in)

# Business Responsibility Report (Contd..)

**b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

## SECTION E : PRINCIPLE WISE PERFORMANCE

This section is aimed at helping businesses demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions.

### P1 – Business should conduct and govern themselves with ethics, transparency and accountability

Principle No.	Description	Response
1.1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs / Others?	Our corporate governance practices apply across the Company and 3 <sup>rd</sup> parties dealing with the Company. TBEL also follows the Mars, Incorporated (ultimate holding company) business principles which adhere to highest standards of ethics and responsibilities.
1.2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	(i) <b>Shareholder complaints</b> : 36 complaints were received in FY 2021-22 and resolved. (ii) <b>Code Of Conduct:</b> The Company's Code of Conduct outlines and creates a set of values for all concerned people to behave in an ethical manner while working for and on behalf of the Company. It takes into account factors like regulatory compliance, equal employment opportunity, non-harassment & prevention of sexual harassment, prevention of use of alcohol, illegal drug or medication, use of the Company's, Customers' and Suppliers' resources and competition. It is applicable to all directors and employees. (iii) <b>Prevention of Sexual Harassment ("POSH") Policy:</b> The policy framework aims at educating employees on any sort of harassment (including sexual harassment) and report about it appropriately when seen or experienced at the workplace. All the cases are acted upon immediately and corrective actions are taken. (iv) The Company received whistleblower letters in March & April 2022, which were investigated by Independent agency. Details provided in Directors' report.
1.3	Describe the process of identifying key stakeholder groups of the company	Mapping of stakeholders (internal and external) is outcome of analysis of issues that have / may have impact on the Company activities or are critical for stakeholders of the Company
1.4	What are the channels through which stakeholders can access information about the company on issues relevant to them?	Email: <a href="mailto:secretarial@tastybite.com">secretarial@tastybite.com</a> Website: <a href="http://www.tastybite.co.in">www.tastybite.co.in</a> Meetings, newspapers, Stock Exchange, Company website etc.

# Business Responsibility Report [Contd.]

## 1.5 Does the company have a business continuity and disaster management plan? Give details in 100 words / web link.-

Yes. The plan outlines key responses to various business risks which have the potential to disrupt manufacturing activities and mitigation of identified risk to ensure continuity of the business. This plan covers emergency response plan for onsite emergencies and key business risks that affect manufacturing operations.

## P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Principle No.	Description	Response
2.1	List upto 3 of your products whose design has incorporated social or environmental concerns, risks and/or opportunities and briefly describe the actions taken to mitigate the adverse environmental and social impacts in production and disposal as identified in the LCA or any other means.	<ul style="list-style-type: none"> <li>• TBEL uses 50 microns and above multilayer packaging material for its products. The Company has Extended Producer Responsibility (EPR) management in tie up with Waste Management Company authorised under Plastic Waste Management Rules. In addition, this year the weight of packaging pouches reduced from 100 micron to 80 micron for maximum product portfolio.</li> <li>• Development of processes and leveraging technology utilizing less water during production</li> <li>• Adopting sustainable energy policies and practices like Solar Energy, Waste Management, Environment Awareness, Occupational Health &amp; Safety, Wind energy utilization, use of briquettes as alternate source of energy, generation of electricity from in - house biogas plant.</li> <li>• Invested in automated ETP to recycle water. Sludge from ETP used as compost in nearby farms.</li> </ul>
2.2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	<ul style="list-style-type: none"> <li>• More than 50% of consumer busines is organic. The concept of organic is based on sustainability.</li> <li>• Biogas - 1% of total power used</li> <li>• Solar - 7% of total power used</li> <li>• Windmill - 8% of total power used</li> <li>• 100% Biomass fuel used for steam production</li> <li>• Usage of renewable energy is around 75% of total energy consumption</li> </ul>
2.3	Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	<p>The Company endeavors to integrate sustainability in sourcing of its materials. Example:</p> <ul style="list-style-type: none"> <li>• TBEL sources 100% of fresh vegetables directly from local farmers, small groups and collection centers.</li> <li>• Helping conventional suppliers follow sustainability practices like traceability, soil conservation etc.</li> <li>• Entire principle of organic certified operations is based on sustainability. Approximately, 76% of organic ingredients sourced from within the country.</li> <li>• The Company helps improve capability of local farmers by providing best farm practices, etc. We also have training facilities for the farmers. TBEL Organic farm acts as demonstartion farm for nearing farmers.</li> </ul>

# Business Responsibility Report (Contd..)

Principle No.	Description	Response
2.4	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste [separately as <5%, 5-10%, >10%]. Also, provide details thereof, in about 50 words or so.	<p>The Company has taken the following initiatives to recycle products and waste:</p> <ul style="list-style-type: none"> <li>Plastics: Company has a Extended Producer Responsibility (EPR) in place. Plastic is collected by a Plastic Waste Management company and recycled.</li> <li>E-waste: E-Waste generated within the Company are in form of computers, batteries, etc. these are sold to authorised MPCB vendor for further recycling.</li> <li>Other waste: 100% food waste generated is processed in inhouse biogas facility.</li> </ul>
2.5	Describe the improvements in environmental and social impacts of product and processes due to R&D and Capex Investments in specific technologies	<ul style="list-style-type: none"> <li>Major capital expenditure was incurred on                             <ol style="list-style-type: none"> <li>Upgrading the existing ETP (Effluent Treatment Plant)</li> <li>Rainwater harvesting: It is expected that due to the Project ~6 million litres of water per year may get collected.</li> <li>Recycling waste water: Overall raw water consumption decreased significantly.</li> </ol> </li> <li>Roads inside the factory have been paved so as to reduce water runoff.</li> <li>The biogas plant (including the UASB Digester) installed has been designed to digest and convert a total bio-waste of 4 ton per day to biogas and organic manure.</li> </ul>
2.6	<p>Has the Company taken any steps to procure goods from local and small producers, including communities surrounding their place of work?</p> <p>a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<ul style="list-style-type: none"> <li>The Company procures 100% fresh vegetables and various other perishable commodities from local farmers.</li> <li>The Company provides recommendation and sustainable practices training to farmers about the crops, etc.</li> <li>Building dams and deepening water bodies in local area by Tasty Bite Foundation in association with Krishi Vigyan Kendra (KVK) to help farmers and locals.</li> </ul>

2.7 Provide separate details of quantities collected for reuse, recycling, safe disposal after sale, and at end of life of your products of the following:

Product	FY 2021-22				FY 2020-21			
	Collected	Reused	Recycled	Safely Disposed	Collected	Reused	Recycled	Safely Disposed
Plastics (including packaging)	36 MT	-	-	36 MT	36 MT	-	-	36 MT
E-waste	105 KG	-	-	105 KG	200 KG	-	-	200 KG
Other waste (food waste)	526 MT	-	526 MT	-	493 MT	-	493 MT	-

# Business Responsibility Report [Contd..]

## P3 – Businesses should promote the wellbeing of all employees

3.1	Please indicate the total number of employees (staff and workmen)	Staff- 138, Workmen- 112
3.2	Please indicate the total number of employees hired on temporary/contractual/casual basis.	768
3.3	Please indicate the number of permanent women employees	25
3.4	Please indicate the number of permanent employees with disabilities	Nil
3.5	Do you have an employee association that is recognized by management	Yes, CITU (Centre of Indian Trade Union)
3.6	What percentage of your permanent workmen is members of this recognized employee association?	12%
3.7	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil
3.8	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	
	1. Permanent Employees	100%
	2. Permanent Women Employees	100%
	3. Casual/Temporary/Contractual Employees	100%
	4. Employees with Disabilities	NA

### 3.9 Is there a mechanism available to receive and redress grievances for the following categories of employees and workmen? If yes, please name the mechanism.

Category	Yes/No
Permanent Workmen	Yes. Grievance Redressal Committee is formed
Other than Permanent Workmen	Yes. Grievance Redressal Committee is formed
Permanent Employees	Yes. Open Door Policy in place
Other than Permanent Employees	Yes. Open Door Policy in place

The Company has mandatory and non-mandatory committees to enable the employees (including contractual workmen) to raise their concerns. Safety Committee, Internal Complaints Committee, Grievance Committee, Sudhar group etc. are some of the Committees. There is also 'Ombudsman' system in place implemented by Mars group.

### 3.10 Describe the measures taken by the company to ensure a safe and healthy work place:

#### Health Measures

- Workplace monitoring survey by external agency for noise monitoring, lux monitoring, dust monitoring, tap water testing etc.
- Various medical camps to ensure the workplace activities exposure / impact on employee health by conducting lung function test, eye and ear test, all blood pathogen testing and regular fitness. Various vaccinations like tetanus, swine flu, typhoid, Covid vaccine.
- Prompt trained first aid team and a regular Medical Practitioner available in all shifts. Trainings also provided to workmen and employees on safety and precautions to be taken on site.
- Adequate air ventilation throughout the factory and cool air supply by installing Air Handling Units (AHU). Natural air ventilators installed at roofs of building & sheds in the factory.
- Tested and filtered portable cold water supply and neat & clean urinals for both men / women employee.
- Dedicated ambulance and tie up with the nearest hospital to provide and referral services to take care of impaired health issue.
- Dedicated online / medical app and various medical policies. Medical room with paramedical staff available.

# Business Responsibility Report (Contd..)

## Safety Measures

1. Frequently carryout 'Identification of Risk and Hazard Analysis' (HIRA) process and take corrective action immediately.
2. External audits done on regular basis.
3. Training, development and rotation of employees done on frequent intervals to assure human resource balance throughout the factory.
4. Regular meeting on safety aspects with all safety representatives and volunteers and uplift the ground level safety issues.
5. On Job training, Mock drill, Fire drill and emergency exercises to upkeep the ERT (Emergency Response Team) and check the health of emergency handling facilities and services.
6. Employee participation in safety during various activities like hazard identification, safety meeting, safety week celebration and other safety promotional activities [like loto programme, kaizen, near miss & spot hazards competitions].
7. Incident / Accident investigation, analysis of root cause and confirm the CAPA and update the actions in HIRA / Training records / monthly inspection checklist etc.
8. Ensure all storage locations and other fire prone area free from fire hazards and any dangerous occurrences.
9. Trained fire fighters alongwith dedicated fire protection system available in factory.

3.11	Provide the measures undertaken by the company to ensure that statutory dues have been deducted and deposited by the 3rd parties	The Company undertakes compliance audits of 3rd parties such as Contractors, etc on frequent basis. Compliance check is also done by 3rd party auditors of the Company.
3.12	Provide the corrective actions taken for children/ adolescents identified as employed in your establishments and value chain	The Company undertakes compliance audits by 3rd parties on frequent basis. Compliance check is also done by Internal Auditors of the Company. There has been no instance reported of underage / child labour in company.
3.13	Provide the corrective actions taken for forced/involuntary labour identified in your establishments	There has been no such instance.
3.14	Provide the actions taken to prevent adverse consequences to the complainant in discrimination and harassment cases	The Code of Conduct including various policies specifically states that the complaints shall be kept confidential by the management/ investigating team. The Policies also mention that no adverse effect on whistleblower/ complainant under any policy, in case, the compliant is true.
3.15	Provide the corrective actions taken on the outcomes of health and safety audits of your establishments, including value chain partners	The Company undergoes many audits w.r.t. Health and Safety by various customers and external agencies during the year. Various audits include audits by Customers on Minimum Mandatory Standards (MMS) and COSCO framework. Internal Audit by Mars Companies and ISO 45001:2018 and ISO 14001:2015 audit, mandatorily done by external agency once a year. No major non compliance highlighted in any of the report.

# Business Responsibility Report [Contd..]

3.16 Percentage of accident-affected employees/ workmen rehabilitated and placed in suitable employment	<p>Serious injury is termed as Lost Time Incident (LTI) wherein the worker is not able to resume work within the next 48 hours[in accordance with the Factories Act, 1948].</p> <p>The Company has reported zero LTI in the last one year. The company facilitates hospitalization of the employee/ workmen. Recovery time to the employee/ workmen is given by the Company. Fitness certificate ensured before joining the duty. Company also facilitates insurance for all employees. Company also provides paid leave to the employee/ workmen after accident to recover. Welfare officer continuously monitors the health of such employees.</p>
---	--

## **P4 – Businesses should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

4.1 Has the company mapped its internal and external stakeholders? Yes/No	<p>Yes, the Company has mapped its stakeholders, internal as well as external as below:</p> <ol style="list-style-type: none"> <li>1. Employees: Trainings, surveys, rewards &amp; recognitions, team building and fun activities, celebrations, learning series and meeting with personalities, communication with employees on regular basis by the top management.</li> <li>2. Bankers: Various visits and regular communications</li> <li>3. Shareholders: AGM, meetings(virtual) with shareholders, annual reports, updates on website etc</li> <li>4. Suppliers/Vendor : Various visits and regular communication.</li> </ol>
4.2 Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders	<p>Yes</p>
4.3 Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so	<p>The Company is guided by its mission statement “to be a socially responsible company that will delight consumers”. The Community initiatives undertaken is the commitment of the business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their standard of living. The thematic area of initiatives is centered on environment, rural education; farming &amp; soil conservation, disaster relief, etc. Various activities done by the Company through Tasty Bite Foundation during the year are -</p> <ol style="list-style-type: none"> <li>1. Built Matti Dam at Khor and Mati Nala Bandh at Khor, Deepening and carried widening of the natural streams etc. projects to enhance water availability in nearby area.</li> <li>2. Skill development programmes like Computer Training in rural areas for technical enhancement.</li> <li>3. Tailoring camps for women to contribute to their empowerment and livelihood. <ul style="list-style-type: none"> <li>Partnered with American India Foundation to provide sustainable livelihoods through multi-skills training &amp; entrepreneurship development.</li> </ul> </li> <li>4. Training on modern methods of farming to enhance farmers' knowledge about scientific procedures and latest tools and help them take precautions to maintain soil fertility.</li> <li>5. TBEL farm is used as demonstration farm.</li> <li>6. Employee policies changed to suit need of employees.</li> </ol>

# Business Responsibility Report (Contd..)

<p>4.4 Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups</p>	<ul style="list-style-type: none"> <li>• Supplier development programmes by TBEL to help them develop specific products, in case need be.</li> <li>• Farming training given to nearby farmers in our demonstration farm.</li> <li>• Sourcing of 100% fresh vegetables from local farmers/ farmer group.</li> <li>• Prioritizing the payment of MSME (even before the regulatory/ agreed timeframe) to support during pandemic.</li> <li>• Annual awards to recognize the efforts of Suppliers and 3<sup>rd</sup> parties, equal rights &amp; opportunities given to contractual labours, etc.</li> </ul>
<p>4.5 Provide details of 3 instances as to how the inputs received from stakeholders were incorporated into policies and activities of the company:</p>	<ul style="list-style-type: none"> <li>• Inputs given by the farmers/ producers of raw material to source specific raw material within the country. This learning from our producers was implemented for better efficiency in production (pre and post) activities.</li> <li>• Packaging line wastages reduced considerably by implementing process and changes suggested by the vendor.</li> <li>• The Company also introduced new policies as a part of "Employee Handbook" for its employees after receiving suggestions and feedback.</li> </ul>

## P5 – Businesses should respect and promote human rights

<p>5.1 Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?</p>	<p>The policies not only cover employees but also contractors, customers and others.</p>
<p>5.2 How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?</p>	<p>No complaints were received relating to human rights violation during the year.</p>
<p>5.3 Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? [Yes / No]</p>	<p>Yes, the Company has 'Open Door Policy' and 'Grievance Redressal Policy' in place to address the human rights impacts/ issues caused or contributed by the business.</p> <p>The employees may also connect with 'Ombudsman' for their grievances.</p>
<p>5.4 Describe the internal mechanisms in place to redress grievances related to human rights issues:</p>	<p>Respective Committees are formed and necessary redressal takes place. Confidentiality of all complaints are maintained throughout.</p>
<p>5.5 Do human rights requirements form part of your business agreements and contracts? [Yes / No]:</p>	<p>Yes, by way of Contracts with Customers and Employee handbook mentioning Code of Conduct with employees and 3<sup>rd</sup> parties.</p>
<p>5.6 Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints:</p>	<p>No complaints received w.r.t. human rights. The Company follows highest standards of human rights compliances.</p>
<p>5.7 Details of the scope and coverage of any Human rights due diligence conducted, including in the value chain:</p>	<p>The Company is from time to time audited for Social Accountability compliance by its Customers. Meanwhile, the Policies like Vigilance Mechanism and Whistle Blower are public documents. The Employee handbook also mandates the employees and business partners to mandatorily follow the business ethics. We are also guided by our Mission Statement to be a "socially responsible" company.</p>

# Business Responsibility Report [Contd..]

## P6 – Business should respect, protect and make efforts to restore the environment (Health, Safety and Environment)

<p>6.1 Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ others</p>	<p>The Policy is applicable to employees and third parties also. The Company is ISO 14001 and ISO 45001 certified which are based on Environment standard.</p> <ul style="list-style-type: none"> <li>• Workplace environment</li> <li>• Ambient environment (inside and outside environment of plant)</li> <li>• EURO4 safe products</li> </ul> <p>The Company has always considered its employees as the most valuable asset of the organization. The Company constantly undertakes initiatives to ensure the safety and well-being of its employees at workplace. The Company engages its employees and third party vendors, contractors in various EOHS initiatives held in the organization. The hazard identification and risk assessment is carried out in consultation with relevant stakeholders, employees and third party contractors. The implemented controls are monitored and evaluated regularly to ensure employee safety all the time at workplace.</p> <p>Few of the activities performed towards occupational health and employee safety:</p> <ul style="list-style-type: none"> <li>• Awareness programmes</li> <li>• OSHA awareness floor walks</li> <li>• Periodic evacuation drills</li> <li>• Regular trainings and mock drills.</li> </ul> <p>The Company conducts regular health checkup [specific to areas of work] of all employees and workers in factory and head office. All safety guards such as gloves, ear plugs, safety shoes, replacement of sharp tools with blunt end tools, etc. are provided.</p>
<p>6.2 Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.</p>	<p>Yes. <a href="http://www.tastybite.co.in">www.tastybite.co.in</a></p> <p>(i) We are working on curbing carbon footprints by using renewable sources of energy like solar panels, wind energy, biogas, briquettes made from sugarcane waste, etc. and reducing the natural resources depletion.</p> <p>(ii) Carbon emission being curbed by dust collector to settle the carbon particles.</p> <p>(iii) Recycling &amp; reuse of used water to conserve water.</p>
<p>6.3 Does the company identify and assess potential environmental risks? Y/N</p>	<p>Yes. The Company maintains and continually monitors the aspect impact register by which environmental risks are identified. The Company is ISO 14001: 2015 certified.</p>
<p>6.4 Does the company have any project related to Clean Development Mechanism? If Yes, provide details:</p>	<p>The Company has continuously ensured extensive usage of renewable sources of energy. Primary energy needs at the factory are met through the rooftop solar panels, biogas plants and through wind energy. The Company uses biomass fuels for 100% operations of its boiler and steam generation. 75% of the total energy used for production is through renewable energy sources. All these measures have helped the Company maintain a low carbon footprint.</p>

# Business Responsibility Report (Contd..)

6.5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes. 75% of the total energy used is generated through renewable sources of energy including solar power, wind power & bio gas. Company also uses Biomass energy [i.e. Briquettes]. <a href="https://www.tastybite.co.in/sustainable#renewable">https://www.tastybite.co.in/sustainable#renewable</a>
6.6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes. Emission control equipment is installed at the plant. Air quality is tested twice a year by NABL accredited laboratories to ensure that emissions generated by the Company are within permissible limits. There have been no instances of exceeding limits. All the waste and emission parameters are within the limits set by Maharashtra Pollution Control Board.
6.7	Number of show cause/ legal notices received from CPCB/SPCB which are pending [i.e. not resolved to satisfaction] as on end of Financial Year	Nil

## 6.8 Details of environmental impact assessments of projects undertaken by the company:

	FY 2021-22	FY 2020-21
Environmental impact assessment conducted	EMS certified, ISO 14001: 2015	EMS certified, ISO 14001
Whether conducted by independent external agency	Yes	Yes

## 6.9 What are the material environmental risks to the business identified and the mitigation measures adopted by the company with regard to the following:

Environmental Component	Risk(s) Identified	Mitigation Measures Adopted
Land Use	No risk identified	Not applicable
Emissions	Yes Primary Risk: Level of emissions released from the plant during and post production	Pollution control equipment like dust collector installed in the factory and timely and routine maintenance of these equipment is carried out. Additionally, an audit is conducted by a National Accreditation Board for Testing and Calibration Laboratories accredited laboratory twice a year. No non-compliance with any of the norms set by the government authorities was highlighted during the audit.
Water	Yes Primary Risk: Waste water generated and released from the factory without treatment	All waste water is treated in the Effluent Treatment Plant [ETP] and domestic waste is treated in the Sewage Treatment Plant [STP]. The waste water is recycled and used in non-production processes and for ancillary purposes. Any surplus treated water is then distributed to farmers for agricultural purposes, thus ensuring zero waste water in the factory.
Energy	Yes Primary Risk: Reliance on non-renewable sources of energy for production and operations	Yes. 75% of the total energy used is generated through renewable sources of energy including solar power, wind power & bio gas. Company also uses Biomass energy [i.e. Briquettes].

# Business Responsibility Report [Contd..]

Environmental Component	Risk(s) Identified	Mitigation Measures Adopted
Biodiversity	Yes Primary Risk: Threat to biodiversity in and around the factory due to pollutants, emissions and waste generated from production processes	All waste generated at the plant is treated before being released to ensure that pollutants are eliminated. The residue from the Effluent Treatment Plant is distributed to local farmers to be used as manure for agricultural purposes
Other	None	Not applicable

## 6.10 What is the % of solid waste generated that is recycled and sent to the landfill?

100% of the solid waste generated is recycled into biogas. No landfill by Company.

## 6.11 Percentage of renewable energy consumed to total energy consumed:

	FY 2021-22	FY 2020-21
% age of renewable energy consumed to total energy consumed	16%	22.50%

6.12 Provide details of solid waste management relating to the following aspects	<ul style="list-style-type: none"> <li>All the solid waste generated is used in the inhouse biogas facility.</li> <li>Hazardous waste generated is minimal - in form of used machine oil. This is sent to a Maharashtra Pollution Control Board authorized vendor for disposal.</li> <li>Food waste is used to generate biogas. The sludge generated from the biogas plant is then used as manure by local farmers.</li> </ul>
6.13 Briefly describe the solid waste management practices adopted in your establishments	<p>(i) 100% solid waste generated used in inhouse biogas plant.</p> <p>(ii) Sludge generated in Effluent Treatment Plant is used as manure.</p>
6.14 Briefly describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes	Not applicable. Our products do not contain chemicals.

## 6.15 List innovative technologies, solutions and initiatives undertaken resulting in lower environment footprint adopted by the company, if any.

Sr No.	Environmental footprint	Initiatives undertaken
A	Land Use	No land filling done by the Company.
B	Emissions	Emission is only from boiler. Boiler set up with 100% MPCB compliances. Further, all emissions are within the MPCB limit.
C	Water	Major capital expenditure was incurred on rainwater harvesting, recycling waste water and upgrading the existing ETP (Effluent Treatment Plant). Roads inside the factory have been paved so as to reduce water runoff.
D	Energy	The biogas plant (including the UASB Digester) installed has been designed to digest and convert a total bio-waste of 4 ton per day to generate electricity.
E	Biodiversity	100% of the fuel used in boilers are sugarcane briquettes which accounts for 75% of the total energy consumption along with other renewable energy source.

# Business Responsibility Report (Contd..)

## P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- 1 a. Number of affiliations with trade and industry chambers/ associations - 4
- b. List the trade and industry chambers/ associations Company is a member of/are affiliated to:

Sr No.	Name of the trade and industry chambers/ associations	Scope of Entity(State/National)
1	Mahratta Chamber of Commerce, Industries and Agriculture(MCCIA)	National
2	Confederation of Indian Industry(CII)	National
3	Association of Indian Organic Industry(AIOI)	National
4	Institute of Directors(IOD)	National

c. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) No

## P8 – Businesses should support inclusive growth and equitable development

8.1 Specified programmes to support this principle	The Company is guided by its mission statement to be socially responsible company that will delight consumers. Community initiatives undertaken is commitment of business to contribute to sustainable economic development, working with employees, their family, local community and society at large to improve quality of life. Various programmes include support to local farmers / farmer groups for procuring 100% fresh vegetables from them, maximum workers from local community, skill building programme in youth in nearby area in association with American India Foundation, Water conservation project in association with Agriculture Development Trust (KVK) and support to society at large by providing dry ration kits and ready to eat food during pandemic.
8.2 Modes through which the above projects/programmes undertaken	Details mentioned in CSR annual report section.
8.3 Company direct contribution to community development	Details mentioned in CSR annual report section.

## 8.4 Details of Social Impact Assessments (SIA) undertaken by the company for projects in the current financial year

Has Social Impact Assessment been conducted	No
Has the Social Impact Assessment been conducted by an independent external agency	No
Have the results of the Social Impact Assessment been communicated in public domain?	No
Web Link	NA

# Business Responsibility Report [Contd..]

8.5	Steps undertaken to ensure that community development initiatives are adopted by community:	Community collaboration and participation are encouraged at all stages of CSR initiatives. Multiple interactions with local communities through people/ beneficiary meetings, meeting with local administrative officials to understand the needs of people, trainings provided etc. Extensive engagement with the community helps in better planning and execution of the projects. This ensures continued support for the initiative and adoption of good practices even after completion of project by the Company.  Both agencies associated with Tasty Bite Foundation regularly meet the people / beneficiaries to understand feedback.
-----	---	---

## P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner

### 9.1 % of products and services [by turnover] of your business carrying information about:

	% of products and services carrying information
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and safe disposal	100%
Not Applicable [Yes/No]	NA

- All products have usage instructions mentioned on packaging.
- Packaging also has recycling, safe disposal practices instructions mentioned.
- Social/Environmental parameters like organic, chemical free etc. are also mentioned.

9.2	What percentage of customer complaints/ consumer cases are pending as on the end of financial year?	There are no pending complaints/consumer cases. All responses to the complaints are closed within 2-3 days basis the nature of the complaints.
9.3	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/ N.A. / Remarks [additional information]	Yes, the Company provides all the mandated information alongwith additional information like handling and making the product, etc
9.4	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so	No, there is no such case filed by any stakeholder

# Business Responsibility Report (Contd..)

---

9.5	Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company conducted one customer feedback survey during FY 2021-22.
9.6	Channels / platforms where information on products and services of the company can be accessed [provide web link if applicable]:	<a href="http://www.tastybite.co.in">www.tastybite.co.in</a>
9.7	Steps taken to inform and educate consumers, especially vulnerable and marginalised consumers, about safe and responsible usage of products:	Packaging/ Label of the products has all the information related to safe & responsible usage of products
9.8	Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services:	Company has regular telephonic calls with customers and also e-mail communications. During pandemic, the Company and its representatives were in constant communication with the Customers not only w.r.t. the business but also to lend any help during pandemic.

---

# Revised Independent Auditors' Report

To the Members of  
**Tasty Bite Eatables Limited**

## Report on the Audit of the Revised Financial Statements

**This Report supersedes our Report dated 27 May 2022**

### Opinion

We have audited the revised financial statements of Tasty Bite Eatables Limited ["the Company"], which comprise the revised balance sheet as at 31 March 2022, and the revised statement of profit and loss (including other comprehensive income), revised statement of changes in equity and revised statement of cash flows for the year then ended, and notes to the revised financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid revised financial statements give the information required by the Companies Act, 2013 ["Act"] in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing [SAs] specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Revised 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 together with the ethical requirements that are relevant to our audit of the revised 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 on the revised financial statements.

### Emphasis of Matter

We draw attention to Notes 2 and 49 to the revised financial statements which describe the impact of the whistle-blower complaints. As explained in detail therein, these revised financial statements for the year ended 31 March 2022 have been prepared pursuant to completion of the independent investigation in relation to whistle-blower complaints received in March and April 2022. The earlier financial statements, which were approved by the Board of Directors on 27 May 2022 disclosed that an interim report from the investigating agency indicated certain financial irregularities. The final report from the investigating agency was awaited as of that date.

We issued a separate auditor's report dated 27 May 2022 on the financial statements to the shareholders of the Company. The investigation has been completed and consequently, the Company has prepared revised financial statements to update the disclosures which explain this matter in detail. Our revised audit report is with reference to these revised financial statements.

Our opinion is not modified in respect of the above matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the revised financial statements of the current period. These matters were addressed in the context of our audit of the revised financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# Revised Independent Auditors' Report (Contd.)

## Provision for inventory obsolescence

See note 11 to the revised financial statements

### The key audit matter

As at 31 March 2022, the Company held INR 663.45 million of inventories which are net of provision for inventory obsolescence of INR 71.64 million.

Given the size of the inventory balance relative to the total assets of the Company and considering the estimates and judgments described below, provision for inventory obsolescence required significant audit attention.

As disclosed in Note 3.5 and Note 11, inventories are held at the lower of cost [determined using the weighted average cost method] and net realizable value. Periodically, the valuation of inventory is reviewed by management for provisioning.

The determination of whether inventory will be realized for a value less than cost requires management to exercise judgment and apply assumptions.

### How the matter was addressed in our audit

We have performed the following procedures over provision for inventory obsolescence:

- We obtained an understanding, tested the design, implementation and operating effectiveness of controls surrounding the provision for inventory and inventory valuation process;
- We performed testing of the Company's controls over the inventory cycle count process. In testing these controls, we observed the inventory cycle count process at selected locations on a sample basis, inspected the results of the inventory cycle count and assessed whether the variances were accounted for and approved by management;
- For a sample of inventory items selected using statistical sampling, we also re-performed the weighted average cost calculation and compared the weighted average cost to the net realizable value;
- We tested the ageing reports used by management for correctness of ageing;
- We challenged the reasonableness of the assumptions used by the management relating to expected utilization of production capacity in the near future; and
- We performed retrospective reviews of provisions made historically to assess the reasonableness of provisions made during the year and provision established at the year-end.

## Revenue from contracts with customers

See note 27 to the revised financial statements

### The key audit matter

The Company's revenue is derived primarily from sale of goods. Revenue from the sale of goods is recognised upon the transfer of control of the goods to the customers.

The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition.

Revenue is also an important element of how the Company measures its performance.

### How the matter was addressed in our audit

We have performed the following procedures over revenue recognition:

- We assessed the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ["Revenue from contracts with Customers"] including adequacy of disclosures;
- We evaluated the design, tested the implementation and operating effectiveness of key internal controls including general IT controls and key IT application controls over recognition of revenue;
- We performed substantive testing by selecting samples using statistical sampling of revenue transactions recorded during the year by testing the underlying documents which included customer purchase orders, invoices, goods dispatch notes, customer acceptances and shipping documents (as applicable) to assess

# Revised Independent Auditors' Report (Contd.)

The key audit matter	How the matter was addressed in our audit
	<p>revenue is recognised after the transfer of control to customers as per the terms of the contract;</p> <ul style="list-style-type: none"> <li>• We carried out analytical procedures on revenue recognised during the year to identify unusual variances;</li> <li>• We tested, on a sample basis, specific revenue transactions recorded around the financial year end date to determine whether the revenue had been recognised in the appropriate financial period; and</li> <li>• We tested journal entries selected considering specified risk based criteria posted to revenue accounts to identify unusual items.</li> </ul>

## Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the revised financial statements and our revised auditors' report thereon.

Our opinion on the revised 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 revised financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised 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.

## Management's and Board of Directors' Responsibilities for the Revised Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these revised financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of

adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the revised financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the revised financial statements, the Management and 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Revised Financial Statements

Our objectives are to obtain reasonable assurance about whether the revised financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a revised 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

## Revised Independent Auditors' Report (Contd.)

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 revised financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the revised 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of revised financial statements 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 revised financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the revised financial statements,

including the disclosures, and whether the revised financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the revised financial statements of the current period and are therefore the key audit matters. We describe these matters in our revised auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

In accordance with the provisions of Standard on Auditing 560 [Revised] 'Subsequent Events' issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the Financial Statements, have been carried out solely on this matter and no additional procedures have been carried out for any other events occurring after 27 May 2022 (being the date of our earlier audit report on the earlier financial statements). Our earlier audit report dated 27 May 2022 on the earlier financial statements is superseded by this revised audit report on the revised financial statements.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies [Auditors' Report] Order, 2020 ["the Order"] issued by the Central Government of India in terms of section 143 [11] of

## Revised Independent Auditors' Report (Contd.)

the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. [A] As required by Section 143(3) of the Act, we report 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.
  - 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 revised balance sheet, the revised statement of profit and loss (including other comprehensive income), the revised statement of changes in equity and the revised statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid revised financial statements comply with Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate revised Report in "Annexure B".
- [B] With respect to the other matters to be included in the Revised Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its revised financial statements - Refer note 36 to the revised financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. [I] The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 50 to the revised financial statements, 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.
    - [II] The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 50 to the revised financial statements, 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.
    - [III] Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing

## Revised Independent Auditors' Report (Contd.)

has come to our notice that has caused us to believe that the representations under sub-clause [iv] [I] and [iv] [II] contain any material mis-statement.

- v. With reference to the dividend declared or paid during the year by the Company:
  - a. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
  - b. As stated in Note 19 to the revised financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

[C] With respect to the matter to be included in the Revised Auditors' Report under section 197[16] of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197[16] of the Act which are required to be commented upon by us.

**For B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.: 116231W/W-100024

**Raajnish Desai**

*Partner*

Place: Pune

Membership No. 101190

Date: 10 August 2022 UDIN No.: 22101190AOSAAE2604

# Annexure A

to the Revised Independent Auditor's report on the revised financial statements of Tasty Bite Eatables Limited for the year ended 31 March 2022

## This Report supersedes our Report dated 27 May 2022

With reference to the Annexure referred to in paragraph 1 in "Report on Other Legal and Regulatory Requirements" of the Revised Independent Auditors' Report to the Members of the Company on the revised financial statements for the year ended 31 March 2022, 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 has maintained proper records showing full particulars of intangible assets.
- (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

a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner every year. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties [other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee] disclosed in the revised financial statements are held in the name of the Company, except for the below which is not held in the name of the Company:

Description of property	Gross carrying value in INR million	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land - Gut No. 503, Bhandagon, Taluka Daund, District Pune	0.03	Mr. Lalit Kumar Kudle	No	From 2010 till date	The Company has filed a legal suit alleging illegal occupation of the land of the Company.

- (d) 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 revalued its Property, Plant and Equipment [including Right of Use assets] or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during
- the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (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 been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

# Annexure A

## to the Revised Independent Auditor's report on the revised financial statements of Tasty Bite Eatables Limited for the year ended 31 March 2022 [Contd.]

[iii] 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 investments, provided guarantee or security, or granted advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. However, the Company has granted loan to one other party during the year in respect of which the requisite information is as below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided advances in the nature of loans or stood guarantee, or provided security, during the year.

Amount in INR millions	
Category of asset	Loans
Aggregate amount during the year	
- Subsidiaries*	-
- Joint ventures*	-
- Associates*	-
- Others	52
Balance outstanding as at balance sheet date	
- Subsidiaries*	-

Amount in INR millions	
Category of asset	Loans
- Joint ventures*	-
- Associates*	-
- Others	52

\*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not given any guarantee or security or advances in the nature of loans during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instances of loans/advance in the nature of loan falling due during the year were renewed or extended or settled by fresh loans:

Name of the parties	Aggregate amount dues renewed or extended or settled by fresh loans in INR million	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Sanjay Yadav	52	100%

(f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

[iv] According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ["the Act"] are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

# Annexure A

## to the Revised Independent Auditor's report on the revised financial statements of Tasty Bite Eatables Limited for the year ended 31 March 2022 (Contd.)

(v) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ['GST'], Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been delays in some cases of payment for Provident Fund and Income-Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ['GST'], Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount in INR million	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	Income Tax	1.29	2007-2008	The Income Tax Appellate Tribunal, Pune	Amount paid under protest is INR 5.08 million
Customs Act, 1962	Customs Duty	26.50	2013-14 and 2014-15	The Customs Excise and Service Tax Appellate Tribunal, Mumbai	Amount paid under protest is INR 11.73 million

(viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) 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 defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(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 been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the

# Annexure A

## to the Revised Independent Auditor's report on the revised financial statements of Tasty Bite Eatables Limited for the year ended 31 March 2022 [Contd.]

- balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (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 or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year except that few employees were involved in financial irregularities amounting to Rs. 4.10 million with respect to certain capital expenditure contracts. The independent investigation has been completed and the Company has recovered Rs. 2.67 million from these employees subsequent to the year end.
- (b) According to the information and explanations given to us, 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 the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the revised financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, 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, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

# Annexure A

## to the Revised Independent Auditor's report on the revised financial statements of Tasty Bite Eatables Limited for the year ended 31 March 2022 (Contd.)

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(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 revised financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor

any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

**For B S R & Associates LLP**  
*Chartered Accountants*

Firm's Registration No.: 116231W/W-100024

**Raajnish Desai**  
*Partner*

Place: Pune

Membership No. 101190

Date: 10 August 2022

UDIN No.: 22101190AOSAAE2604

# Annexure B

## to the Revised Independent Auditors' report on the revised financial statements of Tasty Bite Eatables Limited for the year ended 31 March 2022

### Report on the internal financial controls with reference to the aforesaid revised financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

#### This Report supersedes our Report dated 27 May 2022

#### Qualified Opinion

We have audited the internal financial controls with reference to revised financial statements of Tasty Bite Eatables Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the revised financial statements of the Company for the year ended on that date.

In our opinion, except for the possible effects of the material weaknesses described below on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to revised financial statements and such internal financial controls with reference to revised financial statements were operating effectively as of 31 March 2022, based on the internal financial controls with reference to revised financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

We have considered the material weakness identified and reported below in determining the nature, timing, and extent of audit tests applied in our audit of the revised financial statements of the Company for the year ended 31 March 2022 and the material weakness has not affected our opinion on the said revised financial statements of the Company.

#### Basis for qualified opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at 31 March 2022:

The Company did not have an appropriate internal control system for the on-boarding process of certain small and medium sized capital expenditure vendors. This could potentially result in the on-boarding of inappropriate vendors and/ or capital contracts being

awarded to vendors having a conflict of interest with employees of the Company. This could result in the Company incurring higher costs for purchase of property, plant & equipment (including capital work in progress), with corresponding impact on capital creditors and related depreciation expense.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

#### Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to revised financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 its business, including adherence to 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 Companies Act, 2013 (hereinafter referred to as "the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to revised financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to revised financial statements. Those Standards and the Guidance Note require that we comply with

# Annexure B

## to the Revised Independent Auditors' report on the revised financial statements of Tasty Bite Eatables Limited for the year ended 31 March 2022 (Contd.)

ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to revised financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to revised financial statements and their operating effectiveness. Our audit of internal financial controls with reference to revised financial statements included 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 revised financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to revised financial statements.

### Meaning of Internal Financial controls with Reference to Revised Financial Statements

A company's internal financial controls with reference to revised financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of revised financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to revised 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 revised financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and [3] provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the revised financial statements.

### Inherent Limitations of Internal Financial controls with Reference to Revised Financial Statements

Because of the inherent limitations of internal financial controls with reference to revised 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 revised financial statements to future periods are subject to the risk that the internal financial controls with reference to revised financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B S R & Associates LLP**  
 Chartered Accountants

Firm's Registration No.: 116231W/W-100024

**Raajnish Desai**  
 Partner

Place: Pune

Membership No. 101190

Date: 10 August 2022

UDIN No.: 22101190AOSAAE2604

# Revised Balance Sheet

as at 31 March 2022

[Currency - INR in Million, except per share data]

Particulars	Notes	31 March 2022	31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6A	1,298.07	1,118.53
Capital work-in-progress	6B	616.93	424.49
Right-of-Use Asset	6C	588.22	664.46
Intangible assets	7	2.43	2.73
Financial assets			
Loans	8A	46.00	-
Other financial assets	9	3.46	3.46
Deferred tax assets (net)	35	22.52	5.96
Income tax assets (net)		30.74	26.99
Other non-current assets	10	109.65	231.09
<b>Total non-current assets (i)</b>		<b>2,718.02</b>	<b>2,477.71</b>
<b>Current assets</b>			
Inventories	11	663.45	692.79
Financial assets			
Trade receivables	12	544.48	543.40
Cash and cash equivalents	13	39.60	348.19
Bank balances other than cash and cash equivalents	14	0.73	0.87
Loans	8B	6.00	-
Derivative contract assets	15	10.88	9.73
Other financial assets	16	146.31	160.37
Other current assets	17	178.69	242.04
<b>Total current assets (ii)</b>		<b>1,590.14</b>	<b>1,997.39</b>
<b>TOTAL ASSETS (i+ii)</b>		<b>4,308.16</b>	<b>4,475.10</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	25.66	25.66
Other equity	19	2,146.12	2,040.54
<b>Total equity (i)</b>		<b>2,171.78</b>	<b>2,066.20</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	20A	435.57	496.76
Lease liabilities	39	585.38	636.95
Provisions	21	59.60	73.58
<b>Total non-current liabilities (ii)</b>		<b>1,080.55</b>	<b>1,207.29</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	20B	307.49	566.76
Lease liabilities	39	51.57	44.55
Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		28.66	18.55
- Total outstanding dues of creditors other than micro enterprises and small enterprises		585.49	472.87
Derivative contract liabilities	23	-	3.74
Other financial liabilities	24	59.16	80.39
Other current liabilities	25	16.05	10.28
Provisions	26	7.41	4.47
<b>Total current liabilities (iii)</b>		<b>1,055.83</b>	<b>1,201.61</b>
<b>TOTAL EQUITY AND LIABILITIES (i+ii+iii)</b>		<b>4,308.16</b>	<b>4,475.10</b>
Summary of significant accounting policies	1 - 5		
Notes to the revised financial statements	6 - 51		

The accompanying notes referred to above form an integral part of the revised financial statements.

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm Registration No: 116231W/W - 100024

**Raajnish Desai**

Partner

Membership No: 101190

Place: Pune

Date: 10 August 2022

For and on behalf of the Board of Directors of

**Tasty Bite Eatables Limited**

**CIN: L15419PN1985PLC037347**

**Gaurav Gupta**

Whole Time Director

& Chief Financial Officer

DIN: 07529010

Place: Pune

Date: 10 August 2022

**Ashok Vasudevan**

Chairman

DIN: 00575574

**Minal Talwar**

Company

Secretary

# Revised Statement of Profit and Loss

for the year ended 31 March 2022

(Currency - INR in Million, except per share data)

Particulars	Notes	31 March 2022	31 March 2021
Revenue from operations	27	3,720.91	3,853.13
Other income	28	134.69	189.76
<b>Total income</b>		<b>3,855.60</b>	<b>4,042.89</b>
<b>Expenses</b>			
Costs of materials consumed	29	2,481.98	2,480.92
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	(21.90)	(45.86)
Employee benefits expense	31	321.93	297.41
Finance costs	32	82.85	30.25
Depreciation and amortisation expense	33	242.85	171.65
Other expenses	34	603.13	582.77
<b>Total expenses</b>		<b>3,710.84</b>	<b>3,517.14</b>
<b>Profit before income tax</b>		<b>144.76</b>	<b>525.75</b>
<b>Income tax expense</b>			
– Current tax	35	60.53	134.28
– Deferred tax (credit)	35	(19.05)	(1.95)
		<b>41.48</b>	<b>132.33</b>
<b>Profit for the year</b>		<b>103.28</b>	<b>393.42</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit and loss:			
– Remeasurement of defined benefit liability		5.02	0.40
– Income tax related to items that will not be reclassified to profit and loss		(1.26)	(0.10)
Items that will be reclassified subsequently to profit and loss:			
– Effective portion of gain on hedging instruments in a cash flow hedge		4.90	61.78
– Income tax related to items that will be reclassified to profit and loss		(1.23)	(15.55)
<b>Other comprehensive income for the year, net of tax</b>		<b>7.43</b>	<b>46.53</b>
<b>Total comprehensive income for the year</b>		<b>110.71</b>	<b>439.95</b>
Earnings per equity share (nominal value of share INR 10)	38		
(1) Basic [INR]		40.25	153.32
(2) Diluted [INR]		40.25	153.32
Summary of significant accounting policies	1 - 5		
Notes to the revised financial statements	6 - 51		

The accompanying notes referred to above form an integral part of the revised financial statements.

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm Registration No: 116231W/W - 100024

For and on behalf of the Board of Directors of

**Tasty Bite Eatables Limited**

**CIN: L15419PN1985PLC037347**

**Raajnish Desai**

Partner

Membership No: 101190

**Gaurav Gupta**

Whole Time Director

& Chief Financial Officer

DIN: 07529010

**Ashok Vasudevan**

Chairman

DIN: 00575574

**Minal Talwar**

Company

Secretary

Place: Pune

Date: 10 August 2022

Place: Pune

Date: 10 August 2022

# Revised Statement of Cash Flows

for the year ended 31 March 2022

[Currency - INR in Million, except per share data]

Particulars	31 March 2022	31 March 2021
<b>A. Cash flow from operating activities:</b>		
Profit before tax	144.76	525.75
Adjustments for		
Depreciation and amortisation expense	242.85	171.65
Loss / (gain) on disposal / write off of property, plant and equipment	1.55	[1.08]
Loss on discard and write-off of capital work-in-progress	5.75	-
Provision for capital work-in-progress	-	4.05
Liabilities and provisions written back to the extent no longer required	[0.38]	[0.86]
Bad debts written off	0.41	0.52
[Reversals] / Provision for expected credit loss	[3.95]	6.56
Advances written off	0.01	1.06
Unrealised foreign exchange loss / (gain) on translation of assets and liabilities	41.30	[34.49]
Finance costs	82.85	30.25
Interest income	[5.17]	[3.36]
Provision established / (reversed) for inventory obsolescence (net)	61.45	[22.55]
<b>Operating profit before working capital changes</b>	<b>571.43</b>	<b>677.50</b>
<b>Working capital adjustments:</b>		
Change in trade payables	124.30	16.70
Change in other current financial liabilities	[42.53]	32.06
Change in other current liabilities	5.77	3.39
Change in provisions	[6.02]	5.84
Change in trade receivables	[1.39]	10.94
Change in inventories	[32.11]	[74.68]
Change in other financial assets	14.06	[160.22]
Change in other non-current assets	17.04	1.03
Change in other current assets	63.35	18.26
<b>Cash generated from operating activities</b>	<b>713.90</b>	<b>530.82</b>
Direct taxes paid (net of refunds, if any)	[64.28]	[130.19]
<b>Net cash from operating activities (A)</b>	<b>649.62</b>	<b>400.63</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of property, plant and equipment including intangible assets, capital work-in-progress, payable for capital goods and movement in capital advances	[435.62]	[570.59]
Proceeds from sale of property, plant and equipment and capital work-in-progress	16.03	6.16
Loans given to others	[52.00]	-
Interest received	5.17	3.36
<b>Net cash (used in) investing activities (B)</b>	<b>[466.42]</b>	<b>[561.07]</b>
<b>C. Cash flow from financing activities:</b>		
Repayment of lease liabilities	[44.55]	[17.03]
Proceeds from current borrowings	601.78	984.14
Repayments of current borrowings	[851.53]	[795.70]
Proceeds from non-current borrowings	-	366.25
Repayments of non-current borrowings	[109.37]	[71.87]
Payment of dividend	[5.13]	[5.13]
Interest Paid	[82.99]	[28.81]
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>[491.79]</b>	<b>431.85</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>[308.59]</b>	<b>271.41</b>
Cash and cash equivalents at the beginning of the year	348.19	76.78
<b>Cash and cash equivalents at the end of the year</b>	<b>39.60</b>	<b>348.19</b>

# Revised Statement of Cash Flows

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## Components of cash and cash equivalents (refer note: 13)

Particulars	31 March 2022	31 March 2021
Cash on hand	0.04	0.04
Bank balances		
In current account	39.56	168.15
In deposit account (original maturities less than three months)	-	180.00
	<b>39.60</b>	<b>348.19</b>

### Note:

- The above Revised Cash Flow Statement has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.
- Reconciliation of liabilities from financing activities:

#### 31 March 2022

Particulars	Opening balance as at 01 April 2021	Cash flows	Non-cash changes*	Closing balance as at 31 March 2022
Borrowings (including Interest accrued but not due on borrowings)	1,065.88	[365.52]	44.92	745.28
Lease liabilities	681.50	[100.03]	55.48	636.95
<b>Total</b>	<b>1,747.38</b>	<b>[465.55]</b>	<b>100.40</b>	<b>1,382.23</b>

#### 31 March 2021

Particulars	Opening balance as at 01 April 2020	Cash flows	Non-cash changes*	Closing balance as at 31 March 2021
Borrowings (including Interest accrued but not due on borrowings)	620.82	474.87	[29.81]	1,065.88
Lease liabilities	91.29	[37.52]	627.73	681.50
<b>Total</b>	<b>712.11</b>	<b>437.35</b>	<b>597.92</b>	<b>1,747.38</b>

\*Non cash changes represents foreign exchange re-instatement gain / [loss] on borrowings as on 31 March 2022 - INR [38.66] Million [31 March 2021: INR 39.21 Million] and Interest accrued on borrowings during the year INR 6.26 Million [31 March 2021: INR 9.40 Million].

Non cash changes represents lease liabilities recognised during the year - Nil [31 March 2021: INR 607.24 Million] and interest expenses - INR 55.48 Million [31 March 2021: INR 20.49 Million]

Summary of significant accounting policies	1 - 5
Notes to the revised financial statements	6 - 51

The accompanying notes referred to above form an integral part of the revised financial statements.

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm Registration No: 116231W/W - 100024

For and on behalf of the Board of Directors of

**Tasty Bite Eatables Limited**

**CIN: L15419PN1985PLC037347**

**Raajnish Desai**

Partner

Membership No: 101190

**Gaurav Gupta**

Whole Time Director

& Chief Financial Officer

DIN: 07529010

**Ashok Vasudevan**

Chairman

DIN: 00575574

**Minal Talwar**

Company

Secretary

Place: Pune

Date: 10 August 2022

Place: Pune

Date: 10 August 2022

# Revised Statement of Changes in Equity

as at 31 March 2022

(Currency - INR in Million, except per share data)

## A. Equity share capital

Balance as on 01 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as on 31 March 2022
25.66	-	-	-	25.66
Balance as on 01 April 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance as on 31 March 2021
25.66	-	-	-	25.66

## B. Other equity

Particulars	Reserves and surplus						Total
	Capital reserve	Securities premium	Share based payments	Retained earnings	Remeasurements of defined benefit liability	Effective portion of cash flow hedges	
<b>Balance as at 01 April 2020</b>	5.73	9.48	17.28	1,638.58	[18.07]	[47.29]	1,605.72
Add: Profit for the year	-	-	-	393.42	-	-	393.42
Add: Other comprehensive income (net of tax)	-	-	-	-	0.30	46.23	46.53
<b>Total comprehensive income</b>	-	-	-	<b>393.42</b>	<b>0.30</b>	<b>46.23</b>	<b>439.95</b>
Less: Payment of dividend	-	-	-	[5.13]	-	-	[5.13]
<b>Balance as at 31 March 2021</b>	<b>5.73</b>	<b>9.48</b>	<b>17.28</b>	<b>2,026.87</b>	<b>[17.77]</b>	<b>[1.06]</b>	<b>2,040.54</b>
Balance as at 01 April 2021	5.73	9.48	17.28	2,026.87	[17.77]	[1.06]	2,040.54
Add: Profit for the year	-	-	-	103.28	-	-	103.28
Add: Other comprehensive income (net of tax)	-	-	-	-	3.76	3.67	7.43
<b>Total comprehensive income</b>	-	-	-	<b>103.28</b>	<b>3.76</b>	<b>3.67</b>	<b>110.71</b>
Less: Payment of dividend	-	-	-	[5.13]	-	-	[5.13]
<b>Balance as at 31 March 2022</b>	<b>5.73</b>	<b>9.48</b>	<b>17.28</b>	<b>2,125.02</b>	<b>[14.01]</b>	<b>2.61</b>	<b>2,146.12</b>

The nature and purpose of reserves and surplus and terms of other comprehensive income has been disclosed under note 19.

Summary of significant accounting policies 1 - 5

Notes to the revised financial statements 6 - 51

The accompanying notes referred to above form an integral part of the revised financial statements.

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm Registration No: 116231W/W - 100024

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

**Tasty Bite Eatables Limited**

**CIN: L15419PN1985PLC037347**

**Raajnish Desai**

Partner

Membership No: 101190

**Gaurav Gupta**

Whole Time Director

& Chief Financial Officer

DIN: 07529010

**Ashok Vasudevan**

Chairman

DIN: 00575574

**Minal Talwar**

Company

Secretary

Place: Pune

Date: 10 August 2022

Place: Pune

Date: 10 August 2022

# Notes to the Revised Financial Statements

for the year ended 31 March 2022

## 1. Background

Tasty Bite Eatables Limited ('the Company') is a company domiciled in India with its registered office situated at Shivajinagar, Pune and its manufacturing facility near Pune. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange Limited and the National Stock Exchange Limited. The Company is in the business of manufacturing and selling 'Prepared Foods'.

## 2. Basis of preparation

### 2.1 Statement of compliance

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

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

The earlier financial statements of the Company are being revised pursuant to completion of the independent investigation, the details of which were stated in note 49 to those financial statements. These revised financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on 10 August 2022. The earlier financial statements of the Company for the year ended 31 March 2022 were first approved by the Board of Directors on 27 May 2022 and the independent investigation for the whistle-blower complaints alleging financial irregularities was pending as of that date. Note 49 to these financial statements provides details of the completed investigation.

### 2.2 Functional and presentation currency

These revised financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Million (except per share data) to two decimals, unless otherwise indicated.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these revised financial statements.

### 2.3 Basis of measurement

The revised financial statements have been prepared on the historical cost basis except for the following items:

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

### 2.4 Use of estimates and judgements

In preparing these revised 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 recognized prospectively.

#### Judgements, Assumptions, and estimation uncertainties

Information about judgements made in applying accounting policies, assumptions and estimation uncertainties that have the most significant effects on the amounts recognized/significant risk resulting in a material adjustment in the revised financial statements is included in the following notes:

Note 3.3 – Estimation of useful life used by the management for property, plant and equipment and intangible asset

Note 3.5 and 11 – Estimation of provisions for expired, near expiry and slow-moving inventories

Note 44 – Measurement of defined benefit obligations: key actuarial assumptions

Note 35 – Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

Note 39 – Lease accounting and assessment of incremental borrowing rate

Note 35 – Estimation of current tax expense and tax payable

Note 35 – Recognition of deferred tax asset

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

Note 12 – Impairment of Trade Receivables

## 2.5 Measurement of fair values

A number of accounting policies and disclosures 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 measurement of fair values. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The established framework is reviewed and monitored by the Chief financial officer, which includes the responsibility for reviewing and monitoring all significant fair value measurements, including level 3 fair values. Chief financial officer regularly reviews significant unobservable inputs and valuation adjustments.

Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorized into different levels in a Fair value hierarchy based on 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 liability, the Company uses observable market data as far as possible. If the inputs used to measure fair value of asset or liability fall into different levels of fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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

Note 47 – Financial Instruments – Fair Value

## 2.6 Current-non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

### Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle,
- b) it is held primarily for the purpose of being traded,
- c) it is expected to be realized within 12 months after the reporting date, or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets. All other assets are classified as non-current.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be settled within 12 months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

## Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The operating cycle of the Company is less than 12 months.

## 2.7 Impact of COVID – 19

"The Company has considered internal and external sources of information as of the date of approval of the financial results in determining the possible impact, if any, of the resurgence of the COVID-19 pandemic on the carrying amounts of its trade receivables, inventories, financial and non-financial assets. The Company has used the principle of prudence in applying judgements and making estimates. Based on this evaluation, the Company does not expect any material impact on its financial results."

## 3. Significant accounting policies

### 3.1 Foreign Currency transaction

Transaction in foreign currencies are translated into the functional currency of the Company at the exchange rate on the date of the transaction or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction.

Exchange difference are recognised in profit and loss, except exchanges differences arising from the translation of the qualifying cash flow hedges to the extent the hedges are effective, which are recognized in Other Comprehensive Income (OCI).

### 3.2 Financial Instruments

#### i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

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

#### ii. Classification and subsequent measurement

##### Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets (except for derivative contract assets) not measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### **Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest**

For the purpose of this assessment, 'principal' is defined as the fair value of financial asset on initial recognition. 'Interest' is defined as consideration for time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and other basic leading risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount and timing of cash flows;
- term that would adjust the contractual rate, including variable interest rate features;
- prepayment and extension features; and
- term that limits the Company's claim to cash flows for specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amount of principal and interest on principal amount outstanding, which may include reasonable additional compensation for early termination of contract. Additionally, for a financial asset acquired on a significant premium or discount to its contractual par amount, a feature that permits or require prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is significant at initial recognition.

**Financial assets: Subsequent measurement gains and losses**

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, refer note 47 and 48 for derivatives designated as hedging instruments.
---------------------------	---

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
------------------------------------	--

**Financial liabilities: Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. Refer note 47 and 48 for financial liabilities designated as hedging instrument.

**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 rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset 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.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

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 the new financial liability with modified terms is recognised in profit or loss.

#### iv. Offsetting

Financial assets and financial liabilities are offset and the net amount is 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 to realize the asset and settle the liability simultaneously.

#### v. Derivative financial instrument and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

At inception of designated hedge relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument are expected to offset each other.

#### Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognized in

OCI is limited to the cumulative change in fair value of the hedge item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecasted transaction, the amount accumulated in other equity is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedge instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedge expected future cash flow affect profit or loss.

If the hedge future cash flow is not expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

### 3.3 Property, Plant and Equipment

#### i. Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase 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

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

item and restoring the site on which it is located. Machinery spares that meet the definition of PPE are capitalised and depreciated over the useful life of the principal item of an asset. All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised.

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

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

## ii. Subsequent expenditure

Subsequent expenditure is capitalized 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 values over their estimated useful lives using the straight-line method and is recognized in the statement of profit and loss.

The estimated useful lives of item of property, plant and equipment for the current and comparative periods are as follows:

Category of asset	Useful life followed (in years)	Useful life as per Schedule II (in years)
Factory Building	30	30
Electrical installations	10	10
Plant and equipment	15	15
–Form Plate	2	15
Office equipment	5	5
Furniture & Fixtures	10	10
Vehicle	10	10
Computers	3	3
–Server	6	6
–Printer	5	3
Lab Equipment	10	10

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represents the period over which the management expects to use these assets.

Assets installed on leasehold premises are depreciated over the period of lease. Freehold land is not depreciated.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Capital work-in-progress (CWIP) Projects under commissioning and other CWIP are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost. Capital advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

## 3.4 Intangible assets

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortization is calculated to write off the cost of intangible assets less their estimated residual value over their estimated useful lives using straight line method and is included in depreciation and amortization in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Estimated useful life
Computer Software	5 years

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

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

## 3.5 Inventories

The cost of inventory is based on weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion cost and other costs incurred in bringing them to their present location and condition. In case of manufactured inventory and work-in-progress, cost includes an appropriate share of overheads (both fixed and variable). Fixed overheads are included in cost of manufactured inventory based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expense. The net realizable value of work – in – progress is determined with reference to the selling price of related finished products. The comparison of cost and net realizable value is made on an item-by-item basis.

Raw materials, components and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of finished products will exceed their net realizable value.

## 3.6 Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the customer or issuer;
- a breach of contract such as a default or being past due for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the customer will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

## Measurement of expected credit loss

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward – looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); and
- the financial asset is 180 days or more past due.

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls [i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive]. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

to repay the amounts subject to the write – off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## 3.7 Impairment of non-financial assets

Intangible assets that have an indefinite useful life and not subject to amortization are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash-flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators. For the purpose of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash inflows for which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the assets' recoverable amount, since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

## 3.8 Employee benefits

### i. Short-term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are

expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

### ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

### iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified independent actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefit available in the form of any future refunds from the plan or reductions in future contributions to the plan ['the asset ceiling']. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any,

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

excluding interest], are recognised in OCI. The Company determines the net interest expense [income] on the net defined benefit liability [asset], taking into account any changes in the net defined benefit liability [asset] during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of the plan are changed or when plan is curtailed, the resulting change in benefit that relates to past service ['past service cost' or 'past service gain'] or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognizes gain and losses on the settlement of a defined benefit plan when the settlement occurs.

#### iv. Other long-term employee benefits

The Company's net obligation in respect of other long-term employee benefits (compensated absences) is the amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the Projected Unit Credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

#### v. Employee Shared based payment

Specified employees of the Company were eligible for equity settled stock options under Preferred Brand Inc.'s ['PBI Inc.' or the Holding Company's] 2009 Non-Qualified Stock Option and Equity Plan ['the Equity Plan']. However, during the year 2015 a value pool agreement was entered into, by and between PBI Inc., the Company and the holders of outstanding options ['Holders'], wherein PBI Inc. and the Holders agreed to cancel the Options and terminate the Grant Agreements in exchange for a consideration payable by PBI Inc. in lieu of such cancellation of unvested options to the employees of the Company.

In accordance with Ind-AS 102, the classification of the share-based payment transaction depends on the nature of the award granted and whether the entity has an obligation to

settle the transaction and if the entity has either an obligation to settle in its own equity instruments or no obligation to settle at all, then the transaction is accounted as Equity Settled. Since, the Company does not have any obligation to reimburse corresponding cost of share-based payment transaction to PBI Inc., it has classified the settlement as Equity Settled.

Since the amount of cash payment is pre-determined by the Holding Company based on the Value Pool agreement and the employees covered were specifically mentioned in the said agreement, the Company is of the view that the share based payment shall be measured at such amount agreed since the Company does not have any separate obligation towards the settlement.

### 3.9 Revenue

#### i. Sale of goods

The Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in customer contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts or rebates and any taxes or duties collected on behalf of the government such as goods and services tax. Accumulated experience is used to estimate the provision for such discounts and rebates. Due to the short nature of credit period given to customers, there is no financing component in the contract. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. Customers do not have a contractual right to return goods.

#### ii. Export incentive

Export incentives are recognised when the right to receive credit as per the terms of incentives is established in respect of the exports made

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. Under Ind AS 115, income from export incentive schemes is presented as Other non-operating income as the same is not receivable from customers.

### 3.10 Recognition of interest income or expense:

Interest income is recognised using effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instrument to:

- The gross carrying amount of the financial assets; or
- The amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the assets (when asset is not credit-impaired) or to the amortised cost of the liability. However, for financial asset that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of financial asset.

### 3.11 Leases

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.

#### IND AS 116

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, had notified Ind AS 116 - Leases which replaced the erstwhile standard and its interpretations. Ind AS 116 had outlined the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors thereby introducing a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116-Leases effective 1 April 2019, using the modified retrospective method.

The Company's lease asset classes primarily consist of leases for Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Please refer Note 6C for details of the right-of-use asset held by the Company.

## 3.12 Income tax

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

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.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the revised financial statements. Deferred tax is also recognised in respect of carried forward tax losses and tax credits only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets - unrecognized or recognized, 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 realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized 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.

## 3.13 Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

### Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of economic resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the revised financial statements. A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the revised financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

## 3.14 Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowings is deducted from the borrowing costs eligible for capitalisation.

### 3.15 Research and development expenditure

Revenue expenditure on research and development is recognised as an expense in the period in which they are incurred.

### 3.16 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equities shares outstanding during the year.

The diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity and equivalent potential dilutive equity shares outstanding during the year, except where the result would be anti-dilutive.

### 3.17 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

### 3.18 Cash flow statement

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

### 3.19 Dividend

The Company recognizes a liability to make cash distributions to equity shareholders when the

distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders of the Company.

## 4. Changes in significant accounting policies

There have been no changes in accounting policies during the Financial year 2021-22.

## 5. Standard issued but not effective

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

### Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

### Ind AS 106 – Annual Improvements to Ind AS [2021]

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

### Ind AS 109 – Annual Improvements to Ind AS [2021]

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 6A Property, plant and equipment

Reconciliation of carrying amount	Freehold land	Leasehold improvements	Factory building	Plant and equipment	Lab equipment	Electrical installation	Computers	Office equipment	Furniture and fixtures	Vehicles	Total
<b>Gross carrying amount</b>											
Balance as at 01 April 2020	12.00	3.86	232.65	970.61	10.97	51.72	11.42	9.19	28.15	0.75	1,331.32
Additions	-	-	99.18	237.48	5.73	10.79	1.47	6.36	8.46	-	369.47
Deletions / Disposals during the year	-	-	0.18	16.63	-	-	2.21	-	-	-	1902
<b>Balance as at 31 March 2021</b>	<b>12.00</b>	<b>3.86</b>	<b>331.65</b>	<b>1,191.46</b>	<b>16.70</b>	<b>62.51</b>	<b>10.68</b>	<b>15.55</b>	<b>36.61</b>	<b>0.75</b>	<b>1,681.77</b>
Balance as at 01 April 2021	12.00	3.86	331.65	1,191.46	16.70	62.51	10.68	15.55	36.61	0.75	1,681.77
Additions	102.99	-	41.54	159.02	0.56	48.03	4.74	3.46	0.90	-	361.24
Deletions / Disposals during the year	-	-	30.17	12.00	-	1.29	0.15	0.68	4.44	-	48.73
<b>Balance as at 31 March 2022</b>	<b>114.99</b>	<b>3.86</b>	<b>343.02</b>	<b>1,338.48</b>	<b>17.26</b>	<b>109.25</b>	<b>15.27</b>	<b>18.33</b>	<b>33.07</b>	<b>0.75</b>	<b>1,994.28</b>
<b>Accumulated depreciation</b>											
Balance as at 01 April 2020	-	3.20	59.45	330.04	2.97	17.45	4.39	5.77	13.08	0.10	436.45
Depreciation for the year	-	0.66	18.66	105.45	1.48	5.54	3.04	1.69	4.14	0.07	140.73
Accumulated depreciation on deletions / disposals	-	-	0.06	11.67	-	-	2.21	-	-	-	13.94
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>3.86</b>	<b>78.05</b>	<b>423.82</b>	<b>4.45</b>	<b>22.99</b>	<b>5.22</b>	<b>7.46</b>	<b>17.22</b>	<b>0.17</b>	<b>563.24</b>
Balance as at 01 April 2021	-	3.86	78.05	423.82	4.45	22.99	5.22	7.46	17.22	0.17	563.24
Depreciation for the year	-	-	21.24	123.83	1.69	9.54	3.42	2.68	3.13	0.07	165.60
Accumulated depreciation on deletions / disposals	-	-	17.35	9.35	-	1.05	0.15	0.68	4.05	-	32.63
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>3.86</b>	<b>81.94</b>	<b>538.30</b>	<b>6.14</b>	<b>31.48</b>	<b>8.49</b>	<b>9.46</b>	<b>16.30</b>	<b>0.24</b>	<b>696.21</b>
<b>Net carrying amount</b>											
<b>At 31 March 2021</b>	<b>12.00</b>	<b>-</b>	<b>253.60</b>	<b>767.64</b>	<b>12.25</b>	<b>39.52</b>	<b>5.46</b>	<b>8.09</b>	<b>19.39</b>	<b>0.58</b>	<b>1,118.53</b>
<b>At 31 March 2022</b>	<b>114.99</b>	<b>-</b>	<b>261.08</b>	<b>800.18</b>	<b>11.12</b>	<b>77.77</b>	<b>6.78</b>	<b>8.87</b>	<b>16.77</b>	<b>0.51</b>	<b>1,298.07</b>

### Notes:

- Depreciation charged to the statement of profit and loss for the year on exchange differences capitalised is INR 5.89 Million (2021: INR 6.18 Million)
- Amount of foreign exchange included in Property, plant and equipment and remaining to be depreciated as at 31 March 2022 is INR 10.96 Million [31 March 2021: INR 16.85 Million]
- The title deeds of Leasehold Land, net block aggregating INR 0.03 Million [31 March 2021: INR 0.03 Million] are in the process of perfection of title
- Capital work-in-progress comprises of buildings, electrical equipments and plant & machineries which are not ready for management's intended use

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 6B Capital work-in-progress

Particulars	31 March 2022	31 March 2021
Opening balance	424.49	265.03
Add: Addition during the year	554.38	530.19
Less: Capitalisation during the year	[361.94]	[370.73]
Less: Impairment during the year	-	-
<b>Closing balance</b>	<b>616.93</b>	<b>424.49</b>

Capital work-in-progress as at 31 March 2022 is INR 616.93 Million [31 March 2021: INR 424.49 Million].

INR 361.94 Million has been capitalised and transferred to property, plant and equipment during the year ended 31 March 2022 [31 March 2021: INR 370.73 Million].

## 6C Right-of-Use Asset

Reconciliation of carrying amount	Building	Total
<b>Gross carrying amount</b>		
Balance as at 01 April 2020	99.62	99.62
Additions	607.24	607.24
Deletions / Disposals during the year	-	-
<b>Balance as at 31 March 2021</b>	<b>706.86</b>	<b>706.86</b>
Balance as at 01 April 2021	706.86	706.86
Additions	-	-
Deletions / Disposals during the year	-	-
<b>Balance as at 31 March 2022</b>	<b>706.86</b>	<b>706.86</b>
<b>Accumulated depreciation</b>		
Balance as at 01 April 2020	12.43	12.43
Depreciation for the year	29.97	29.97
Accumulated depreciation on deletions / disposals	-	-
<b>Balance as at 31 March 2021</b>	<b>42.40</b>	<b>42.40</b>
Balance as at 01 April 2021	42.40	42.40
Depreciation for the year	76.24	76.24
Accumulated depreciation on deletions / disposals	-	-
<b>Balance as at 31 March 2022</b>	<b>118.64</b>	<b>118.64</b>
<b>Net carrying amount</b>		
<b>At 31 March 2021</b>	<b>664.46</b>	<b>664.46</b>
<b>At 31 March 2022</b>	<b>588.22</b>	<b>588.22</b>

Note: The Company's leases mainly comprise of buildings. The Company leases buildings for manufacturing and warehouse facilities.

## 7 Intangible assets (other than internally generated)

Reconciliation of carrying amount	Software	Total
<b>Gross carrying amount</b>		
Balance as at 01 April 2020	4.35	4.35
Additions	1.26	1.26
<b>Balance as at 31 March 2021</b>	<b>5.61</b>	<b>5.61</b>
Balance as at 01 April 2021	5.61	5.61
Additions	0.70	0.70
<b>Balance as at 31 March 2022</b>	<b>6.31</b>	<b>6.31</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 7 Intangible assets [other than internally generated] (Contd.)

Reconciliation of carrying amount	Software	Total
<b>Accumulated amortisation</b>		
Balance as at 01 April 2020	1.94	1.94
Amortisation for the year	0.94	0.94
<b>Balance as at 31 March 2021</b>	<b>2.88</b>	<b>2.88</b>
Balance as at 01 April 2021	2.88	2.88
Amortisation for the year	1.00	1.00
<b>Balance as at 31 March 2022</b>	<b>3.88</b>	<b>3.88</b>
<b>Net carrying amount</b>		
<b>At 31 March 2021</b>	<b>2.73</b>	<b>2.73</b>
<b>At 31 March 2022</b>	<b>2.43</b>	<b>2.43</b>

## 8 Loans

[Unsecured considered good, unless otherwise stated]

Particulars	31 March 2022	31 March 2021
<b>A. Non-current loans</b>		
Loans receivable from third party		
Considered good [refer note below]	46.00	-
	<b>46.00</b>	<b>-</b>
<b>B. Current loans</b>		
Loans receivable from third party		
Considered good [refer note below]	6.00	-
	<b>6.00</b>	<b>-</b>

Note: During the year, the Company has advanced loan to third party supplier for business purposes at the rate equivalent to market rate of interest, the principal repayment of which would start from January 2023 in equal monthly installments.

## 9 Other non-current financial assets

[Unsecured considered good, unless otherwise stated]

Particulars	31 March 2022	31 March 2021
<b>Security deposits</b>		
Considered good	3.46	3.46
	<b>3.46</b>	<b>3.46</b>

## 10 Other non-current assets

[Unsecured considered good, unless otherwise stated]

Particulars	31 March 2022	31 March 2021
Capital advances	104.59	208.99
Advance to suppliers		
Considered doubtful	0.06	0.02
Provision for doubtful advances	[0.06]	[0.02]
Receivable from government authorities	5.06	22.10
	<b>109.65</b>	<b>231.09</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 11 Inventories

Particulars	31 March 2022	31 March 2021
Raw materials	309.50	340.18
Packing materials	86.77	105.25
Work-in-progress	53.13	52.13
Finished goods*	151.76	147.81
Stock-in-trade	16.95	-
Stores, spares & consumables	45.34	47.42
	<b>663.45</b>	<b>692.79</b>

\*Includes goods in transit INR 76.69 Million [2021: INR 61.26 Million].

Inventories are presented net of provisions INR 71.74 Million [2021: INR 30.50 Million].

During the year an amount of INR 41.24 Million [net of reversals] [2021: Nil] was charged to the revised statement of profit and loss on account of obsolete, damage and slow moving inventories.

## 12 Trade receivables

(Unsecured considered good, unless otherwise stated)

Particulars	31 March 2022	31 March 2021
- considered good - Unsecured	545.48	544.55
Less: Allowance for expected credit loss	[1.00]	[1.15]
	<b>544.48</b>	<b>543.40</b>
- having significant increase in credit risk	-	2.90
Less: Allowance for credit impairment	-	[2.90]
	-	-
- credit impaired	2.99	3.90
Less: Allowance for credit impairment	[2.99]	[3.90]
	-	-
	<b>544.48</b>	<b>543.40</b>

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	
(i) Undisputed trade receivables - considered good	536.66	8.49	0.26	0.06	0.01	545.48
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	2.99	-	2.99
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>536.66</b>	<b>8.49</b>	<b>0.26</b>	<b>3.05</b>	<b>0.01</b>	<b>548.47</b>

Note: Above figure does not include provision for expected credit loss amounting to INR 3.99 Million.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 12 Trade receivables (Contd.)

As at 31 March 2021	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	
(i) Undisputed trade receivables – considered good	543.31	0.93	0.30	0.01	-	544.55
(ii) Undisputed trade receivables – which have significant increase in credit risk	2.90	-	-	-	-	2.90
(iii) Undisputed trade receivables – credit impaired	-	0.75	3.15	-	-	3.90
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>546.21</b>	<b>1.68</b>	<b>3.45</b>	<b>0.01</b>	<b>-</b>	<b>551.35</b>

Note: Above figure does not include provision for expected credit loss amounting to INR 7.95 Million.

**Refer Note 48 for Company's exposure to credit and currency risk.**

Refer below (receivables by type of counterparty) for breakup of outstanding receivables from related parties. All of these receivables are unsecured and considered good.

There are no receivables secured against borrowings.

For terms and conditions of trade receivables owing from related parties, see note 45

**Exposure to the credit risk for trade receivables by geographic region (net of expected credit loss provisions):**

Particulars	31 March 2022	31 March 2021
India	141.20	103.96
Rest of the world	403.28	439.44
	<b>544.48</b>	<b>543.40</b>

**Exposure to the credit risk for trade receivables by type of counterparty (net of expected credit loss provisions):**

Particulars	31 March 2022	31 March 2021
Related parties (also refer note 45 for receivables outstanding from related party)	280.91	381.54
Other than related parties	263.57	161.86
	<b>544.48</b>	<b>543.40</b>

**Movement in the allowance for expected credit losses:**

Particulars	31 March 2022	31 March 2021
Balance as at the beginning of the year	7.95	1.39
Allowance for loss (net of reversals)	[3.55]	7.08
Amounts written off	[0.41]	[0.52]
<b>Balance as at the end of the year</b>	<b>3.99</b>	<b>7.95</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 13 Cash and cash equivalents

Particulars	31 March 2022	31 March 2021
Cash on hand	0.04	0.04
Bank balances		
In current account	39.56	168.15
in deposit account (original maturities less than three months)	-	180.00
	<b>39.60</b>	<b>348.19</b>

## 14 Bank balances other than cash and cash equivalents

Particulars	31 March 2022	31 March 2021
Earmarked balances with banks		
Unpaid dividend accounts	0.73	0.87
	<b>0.73</b>	<b>0.87</b>

## 15 Derivative contract assets

Particulars	31 March 2022	31 March 2021
Foreign exchange forward contracts	10.08	9.73
Interest rate swaps	0.80	-
	<b>10.88</b>	<b>9.73</b>

## 16 Other current financial assets

Particulars	31 March 2022	31 March 2021
Recoverable from related parties (Refer Note 45)	27.89	-
Export incentives receivable*	113.77	159.74
Other receivables	4.65	0.63
	<b>146.31</b>	<b>160.37</b>

\*Export incentives receivable were presented under other current assets as at 31 March 2021. However, such amounts have been disclosed as other current financial assets as at 31 March 2022 and the comparatives have been regrouped.

## 17 Other current assets

Particulars	31 March 2022	31 March 2021
Advance for supply of goods	71.32	130.04
Advances to employees	2.15	1.25
Prepayments	18.02	14.99
Receivable from government authorities	87.20	95.76
	<b>178.69</b>	<b>242.04</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 18 Equity share capital

Particulars	31 March 2022	31 March 2021
<b>Authorised share capital</b>		
4,400,000 [2021: 4,400,000] equity shares of INR 10/- each	44.00	44.00
60,000 [2021: 60,000] 1% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of INR 100/- each.	6.00	6.00
<b>Issued, subscribed and paid up share capital</b>		
2,566,000 [2021: 2,566,000] equity shares of INR 10/- each fully paid up	25.66	25.66
	<b>25.66</b>	<b>25.66</b>

### A) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Equity shares	31 March 2022		31 March 2021	
	No. of shares	Amount	No. of shares	Amount
At the beginning and at the end of the year	2,566,000	25.66	2,566,000	25.66

### B) Rights, preferences and restrictions attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of equity shareholders are in proportion to their share of paid up equity capital of the Company.

### C) Particulars of shareholders holding more than 5% of a class of shares:

Name of the shareholder	31 March 2022		31 March 2021	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of INR 10/- each fully paid up held by Preferred Brands Foods (India) Private Limited, 'Holding company'	1,904,510	74.22%	1,904,510	74.22%
	<b>1,904,510</b>	<b>74.22%</b>	<b>1,904,510</b>	<b>74.22%</b>

### D) Shares held by holding company or ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

Name of the shareholder	31 March 2022		31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares of INR 10/- each fully paid up held by Effem Holdings Limited	300	0.00	300	0.00
Preferred Brands Foods (India) Private Limited, 'Holding company'	1,904,510	19.05	1,904,510	19.05
	<b>1,904,810</b>	<b>19.05</b>	<b>1,904,810</b>	<b>19.05</b>

### E) Shareholding of promoters:

#### Shares held by promoters at the beginning and at the end of the year

Sr. No.	Promoter name	No. of Shares	% of total shares	% change during the year
1.	Preferred Brands Foods (India) Private Limited	1,904,510	74.22%	-
2.	Effem Holdings Limited	300	0.01%	-

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 19 Other equity

Particulars	31 March 2022	31 March 2021
<b>Reserves and Surplus</b>		
Capital reserve	5.73	5.73
Securities premium	9.48	9.48
Employee share based payment reserve	17.29	17.29
Retained earnings	2,125.02	2,026.87
Other comprehensive income	[11.40]	[18.83]
	<b>2,146.12</b>	<b>2,040.54</b>
<b>Capital reserve</b>		
At the beginning and at the end of the year	5.73	5.73
<b>Securities premium</b>		
At the beginning and at the end of the year	9.48	9.48
<b>Employee share based payment reserve</b>		
At the beginning and at the end of the year	17.29	17.29
<b>Retained earnings</b>		
Opening balance	2,026.87	1,638.58
Net profit for the year	103.28	393.42
Dividends paid	[5.13]	[5.13]
<b>Closing balance</b>	<b>2,125.02</b>	<b>2,026.87</b>
<b>Components of other comprehensive income</b>		
<b>Remeasurement of defined benefit liability, net of tax</b>		
Opening balance	[17.77]	[18.07]
Addition during the year	3.76	0.30
<b>Closing balance - [deficit]</b>	<b>[14.01]</b>	<b>[17.77]</b>
<b>Cash flow hedge reserve, net of tax</b>		
Opening balance	[1.06]	[47.29]
Addition during the year	3.67	46.23
<b>Closing balance - reserve / [loss]</b>	<b>2.61</b>	<b>[1.06]</b>
<b>Total other comprehensive income</b>	<b>[11.40]</b>	<b>[18.83]</b>

### Dividends

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

Particulars	31 March 2022*	31 March 2021**
INR 2 [2021: INR 2] per equity share	5.13	5.13
	<b>5.13</b>	<b>5.13</b>

\*Dividend paid during the year ended 31 March 2022 is related to dividend proposed during the year ended 31 March 2021

\*\*Dividend paid during the year ended 31 March 2021 is related to dividend proposed during the year ended 31 March 2020

### Proposed Dividend

Particulars	31 March 2022	31 March 2021
On equity shares of INR 10 each amount of proposed dividend	2.57	5.13
Dividend per equity share [INR]	1.00	2.00

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 19 Other equity (Contd.)

### Nature and purpose of reserve and surplus and items of other comprehensive income

#### Capital reserve

Capital reserve is created for government subsidies and other liabilities.

#### Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

#### Employee share based payment reserve

Employee share based payment reserve is created in accordance with Ind AS 102 consequent to the value pool agreement between PBI Inc., the Company and the holders of the outstanding options.

#### Retained earning

Retained earnings are the accumulated profits earned by the Company till date, less dividend paid to the shareholders.

#### Cash flow hedge reserve, net of tax

Change in fair value of hedge instruments are hedging instruments used by Company as a part of its management of foreign risk associated with its highly probable forecast sale. For hedging foreign currency risk and interest rate risk the Company uses foreign currency forward contract and interest rate swaps respectively, both of which are designated as cash flow hedges.

#### Remeasurement of defined benefit liability, net of tax

Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses on defined benefit liability and return on plan assets (excluding interest income).

## 20 Borrowings

Particulars	31 March 2022	31 March 2021
<b>A. Non-current borrowings</b>		
<b>Unsecured, at amortised cost</b>		
From banks		
– External Commercial Borrowings ['ECB']	71.88	130.96
From related party		
– External Commercial Borrowings ['ECB'] (refer note 45)	363.69	365.80
	<b>435.57</b>	<b>496.76</b>
<b>B. Current borrowings</b>		
<b>Unsecured, at amortised cost</b>		
Working capital loans from banks		
– Packing Credit Foreign Currency ['PCFC']	227.70	495.95
Current maturities of long term loans (refer foot note (b) below)		
– From banks	63.98	70.81
– From related party (refer note 45)	15.81	-
	<b>307.49</b>	<b>566.76</b>

Information about the Company's exposure to interest risk, foreign currency risk and liquidity risks is included in note 48

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 20 Borrowings (Contd.)

Terms and conditions of outstanding borrowings are as follows:

Particulars	Currency	Nominal interest rate	Maturity [year]	Terms	Carrying amounts	
					31 March 2022	31 March 2021
ECB - Mizuho Bank Ltd.	USD	3m LIBOR + 0.90%	2016 - 2024	Repayable in 8 years by way of 32 quarterly equal instalments commencing from June 2016	64.70	93.55
ECB - MUFG Bank Ltd. - I	USD	3m LIBOR + 0.90%	2018 - 2024	Moratorium period is 2 years and the loan is repayable in 6 years by way of 24 quarterly equal instalments commencing from July 2018	71.16	99.07
ECB - MUFG Bank Ltd. - II	USD	3m LIBOR + 0.75%	2018 - 2022	Moratorium period is for 1 year and the loan is repayable in 4 years by way of 16 quarterly equal instalments commencing from June 2018	-	9.15
ECB - Mars Nederland's (Loan from Related Party)	USD	2.2%	2021-2029	Moratorium period is 2 years and the loan is repayable in 6 years by way of 24 quarterly equal instalments commencing from Jan 2023	379.50	365.80
PCFC - Mizuho bank Ltd.	USD	LIBOR + 0.40%	2021	Short term pre-shipment credit facility with a maturity period of 180 days from the date of shipment	227.70	495.95
<b>Total</b>					<b>743.06</b>	<b>1,063.52</b>
Classified as:						
– Non-current borrowings					435.57	496.76
– Current borrowings					227.70	495.95
– Current maturities of non-current borrowings					79.79	70.81
<b>Total</b>					<b>743.06</b>	<b>1,063.52</b>

Reconciliation of Borrowings (Non-current & Current)	31 March 2022	31 March 2021
Non-current borrowings	435.57	496.76
Current Borrowings	227.70	495.95
Current maturities of non-current borrowings	79.79	70.81
<b>Total Borrowings</b>	<b>743.06</b>	<b>1,063.52</b>
Proceeds from borrowings	601.78	1,350.39
Repayment of borrowings	(960.90)	(867.56)
Effect of re-instatement during the year	38.66	(39.21)
<b>Movement of borrowings (net)</b>	<b>(320.46)</b>	<b>443.62</b>

Interest accrued but not due on borrowings	31 March 2022	31 March 2021
Opening balance	2.36	0.92
Interest accrued during the year	6.26	9.40
Interest paid during the year	(6.40)	(7.96)
<b>Closing balance</b>	<b>2.22</b>	<b>2.36</b>

### Notes:

- There is no default throughout the year ended 31 March 2022 and 31 March 2021 in repayment of principal and interest.
- These represents current portion of the non-current borrowings. Current portion of non-current borrowings were presented under Other Current Liabilities as at 31 March 2021. However, such amounts has been reclassified to Short-Term Borrowings in accordance with requirements of amended Schedule III of the Companies Act, 2013.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 21 Non-current provisions

Particulars	31 March 2022	31 March 2021
Employee benefits liabilities [refer note 44]		
Gratuity	32.71	39.62
Compensated absences	26.89	33.96
	<b>59.60</b>	<b>73.58</b>

## 22 Trade payables

Particulars	31 March 2022	31 March 2021
– outstanding dues of micro enterprises and small enterprises [refer note 37]	28.66	18.55
– outstanding dues of creditors other than micro enterprises and small enterprises	585.49	472.87
	<b>614.15</b>	<b>491.42</b>

### Trade payables ageing schedule:

31 March 2022	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	28.54	-	0.05	-	28.59
(ii) Others	499.86	[9.69]	0.34	-	490.51
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>528.40</b>	<b>[9.69]</b>	<b>0.39</b>	<b>-</b>	<b>519.10</b>

Provision for expenses amounting to INR 95.05 Million as on 31 March 2022 is not considered above

31 March 2021	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	18.50	0.05	-	-	18.55
(ii) Others	357.27	10.49	-	0.18	367.94
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>375.77</b>	<b>10.54</b>	<b>-</b>	<b>0.18</b>	<b>386.49</b>

Provision for expenses amounting to INR 104.93 Million as on 31 March 2021 is not considered above

Refer Note 48 for the Company's exposure to currency and liquidity risks

## 23 Derivative contract liability

Particulars	31 March 2022	31 March 2021
Interest rate swaps	-	3.74
	<b>-</b>	<b>3.74</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 24 Other current financial liabilities

Particulars	31 March 2022	31 March 2021
Interest accrued but not due on borrowings	2.22	2.36
Interest payable on MSME dues	1.05	0.77
Deposits received from dealers	0.40	0.50
Payable for capital goods		
– outstanding dues of micro enterprises and small enterprises (refer note 37)	3.51	2.26
– outstanding dues of creditors other than micro enterprises and small enterprises	34.46	14.13
Employee dues	11.38	14.22
Unclaimed dividend [refer note below]	0.71	0.85
Payables to related parties [refer note 45]	5.43	45.30
	<b>59.16</b>	<b>80.39</b>

There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at 31 March 2022 [31 March 2021: Nil].

## 25 Other current liabilities

Particulars	31 March 2022	31 March 2021
Statutory dues	16.05	10.28
	<b>16.05</b>	<b>10.28</b>

## 26 Current provisions

Particulars	31 March 2022	31 March 2021
Employee benefits liabilities [also refer Note 44]		
Gratuity	4.81	2.06
Compensated absences	2.60	2.41
	<b>7.41</b>	<b>4.47</b>

## 27 Revenue from operations

Particulars	31 March 2022	31 March 2021
<b>Revenue from customers</b>		
<b>Sale of products</b>		
Finished goods	3,676.02	3,797.78
Traded goods	30.64	47.07
	<b>3,706.66</b>	<b>3,844.85</b>
<b>Other operating revenues</b>		
Sale of scrap	14.25	8.28
	<b>14.25</b>	<b>8.28</b>
	<b>3,720.91</b>	<b>3,853.13</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 28 Other income

Particulars	31 March 2022	31 March 2021
Export benefits / sale of duty scripts	92.07	149.74
Interest income under the effective interest method on cash and cash equivalent	0.26	0.78
Interest income from others	4.91	2.58
Gain on sale of property, plant and equipment	-	1.08
Liabilities and provisions written back to the extent no longer required	4.33	0.86
Net gain on account of foreign currency transactions	33.12	29.14
Miscellaneous income	-	5.58
	<b>134.69</b>	<b>189.76</b>

## 29 Costs of materials consumed

Particulars	31 March 2022	31 March 2021
Inventory of raw material and packing materials at the beginning of the year	445.43	405.69
Add: Purchases*	2,432.82	2,520.66
Less: Inventory of raw materials and packing materials at the end of the year	[396.27]	[445.43]
	<b>2,481.98</b>	<b>2,480.92</b>

\*Includes purchases of stock-in-trade amounting to INR 16.95 Million [31 March 2021: Nil]

## 30 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	31 March 2022	31 March 2021
<b>Inventory at the beginning of the year</b>		
- Finished goods	147.81	100.20
- Stock-in-trade	-	-
- Work-in-progress	52.13	53.88
	<b>[A] 199.94</b>	<b>154.08</b>
<b>Inventory at the end of the year</b>		
- Finished goods	151.76	147.81
- Stock-in-trade	16.95	-
- Work-in-progress	53.13	52.13
	<b>[B] 221.84</b>	<b>199.94</b>
<b>Change in Inventories</b>		
- Finished goods	[3.95]	[47.61]
- Stock-in-trade	[16.95]	-
- Work-in-progress	[1.00]	1.75
	<b>[A-B] [21.90]</b>	<b>[45.86]</b>

## 31 Employee benefits expense

Particulars	31 March 2022	31 March 2021
Salaries, wages and bonus	282.51	265.96
Contribution to provident fund and other funds [refer note 44]	17.81	15.79
Gratuity [refer note 44]	9.36	8.64
Staff welfare expenses	12.25	7.02
	<b>321.93</b>	<b>297.41</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 32 Finance costs

Particulars	31 March 2022	31 March 2021
Interest expense on financial liabilities measured at amortised cost	7.21	9.76
Exchange differences regarded as an adjustment to borrowing cost	20.16	-
Interest on lease liabilities	55.48	20.49
	<b>82.85</b>	<b>30.25</b>

## 33 Depreciation and amortisation expense

Particulars	31 March 2022	31 March 2021
Depreciation of property, plant and equipment (Refer note 6A)	165.61	140.74
Depreciation on right-of-use asset (Refer note 6C)	76.24	29.97
Amortisation of intangible assets (Refer note 7)	1.00	0.94
	<b>242.85</b>	<b>171.65</b>

## 34 Other expenses

Particulars	31 March 2022	31 March 2021
Consumption of stores and spares	56.12	71.66
Security and contract labour charges	157.55	150.12
Power and fuel	111.83	114.42
Freight and forwarding charges	11.70	14.64
Rent (also refer note 39)	27.73	49.85
Rates and taxes	2.16	1.42
Insurance	21.66	16.21
Repairs and maintenance	51.27	22.84
Advertisement and business promotion expenses	0.66	0.64
Travelling and conveyance expenses	16.32	13.07
Communication costs	6.08	3.92
Legal and professional fees	49.56	33.22
Auditor's remuneration (refer note (i) below)	3.76	3.57
Loss on disposal / discard of property, plant and equipment (net)	1.55	-
Loss on discard and write-off of capital work-in-progress	5.75	-
Provision for capital work-in-progress	-	4.05
Advances written off	0.01	1.06
Bad debts written off	0.41	0.52
Provision for expected credit loss	-	6.56
Allowance for doubtful advances	0.04	-
Corporate social responsibilities expenditure (refer note (ii) below)	10.71	9.80
Miscellaneous expenses	68.26	65.20
	<b>603.13</b>	<b>582.77</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 34 Other expenses (Contd.)

### i) Payments to auditors (excluding taxes)

Particulars	31 March 2022	31 March 2021
<b>As auditor</b>		
Statutory audit	1.43	1.88
Limited review	0.90	0.90
Tax audit	0.25	0.25
GST audit	-	0.13
Certifications	1.08	0.30
Reimbursement of expenses	0.10	0.12
<b>Total</b>	<b>3.76</b>	<b>3.57</b>

### ii) Details of corporate social responsibility expenditure

Particulars	31 March 2022	31 March 2021
a) Gross amount required to be spent by the Company during the year	10.71	9.80
b) Amount spent during the year:		
(i) On acquisition of assests	-	-
(ii) Others	10.71	9.80
<b>Total</b>	<b>10.71</b>	<b>9.80</b>
c) Unspent amount	-	-
d) Contribution made to Tasty Bite Foundation in relation to CSR expenditure	10.34	7.77

## 35. Income tax expense

### A. Amounts recognised in profit or loss

Particulars	31 March 2022	31 March 2021
Current year	58.20	134.95
Changes in estimates related to prior years	2.33	[0.67]
<b>Current tax (a)</b>	<b>60.53</b>	<b>134.28</b>
Attributable to -		
Origination and reversal of temporary differences	[19.05]	[1.95]
<b>Deferred tax (credit) (b)</b>	<b>[19.05]</b>	<b>[1.95]</b>
<b>Tax expense (a) + (b)</b>	<b>41.48</b>	<b>132.33</b>

### B. Income tax recognised in other comprehensive income

Particulars	31 March 2022			31 March 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurement of defined benefit liability	5.02	[1.26]	3.76	0.40	[0.10]	0.30
Effective portion of gain on hedging instruments in a cash flow hedge	4.90	[1.23]	3.67	61.78	[15.55]	46.23
	<b>9.92</b>	<b>[2.49]</b>	<b>7.43</b>	<b>62.18</b>	<b>[15.65]</b>	<b>46.53</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 35. Income tax expense (Contd.)

### C. Reconciliation of effective tax rate

Particulars	31 March 2022		31 March 2021	
	%	Amount	%	Amount
<b>Profit before tax</b>		144.76		525.75
Tax using the Company's domestic tax rate	25.17%	36.43	25.17%	132.32
<b>Effect of:</b>				
Non deductible expenses	3.19%	4.62	-0.17%	[0.91]
Changes in estimates related to prior years and effect of change in tax rate	0.30%	0.43	0.18%	0.92
<b>Effective tax rate / Income tax expense recognised in P&amp;L</b>	<b>28.66%</b>	<b>41.48</b>	<b>25.17%</b>	<b>132.33</b>

The Taxation Laws [Amendment] Ordinance, 2019 promulgated on 20 September 2019 [The Taxation Laws [Amendment] Act, 2019 of 11 December, 2019] provides an option to domestic companies to pay income tax at reduced rate of 25.17% subject to certain conditions. The Management has elected to exercise this option and accordingly, provision for income tax and deferred tax as at 31 March 2021 and 31 March 2022 are recognised at 25.17%.

### D. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (assets) / liabilities	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Property, plant and equipment and intangible assets	-	-	24.11	25.66	24.11	25.66
Inventories	[18.05]	[7.68]	-	-	[18.05]	[7.68]
Trade receivables	[1.01]	[2.00]	-	-	[1.01]	[2.00]
Other non-current assets	-	[0.01]	-	-	-	[0.01]
Provision - employee benefits	[16.87]	[19.65]	-	-	[16.87]	[19.65]
Provision - others	[1.13]	[0.28]	-	-	[1.13]	[0.28]
Cash flow hedge reserve	-	-	2.74	1.51	2.74	1.51
Finance lease	[12.36]	[3.36]	-	-	[12.36]	[3.36]
Other items	-	[0.15]	0.05	-	0.05	[0.15]
	<b>[49.42]</b>	<b>[33.13]</b>	<b>26.90</b>	<b>27.17</b>	<b>[22.52]</b>	<b>[5.96]</b>
Offsetting of deferred tax assets and deferred tax liabilities	26.90	27.17	[49.42]	[33.13]	-	-
<b>Net deferred tax (assets) / liabilities</b>	<b>[22.52]</b>	<b>[5.96]</b>	<b>[22.52]</b>	<b>[5.96]</b>	<b>[22.52]</b>	<b>[5.96]</b>

Movement of tax on temporary differences:	Balance as at 31 March 2020	Recognised in profit or loss during 2020-21	Recognised in OCI during 2020-21	Balance as at 31 March 2021	Recognised in profit or loss during 2021-22	Recognised in OCI during 2021-22	Balance as at 31 March 2022
Property, plant and equipment and intangible assets	28.14	[2.48]	-	25.66	[1.55]	-	24.11
Inventories	[13.35]	5.67	-	[7.68]	[10.37]	-	[18.05]
Trade receivables	[0.35]	[1.65]	-	[2.00]	0.99	-	[1.01]
Other non-current assets	[0.16]	0.15	-	[0.01]	0.01	-	-
Provision - employee benefits	[18.28]	[1.48]	0.10	[19.65]	1.52	1.26	[16.87]
Provision - others	[0.36]	0.08	-	[0.28]	[0.85]	-	[1.13]
Cash flow hedge reserve	[14.04]	0.00	15.55	1.51	-	1.23	2.74
Finance lease	[1.03]	[2.33]	-	[3.36]	[9.00]	-	[12.36]
Other items	[0.24]	0.09	-	[0.15]	0.20	-	0.05
	<b>[19.67]</b>	<b>[1.93]</b>	<b>15.65</b>	<b>[5.96]</b>	<b>[19.05]</b>	<b>2.49</b>	<b>[22.52]</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 35. Income tax expense (Contd.)

In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income, tax planning strategies and impact of other marketing conditions including COVID-19 in making this assessment.

Based on this, the Company believes that it is probable that the Company will realize the benefits of these deductible differences. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

## 36. Contingent liabilities and commitments

(to the extent not provided for)

	31 March 2022	31 March 2021
<b>Contingent liabilities</b>		
Claims against the Company not acknowledged as debts		
Income tax matters (see note below)	1.29	40.41
Custom duty matters (see note below)	14.77	14.77
Employees / labour claims	1.43	1.15
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	416.75	586.49
Export commitments on account of import under EPCG (Export Promotion Capital Goods) and advance licenses	78.71	93.13
<b>Total</b>	<b>512.95</b>	<b>735.95</b>

### Note 36 (a)

#### Income tax matters

Income tax demand comprise demand from the Indian tax authorities, upon completion of their tax review for the assessment years 2008-09. The tax demands are mainly on account of certain transfer pricing adjustments of expenses claimed by the Company under the Income Tax Act. The matters are pending before the ITAT.

#### Custom duty matters

Custom duty demand comprise demand from the Office of the Commissioner of Custom of INR 14.77 Million (31 March 2021: INR 14.77 Million). The tax demands are mainly related to benefit received by the Company under Vishesh Krishi and Gram Udyog Yojana (VKGUY), which as per Department's contention, have been availed under incorrect and inadmissible notification. Management is of the view that such benefits are admissible and cannot be denied only because of incorrect mentioning of the notification. This litigation is pending before CESTAT.

The Company is contesting the demands and the management believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceeding will not have a material adverse effect on the Company's financial position and results of operations.

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of the cash flow, if any, in respect of the above as it is determinable only on receipt judgements / decision pending with various forums/authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where the provision is required and disclosed as contingent liabilities where applicable, in its revised financial statements.

### Note 36 (b)

Based on the Supreme Court judgement dated 28 February 2019, the Company has reassessed the components to be included in basic salary for the purpose of employer's contribution towards Provident Fund. However, there has been no corresponding amendment in the Act or Scheme framed under the Provident Fund Act, consequent to Supreme Court judgement. Management does not expect the Supreme Court decision to have any significant impact on the Company's financial position as at 31 March 2022.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 37. Compliance with Micro, Small and Medium Enterprises Development Act, 2006

	31 March 2022	31 March 2021
a) The principal amount and the interest due thereon remaining unpaid to supplier at the end of each accounting year;		
– Principal	32.17	18.55
– Interest	1.05	0.77
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
– Interest paid	-	-
– Payment made to suppliers (other than interest) beyond the appointed day 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 the MSMED Act	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year, in relation to the year	1.05	0.77
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED ACT	-	-

## 38. Earnings per share

### Basic / Diluted earnings per share

The calculation of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purpose of basic earnings per share calculation are as follows:

#### i. Profit attributable to equity shareholders (basic)

	31 March 2022	31 March 2021
Profit for the year, attributable to the equity holders	103.28	393.42

#### ii. Weighted average number of equity shares (basic)

	Note	31 March 2022	31 March 2021
<b>In Million of shares</b>			
Opening balance	18	2.57	2.57
Effect of changes during the year		-	-
<b>Weighted average number of equity shares for the year</b>		<b>2.57</b>	<b>2.57</b>
<b>Total basic / diluted earnings per share attributable to equity share holder of the Company (INR)</b>		<b>40.25</b>	<b>153.32</b>

## 39. Leases

### Company as a lessee

The company's leases mainly comprises of buildings. The company leases buildings primarily for offices and warehouses.

The Company assesses whether a contract is or contains a lease, at inception of a contract. 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.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 39. Leases [Contd.]

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments with a corresponding adjustment to the carrying value of Right-of-use assets.

Lease liability and Right-of-use assets is separately presented in the Balance Sheet and lease payments are classified as financing cash flows.

The company recognizes lease payments as operating expense on a straight line basis over the period of lease for certain short-term (less than or equal to twelve months) or low value arrangements.

The Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

### A. Right-of-use assets

Particulars	Building
<b>Balance as at 01 April 2020</b>	<b>87.19</b>
Add: Initial direct cost	-
Add: Addition during the year	607.24
Less: Depreciation charged for the year	[29.97]
<b>Balance as at 31 March 2021</b>	<b>664.46</b>
<b>Balance as at 01 April 2021</b>	<b>664.46</b>
Add: Initial direct cost	-
Add: Addition during the year	-
Less: Depreciation charged for the year	[76.24]
<b>Balance as at 31 March 2022</b>	<b>588.22</b>

### B. Lease liabilities

Particulars	Amount
<b>Balance as at 01 April 2020</b>	<b>91.29</b>
Add: Addition during the year	607.24
Add: Interest accrued on lease liability	20.49
Less: Cash outflows for leases	[37.52]
<b>Balance as at 31 March 2021</b>	<b>681.50</b>
<b>Balance as at 01 April 2021</b>	<b>681.50</b>
Add: Addition during the year	-
Add: Interest accrued on lease liability	55.48
Less: Cash outflows for leases	[100.03]
<b>Balance as at 31 March 2022</b>	<b>636.95</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 39. Leases (Contd.)

### Bifurcation of Lease Liabilities

	31 March 2022	31 March 2021
Current	51.57	44.55
Non-current	585.38	636.95
<b>Total</b>	<b>636.95</b>	<b>681.50</b>

### C. Interest expenses on lease liabilities

	31 March 2022	31 March 2021
Interest on lease liabilities	55.48	20.49

### D. Expenses on short term leases / low value assets

The Company incurred INR 27.73 Million (2021: INR 49.85 Million) towards expenses relating to short-term leases and leases of low value assets.

### E. Amounts recognised in the statement of cash flow

	31 March 2022	31 March 2021
Total cash outflow for leases	100.03	37.52

Note: For Maturity profile of Lease Liabilities refer note 48 A. iii.

### Impact of COVID - 19

The leases that the Company has entered with lessors majorly pertains for buildings taken on lease to conduct its business in the ordinary course and no changes in terms of those leases are expected due to the COVID-19 pandemic.

## 40. Capital management

A business objective of the Company is to sustain the strongest possible equity base in order to foster confidence in all key stakeholders and promote the Company's onward development. A sound equity base is also a key factor in ensuring a stable risk rating with lenders, which is important for obtaining acceptable borrowing terms for the Company. The Board of Directors and the shareholders of the Company ensure a responsible dividend policy and an appropriate return on invested capital to promote value growth and safeguard the Company's future.

The Board of Directors of the Company are kept informed about the equity position of the Company as part of quarterly reporting. Measures are implemented as necessary, taking the tax and legal frameworks into account, to sustain an appropriate capital base that enables the Company to attain operating targets and to meet the strategic goals.

	31 March 2022	31 March 2021
Total borrowings	743.06	1,063.52
Less: cash and cash equivalent	[39.60]	[348.19]
<b>Adjusted net debt</b>	<b>703.46</b>	<b>715.33</b>
Total equity	2,171.78	2,066.20
Less: effective portion of cash flow hedge (net of tax)	2.61	[1.06]
<b>Adjusted equity</b>	<b>2,169.17</b>	<b>2,067.26</b>
<b>Adjusted net debt to adjusted equity ratio</b>	<b>0.32</b>	<b>0.35</b>

The Company is required to comply with certain covenants for the borrowing facilities availed by the Company. The Company has complied with these covenants as on the reporting date.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 41. Disclosure in respect of Research and Development activities as per the requirements of Guidelines issued by the Department of Scientific and Research ('DSIR'):

The Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India has recognized Tasty Bite Research Center ('TBRC') as an "In-house R&D facility" with effect from 21 June 2011.

### Amount eligible for deduction under section 35(2AB) of the Income Tax Act, 1961:

	31 March 2022	31 March 2021
Amount debited to revised Statement of profit and loss, excluding depreciation	-	-
Amount not debited to revised Statement of profit and loss	-	-
<b>Total eligible expenditure</b>	<b>-</b>	<b>-</b>

Note: The Taxation Laws (Amendment) Ordinance, 2019 promulgated on 20 September 2019 [The Taxation Laws (Amendment) Act, 2019 of 11 December, 2019] provides an option to domestic companies to pay income tax at reduced rate of 25.17% subject to condition that the company shall not be eligible for weighted deduction u/s 35(2AB), TBEL has opted for the lower tax rate and therefore forgoing the benefit of said deduction under The income tax Act, 1961.

Revenue expenditure on Research and Development activities charged to revised Statement of profit and loss

Capital expenditure for Research and Development included under fixed assets:

Particulars	Plant and equipment	
	31 March 2022	31 March 2021
<b>Gross block</b>		
As at the beginning of the year	19.26	19.12
Additions [represents capital expenditure during the year]	-	0.14
<b>As at the end of the year</b>	<b>19.26</b>	<b>19.26</b>
<b>Accumulated depreciation/amortisation</b>		
As at the beginning of the year	10.31	8.88
Charge for the year	0.79	1.43
<b>As at the end of the year</b>	<b>11.10</b>	<b>10.31</b>
<b>Net block</b>	<b>8.16</b>	<b>8.95</b>

## 42. Transfer pricing regulations

The Company has established a comprehensive system of maintenance of information and documentation as required by the transfer pricing legislation under section 92 - 92F of the Income Tax Act, 1961. The Company is in process of preparing related documentation for the financial year 2021-2022.

The management is of the opinion that its international transactions are at arm's length such that the aforesaid legislation will not have any impact on the revised financial statements, particularly on the amount of tax expense and that of provision for taxation as at and for the year ended 31 March 2022.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 43. Segment Information

### A. Business Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company recognizes its sale of Prepared Foods activity as its only primary business segment since its operations predominantly consist of manufacture and sale of Prepared Foods to its customers. The 'Chief Operating Decision Maker' monitors the operating results of the Company's business as single segment. Accordingly in context of 'Ind AS 108 - Operating Segments' the principle business of the Company constitute a single reportable segment.

### B. Information about major customers

Revenue from one of the customers of the Company's single segment i.e. Prepared Foods is INR 2,054.74 Million [2021: INR 2,864.21 Million] which is more than 10 percent of the total revenue for the year ended 31 March 2022 and 31 March 2021.

## 44. Assets and liabilities relating to employee benefits

	31 March 2022	31 March 2021
Net defined benefit liability - Gratuity plan	37.52	41.68
Liability for compensated absences	29.49	36.37
<b>Total employee benefit liabilities</b>	<b>67.01</b>	<b>78.05</b>
<b>Non-current</b>	<b>59.60</b>	<b>73.58</b>
Gratuity	32.71	39.62
Compensated absences	26.89	33.96
<b>Current</b>	<b>7.41</b>	<b>4.47</b>
Gratuity	4.81	2.06
Compensated absences	2.60	2.41

### A. Defined contribution plan

The Company has certain defined contribution plan such as provident fund, employee state insurance wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to:

Particulars	31 March 2022	31 March 2021
Employer's contribution to provident fund	16.81	14.81
Employer's contribution to employee state insurance	0.06	0.12

### B. Post employment benefit plan

The Company operates the following post employment benefit plans:

The Company has a defined benefit plan, governed by the Payment of Gratuity Act, 1972. Benefit plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days for every completed year of service or part thereof in excess of six months., based on the rates of wages last drawn by the employee concerned.

The defined benefit plan for gratuity is administered and funded through Tasty Bite Employees Gratuity Trust.

These defined benefit plans expose the Company to actuarial risk, such as longevity risk, interest rate risk, market (investment) risk and salary increment risk.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 44. Assets and liabilities relating to employee benefits (Contd.)

### C. Funding

Gratuity Plan is funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of Gratuity Plan is based on separate actuarial valuation for funding purposes for which assumption may differ from the assumptions set out in (E). Employees do not contribute to the plan.

The Company expects to pay INR 9.00 Million as contributions to its defined benefit plans in 2022-2023 (Forecast for 2021-22 was INR 8.00 Million).

### D. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components:

#### Reconciliation of present value of defined benefit obligation (A)

	31 March 2022	31 March 2021
Balance at the beginning of the year	75.07	63.25
Current service cost	6.50	5.84
Interest cost	5.14	4.27
Actuarial (gain)/ loss on obligations recognised in other comprehensive income		
– changes in demographic assumptions	0.16	0.62
– changes in financial assumptions	(4.54)	3.58
– experience variance	(0.86)	(2.49)
Benefits paid	(2.62)	-
<b>Balance as the end of the year</b>	<b>78.85</b>	<b>75.07</b>

#### Reconciliation of present value of plan assets (B)

	31 March 2022	31 March 2021
Balance at the beginning of the year	33.39	21.80
Investment Income	2.28	1.47
Employers contributions	8.50	8.00
Benefits paid	(2.62)	-
Return on plan assets	(0.22)	2.12
<b>Balance as the end of the year</b>	<b>41.33</b>	<b>33.39</b>
<b>Net defined benefit liability (A) - (B)</b>	<b>37.52</b>	<b>41.68</b>

### E. (i) Expense recognised in profit or loss

	31 March 2022	31 March 2021
Current service cost	6.50	5.84
Interest cost	5.14	4.27
Interest income	(2.28)	(1.47)
<b>Total</b>	<b>9.36</b>	<b>8.64</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 44. Assets and liabilities relating to employee benefits (Contd.)

### E. (ii) Remeasurements recognised in other comprehensive income

	31 March 2022	31 March 2021
Actuarial (gain) loss on defined benefit obligation	(5.24)	1.72
Return on plan assets excluding interest income	0.22	[2.12]
<b>Total</b>	<b>(5.02)</b>	<b>(0.40)</b>

### F. Plan assets

Plan assets comprise of the following:

	31 March 2022	31 March 2021
State government securities	47%	47%
High quality corporate bonds / debentures	36%	37%
Equity shares of listed companies	12%	11%
Other investments	5%	5%
	<b>100%</b>	<b>100%</b>

### G. Defined benefit obligation

#### i. Actuarial assumptions

Principal actuarial assumptions at the reporting date:

	31 March 2022	31 March 2021
Discount rate	7.25%	6.75%
Future salary growth:		
First Year	9.00%	14.00%
Second Year	8.00%	8.25%
Third Year and thereafter	7.00%	7.25%
Attrition rate:		
Upto 30 years	6.00%	5.00%
31 - 44 Years	1.50%	1.00%
Above 44 Years	2.00%	0.00%
Mortality rate [% of IALM 2012-14]	100.00%	100.00%

Assumptions regarding future mortality are based on published statistics and mortality tables (i.e. India Assured Live Mortality [2012-14]).

At 31 March 2022, the weighted average duration of the defined benefit obligation is 10 years

#### ii. Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows (valued on undiscounted basis):

Payout in the next	31 March 2022	31 March 2021
1 year	4.81	2.06
2 to 5 years	26.48	18.07
6 to 10 years	35.01	27.10
More than 10 years	133.04	162.32

#### iii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below:

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 44. Assets and liabilities relating to employee benefits (Contd.)

	31 March 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate [1% movement]	[7.34]	8.61	[8.33]	9.96
Future salary growth [1% movement]	8.52	[7.40]	9.66	[8.23]
Attrition rate [50% movement]	0.04	[0.08]	[0.18]	0.17
Mortality rate [10% movement]	[0.01]	[0.02]	[0.02]	[0.00]

Note: Sensitivity analysis in relation to Discount Rate, Salary Growth, Attrition Rate and Mortality Rate as shown above comprise of Increase and decrease from the value of defined benefit obligation as disclosed in note 44(B) above.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

## 45. Related party disclosures

### A. Parent, Ultimate Holding Company and Fellow Subsidiary

Sr. No.	Name	Relationship
1	Mars, Incorporated, USA	Ultimate Holding Company
2	Effem Holdings Limited	Holding Company
3	Preferred Brands International, Inc. USA [PBI Inc. is Holding company of Preferred Brands Foods (India) Private Limited]	Holding Company
4	Preferred Brands Foods (India) Private Limited	Holding Company
5	Preferred Brands Australia Pty. Ltd.	Fellow Subsidiary
6	Preferred Brands UK Ltd.	Fellow Subsidiary
7	Mars Australia Pty. Ltd.	Fellow Subsidiary
8	Mars Food UK Limited	Fellow Subsidiary
9	Royal Canin India Private Limited	Fellow Subsidiary
10	Mars International India Pvt. Ltd.	Fellow Subsidiary
11	Mars GmbH	Fellow Subsidiary
12	Mars LLC	Fellow Subsidiary
13	Mars Canada, Inc.	Fellow Subsidiary
14	Wrigley India Private Limited	Fellow Subsidiary
15	Mars Food USA	Fellow Subsidiary
16	MARS Nederland's	Fellow Subsidiary
17	Mars Food Europe CV France	Fellow Subsidiary

### B. Entities controlled by Key Management Personnel

Sr. No.	Name
1	Tasty Bite Employees Gratuity Trust
2	Tasty Bite Foundation

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 45. Related party disclosures (Contd.)

### C. Transactions with Key Management Personnel

Sr. No.	Name	Relationship
1	Mr. Ashok Vasudevan	Non-Executive Chairman
2	Mr. Abhijit Upadhye	Managing Director (upto 31 December 2021)
3	Mr. Gaurav Gupta	Whole Time Director w.e.f. 01 January 2022 and Chief Financial Officer
4	Ms. Minal Talwar	Company Secretary
5	Ms. Rama Kannan	Non-Executive Independent Director
6	Mr. Chengappa Ganapati	Non-Executive Independent Director
7	Mr. Kavas Patel	Non-Executive Independent Director
8	Ms. Dawn Amanda Allen	Non-Executive Director
9	Mr. P V V Srinivas Rao	Non-Executive Director (upto 05 November 2020)
10	Mr. David Sukhdev Dusangh	Non-Executive Director (From 06 November 2020)

### Key Management Personnel compensations

	Mr. Abhijit Upadhye		Mr. Gaurav Gupta		Ms. Minal Talwar	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Short term employee benefits	21.76	24.23	8.59	7.74	1.95	1.54
Long term benefits	-	-	-	-	-	-
<b>Post-employment benefits payable</b>						
Defined benefit plan - Gratuity	-	1.01	1.04	0.86	0.33	0.29
Compensated absences - Leave encashment	-	4.46	1.18	1.26	0.26	0.27
	<b>21.76</b>	<b>29.70</b>	<b>10.81</b>	<b>9.86</b>	<b>2.54</b>	<b>2.10</b>
Compensation payable at the end of year	-	3.30	-	-	-	-

### Remuneration to Non-Executive Independent Directors

Name of the Director	31 March 2022	31 March 2021
Ms. Rama Kannan	0.35	0.30
Mr. Chengappa Ganapati	0.55	0.30
Mr. Kavas Patel	0.45	0.30
	<b>1.35</b>	<b>0.90</b>

### D. Related party transactions other than those with Key Management Personnel

Transaction / Balance	Enterprise	31 March 2022	31 March 2021
<b>Sale of goods</b>	Preferred Brands International, Inc. USA	2,054.74	2,864.21
	Mars Australia Pty. Ltd.	-	16.15
	Mars Food UK Limited	6.38	5.14
	Mars GmbH	23.53	8.39
	Mars Canada, Inc.	60.70	22.94
	Mars LLC	-	3.60
	Mars Food USA	24.80	19.76
	Mars Food Europe CV France	4.15	-
<b>Sale of MEIS scripts</b>	Royal Canin India Private Limited	-	24.35
	Mars International India Pvt. Ltd.	-	6.67
<b>Product recall claims</b>	Mars GmbH	12.00	-
<b>Dividend paid on equity shares</b>	Preferred Brands Foods (India) Private Limited	3.81	3.81
<b>External commercial borrowing taken</b>	MARS Nederland's	-	365.80

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 45. Related party disclosures [Contd.]

Transaction / Balance	Enterprise	31 March 2022	31 March 2021
<b>Interest on loan taken</b>	MARS Nederland's	10.14	1.74
<b>Contributions made</b>	Tasty Bite Employees Gratuity Trust	8.50	8.00
	Tasty Bite Foundation	10.34	7.77
<b>Balance outstanding</b>			
<b>A. Trade receivables</b>	Preferred Brands International, Inc. USA	259.98	361.17
	Mars Food UK Limited	4.15	1.68
	Mars GmbH	12.62	4.66
	Mars Canada, Inc.	-	2.74
	Mars LLC	-	1.34
	Mars Food USA	-	9.95
	Mars Food Europe CV France	4.15	-
<b>B. Other receivables</b>	Preferred Brands International, Inc. USA	27.89	-
<b>C. Loans payables</b>	MARS Nederland's	379.50	365.80
<b>D. Other payables</b>	Preferred Brands International, Inc. USA	-	45.30
	Mars GmbH	5.43	-
<b>Expense charged to related parties in the nature of:</b>			
<b>A. Courier and postage</b>	Preferred Brands International, Inc. USA	-	-
<b>B. Reimbursements</b>	Preferred Brands International, Inc. USA	183.24	-
	Preferred Brands Foods [India] Private Limited	-	2.40
	Mars GmbH	8.33	0.64
	Mars Food UK Limited	7.66	1.63
	Mars Australia Pty. Ltd.	-	6.24
	Mars Canada, Inc.	11.83	3.16
	Tasty Bite Foundation	-	0.93
	Mars LLC	0.14	-
<b>Expense charged by related parties in the nature of:</b>			
<b>A. Reimbursements</b>	Preferred Brands International, Inc. USA	7.08	0.18
	Mars International India Pvt. Ltd.	2.49	2.15
	Mars, Incorporated, USA	0.37	-
<b>B. Project maintenance charges</b>	Wrigley India Private Limited	3.56	7.42
	Mars International India Pvt. Ltd.	3.38	3.95

## 46. Disclosure for revenue from contracts with customers

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Revenue recognised from contracts with customers</b>	<b>3,720.91</b>	<b>3,853.13</b>
<b>Disaggregation of revenue</b>		
<b>(A) Based on type of goods</b>		
Sale of goods		
Finished Goods	3,676.02	3,797.78
Traded goods	30.64	47.07
Sale of scrap	14.25	8.28
	<b>3,720.91</b>	<b>3,853.13</b>
<b>(B) Based on market</b>		
India	1,128.88	812.68
United States of America	1,825.74	2,629.27
Rest of the world	766.29	411.18
	<b>3,720.91</b>	<b>3,853.13</b>

Refer note 27 for Revenue from operations.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 46. Disclosure for revenue from contracts with customers (Contd.)

### Performance obligations

The Company satisfies its performance obligations pertaining to the sale of products at a point in time when the control of goods is actually transferred to the customers. The control of goods is transferred to the customer based on the delivery terms as follows:

Terms of sale	Transfer of control
Domestic sales	
Ex works	On dispatch
Door delivery	When goods are handed over to the customer
Export sales	On the date of bill of lading

No significant judgment is involved in evaluating when a customer obtains control of the promised goods. The payment is generally due within 30-60 days. There are no obligations on account of refunds or returns.

### Disclosure for transaction price allocated to the remaining performance obligations

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, in accordance with paragraph 121 of Ind AS 115, the Company is not required to disclose information about its remaining performance obligation since the Company does not have any performance obligation that has an original expected duration of more than one year.

### Determining the timing of satisfaction of performance obligations

There is no significant judgement involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

### Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the single performance obligation of the Company (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price.

### Details of contract balances:

There are no contract assets as at 31 March 2022 and 31 March 2021. Refer note 12 for information on trade receivables.

### Details of contracts liabilities:

The following table provides information about contract liabilities from contracts with customers:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Contract liabilities (Advance from customers)</b>	-	-

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised as and when control in promised goods is transferred.

Significant changes in the contract liability balances during the year ended 31 March 2022 are as follows:

Particulars	31 March 2022	31 March 2021
Advance from customers at the beginning of the year	-	-
Revenue recognised that was included in the advance from customers balance at the beginning of the year	-	-
Increase due to cash received, excluding amounts recognised as revenue during the year	-	-
<b>Advance from customers at the end of the year</b>	-	-

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 47. Financial instruments - fair value

### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

31 March 2022	Note	Carrying amount				Fair value		
		FVTPL	FVOCI	Amortised cost	Total	Level 1**	Level 2**	Level 3**
<b>Financial assets measured at fair value</b>								
Forward exchange contracts used for hedging	15	-	10.08	-	10.08	-	10.08	-
Interest rate swaps used for hedging	15	-	0.80	-	0.80	-	0.80	-
<b>Financial assets not measured at fair value*</b>								
Non-current loans	8A	-	-	46.00	46.00	-	-	-
Security deposits	9	-	-	3.46	3.46	-	-	-
Trade receivables	12	-	-	544.48	544.48	-	-	-
Cash and cash equivalent	13	-	-	39.60	39.60	-	-	-
Bank balance other than cash and cash equivalent	14	-	-	0.73	0.73	-	-	-
Current loans	8B	-	-	6.00	6.00	-	-	-
Recoverable from related parties	16	-	-	27.89	27.89	-	-	-
Export incentives receivable	16	-	-	113.77	113.77	-	-	-
Other receivables	16	-	-	4.65	4.65	-	-	-
<b>Total financial assets</b>		-	<b>10.88</b>	<b>786.58</b>	<b>797.46</b>	-	<b>10.88</b>	-

31 March 2022	Note	Carrying amount				Fair value		
		FVTPL	FVOCI	Amortised cost	Total	Level 1**	Level 2**	Level 3**
<b>Financial liabilities not measured at fair value*</b>								
External commercial borrowings	20A	-	-	435.57	435.57	-	-	-
Lease liabilities	39	-	-	636.95	636.95	-	-	-
Working capital loans from banks	20B	-	-	227.70	227.70	-	-	-
Trade payables	22	-	-	614.15	614.15	-	-	-
Current portion of unsecured bank loans	20B	-	-	79.79	79.79	-	-	-
Interest accrued but not due on borrowings	24	-	-	2.22	2.22	-	-	-
Payable for capital goods	24	-	-	37.97	37.97	-	-	-
Deposits received from dealers	24	-	-	0.40	0.40	-	-	-
Employee dues	24	-	-	11.38	11.38	-	-	-
Unclaimed dividend	24	-	-	0.71	0.71	-	-	-
Payables to related parties [refer note 45]	24	-	-	5.43	5.43	-	-	-
Interest payable on MSME dues	24	-	-	1.05	1.05	-	-	-
<b>Total financial liabilities</b>		-	-	<b>2,053.32</b>	<b>2,053.32</b>	-	-	-

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 47. Financial instruments - fair value (Contd.)

31 March 2021	Note	Carrying amount				Fair value		
		FVTPL	FVOCI	Amortised cost	Total	Level 1**	Level 2**	Level 3**
<b>Financial assets measured at fair value</b>								
Forward exchange contracts used for hedging	15	-	9.73	-	9.73	-	9.73	-
<b>Financial assets not measured at fair value*</b>								
Security deposits	9	-	-	3.46	3.46	-	-	-
Trade receivables	12	-	-	543.40	543.40	-	-	-
Cash and cash equivalent	13	-	-	348.19	348.19	-	-	-
Bank balance other than cash and cash equivalent	14	-	-	0.87	0.87	-	-	-
Export incentives receivable	16	-	-	159.74	159.74	-	-	-
Other receivables	16	-	-	0.63	0.63	-	-	-
<b>Total financial assets</b>		-	<b>9.73</b>	<b>1,056.29</b>	<b>1,066.02</b>	-	<b>9.73</b>	-

31 March 2021	Note	Carrying amount				Fair value		
		FVTPL	FVOCI	Amortised cost	Total	Level 1**	Level 2**	Level 3**
<b>Financial liabilities measured at fair value</b>								
Interest rate swaps used for hedging	23	-	3.74	-	3.74	-	3.74	-
<b>Financial liabilities not measured at fair value*</b>								
External commercial borrowings	20A	-	-	496.76	496.76	-	-	-
Lease liabilities	39	-	-	681.50	681.50	-	-	-
Working capital loans from banks	20B	-	-	495.95	495.95	-	-	-
Trade payables	22	-	-	491.42	491.42	-	-	-
Current portion of unsecured bank loans	20B	-	-	70.81	70.81	-	-	-
Interest accrued but not due on borrowings	24	-	-	2.36	2.36	-	-	-
Payable for capital goods	24	-	-	16.39	16.39	-	-	-
Deposits received from dealers	24	-	-	0.50	0.50	-	-	-
Employee dues	24	-	-	14.22	14.22	-	-	-
Unclaimed dividend	24	-	-	0.85	0.85	-	-	-
Payables to related parties (refer note 45)	24	-	-	45.30	45.30	-	-	-
Interest payable on MSME dues	24	-	-	0.77	0.77	-	-	-
<b>Total financial liabilities</b>		-	<b>3.74</b>	<b>2,316.83</b>	<b>2,320.57</b>	-	<b>3.74</b>	-

\* Financial assets and liabilities such as trade receivables, employee dues, cash and cash equivalent, bank balance other than cash and cash equivalents, security deposits, interest accrued on fixed deposits, borrowing, trade payables, deposits from dealers, unclaimed dividend, Other payables etc. are largely short-term in nature. The fair values of these financial assets and liabilities approximate their carrying amount due to the short-term nature of such assets and liabilities.

\*\* Also refer Note 2.5

### B. Measurement of fair value

Specific valuation technique used to value financial instruments include:

- The use of quoted market price or dealer quotes of similar instruments
- the fair value of interest rate swaps is calculated at the present value of the estimated future cash flows based on observable yield curves
- the fair value of forward foreign exchange contracts and principle swap is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

All of the resulting fair value estimates, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 48. Financial instruments - risk management

### A. Financial risk management

The Company has exposure to the following risk arising from financial instruments:

- credit risk (see (ii) below);
- liquidity risk (see (iii) below); and
- market risk (see (iv) below).

#### i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have established a Risk Management Framework, which is reviewed and monitored by the Chief Financial Officer (CFO). The CFO reports regularly to the board of directors.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and established procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal auditors. Internal auditors undertake regular reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

#### ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from the Companies receivable from customer and loans, if any.

The carrying amounts of financial asset represents the maximum credit risk exposure.

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India and outside India. Credit risk is managed by a periodic review of amounts outstanding from customers by treasury head and the chief financial officer. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company computes the expected credit loss allowance for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer, industry information and the Company's historical experience for customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period for customers. Credit risk is also controlled by analysing credit limits and credit worthiness of customers on a continuous basis.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 48. Financial instruments - risk management [Contd.]

Refer Note 12 for the following information:

- Exposure to the credit risk for trade receivables by geographic region
- Exposure to the credit risk for trade receivables by type of counterparty (concentration of credit risk)
- Movement in the allowance for expected credit loss

Also refer note 3.6 for policy related to impairment

### Cash and cash equivalent and bank balances other than cash and cash equivalent ('collectively referred as Bank balance')

The Bank balance is held with Banks. Credit risk on Bank balance is limited as the Company generally invest in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Bank balances comprising current accounts are maintained with banks with high credit ratings assigned by credit rating agencies.

### iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for liquidity and funding. The Company manages its liquidity risk by continuously monitoring its working capital and by preparing month on month cash flow projections to monitor liquidity requirements.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company aims to maintain the level of its working capital at an amount in excess of expected cash outflows on account of financial liability over the next six months.

Working capital	31 March 2022	31 March 2021
Total current assets [both - financial and non financial] [A]	1,590.14	1,997.39
Total current liabilities [both - financial and non financial] [B]	1,055.83	1,201.61
<b>Working capital [A-B]</b>	<b>534.31</b>	<b>795.78</b>

In addition, the Company maintains the following line of credit:

Facility	Amount of facility	Amount utilised	
		31 March 2022	31 March 2021
Working capital loan - Packing Credit Foreign Currency ['PCFC']	750.00	227.70	495.95
<b>Total</b>	<b>750.00</b>	<b>227.70</b>	<b>495.95</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 48. Financial instruments - risk management (Contd.)

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

As at 31 March 2022	Carrying amount	Contractual cash flows (undiscounted amount)					Total
		6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years	
<b>Non-derivative financial liabilities</b>							
ECB - Mizuho Bank Ltd.	64.70	16.89	16.70	32.82	-	-	66.41
ECB - MUFG Bank Ltd. - I	71.16	16.59	16.40	32.26	7.95	-	73.20
ECB - Mars Nederland's	379.50	4.20	20.06	70.83	204.05	113.15	412.29
PCFC	227.70	227.70	-	-	-	-	227.70
Lease liabilities	636.95	51.14	51.92	103.04	313.51	359.08	878.69
Trade payables	614.15	614.15	-	-	-	-	614.15
Other current financial liabilities	59.16	59.16	-	-	-	-	59.16
<b>Total</b>	<b>2,053.32</b>	<b>989.83</b>	<b>105.08</b>	<b>238.95</b>	<b>525.51</b>	<b>472.23</b>	<b>2,331.60</b>

As at 31 March 2021	Carrying amount	Contractual cash flows (undiscounted amount)					Total
		6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years	
<b>Non-derivative financial liabilities</b>							
ECB - Mizuho Bank Ltd.	93.55	16.65	16.46	32.38	31.64	-	97.13
ECB - MUFG Bank Ltd. - I	99.07	16.34	16.16	31.80	38.76	-	103.06
ECB - MUFG Bank Ltd. - II	9.15	4.69	4.62	-	-	-	9.31
ECB - Mars Nederland's	365.80	4.05	4.11	23.38	200.77	173.26	405.57
PCFC	495.95	495.95	-	-	-	-	495.95
Lease liabilities	681.50	49.64	50.39	103.06	310.64	464.99	978.72
Trade payables	491.42	491.42	-	-	-	-	491.42
Other current financial liabilities	80.39	80.39	-	-	-	-	80.39
<b>Total</b>	<b>2,316.83</b>	<b>1,159.13</b>	<b>91.74</b>	<b>190.62</b>	<b>581.81</b>	<b>638.25</b>	<b>2,661.55</b>

### iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is exposed to foreign exchange risk through purchases from overseas suppliers and sales to overseas customers in various foreign currencies. The Company uses derivatives to manage market risk. All such transactions are carried out within the guidelines set by the Company. Generally, the Company seeks to apply hedge accounting to manage volatility in profit or loss.

#### A) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency (INR) of the Company. The primary exposure of the company is in US Dollars (USD), British Pounds (GBP) and Euro (EUR).

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 48. Financial instruments - risk management [Contd.]

The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. Such contracts are generally designated as cash flow hedges. At any point of time, the Company hedges 60% of its estimated foreign currency exposure in respect of forecasted sales.

### Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk as at reporting date is as follows:

	INR & Foreign Currency (in Millions)			
	31 March 2022		31 March 2021	
	INR	USD	INR	USD
Trade receivables	272.88	3.60	381.96	5.22
Other receivables	27.77	0.37	-	-
Advances for supply of goods	16.78	0.22	47.30	0.65
Borrowings	[743.06]	[9.79]	[1,063.52]	[14.54]
Trade payables	[95.98]	[1.26]	[140.62]	[1.92]
Payables to related parties [refer note 45]	-	-	[45.30]	[0.62]
Payable on account of capital purchases	[15.41]	[0.20]	-	-
<b>Net exposure in respect of recognised assets and liabilities</b>	<b>[537.02]</b>	<b>[7.06]</b>	<b>[820.18]</b>	<b>[11.21]</b>

	31 March 2022		31 March 2021	
	INR	GBP	INR	GBP
	Trade receivables	113.99	1.14	50.14
Capital advances	-	-	1.82	0.02
<b>Net exposure in respect of recognised assets and liabilities</b>	<b>113.99</b>	<b>1.14</b>	<b>51.96</b>	<b>0.52</b>

	31 March 2022		31 March 2021	
	INR	JPY	INR	JPY
	Capital advances	5.05	8.15	-
<b>Net exposure in respect of recognised assets and liabilities</b>	<b>5.05</b>	<b>8.15</b>	<b>-</b>	<b>-</b>

	31 March 2022		31 March 2021	
	INR	EUR	INR	EUR
	Trade receivables	16.41	0.19	4.59
Advances for supply of goods	1.44	0.02	-	-
Capital advances	0.47	0.01	0.15	0.00
Trade payables	[0.06]	[0.00]	[0.53]	[0.01]
Payables to related parties [refer note 45]	[5.43]	[0.06]	-	-
Payable on account of capital purchases	-	-	[4.11]	[0.05]
<b>Net exposure in respect of recognised assets and liabilities</b>	<b>12.83</b>	<b>0.16</b>	<b>0.10</b>	<b>0.00</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 48. Financial instruments - risk management (Contd.)

	31 March 2022		31 March 2021	
	INR	CAD	INR	CAD
Trade receivables	-	-	2.75	0.05
<b>Net exposure in respect of recognised assets and liabilities</b>	<b>-</b>	<b>-</b>	<b>2.75</b>	<b>0.05</b>

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the US Dollar and other currencies against INR at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assume that all other variables as remain constant other than change in foreign currency rate to INR.

1 % increase or decrease in foreign currency rate will have following impact on profit before tax:

	Impact on profit before tax*				Impact on equity, net of tax*			
	31 March 2022		31 March 2021		31 March 2022		31 March 2021	
	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening
USD	(5.37)	5.37	(8.20)	8.20	[4.02]	4.02	(6.14)	6.14
GBP	1.14	(1.14)	0.52	(0.52)	0.85	(0.85)	0.39	(0.39)
JPY	0.05	(0.05)	-	-	0.04	(0.04)	-	-
EUR	0.13	(0.13)	-	-	0.10	(0.10)	-	-
CAD	-	-	0.03	(0.03)	-	-	0.02	(0.02)
<b>Net exposure in respect of recognised assets and liabilities</b>	<b>(4.05)</b>	<b>4.05</b>	<b>(7.65)</b>	<b>7.65</b>	<b>(3.03)</b>	<b>3.03</b>	<b>(5.73)</b>	<b>5.73</b>

\* Amount in brackets represents unfavourable position

### B) Interest rate risk

The Company adopts the policy of ensuring that between 80% and 90% of its interest rate risk exposure on its non-current borrowings is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at floating rate and using interest rate swaps as hedges of the variability in cash flows to interest rate risk. Interest rate risk related to External Commercial Borrowings have been fully hedged using forward contracts on same dates as the loan are due for repayment.

Exposure to interest rate risk	31 March 2022	31 March 2021
Variable-rate instruments (financial liabilities - includes ECB and PCFC)	743.06	1,063.52
Less: Effect of interest rate swap (created on ECB)	(135.86)	(201.77)
<b>Net exposure in respect of recognised assets and liabilities</b>	<b>607.20</b>	<b>861.75</b>

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

(Currency - INR in Million, except per share data)

## 48. Financial instruments - risk management (Contd.)

Fair value sensitivity analysis for fixed-rate instruments/ cash flow sensitivity analysis for variable-rate instruments

	Impact on profit before tax				Impact on equity, net of tax			
	31 March 2022		31 March 2021		31 March 2022		31 March 2021	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments (financial liabilities)	(7.43)	7.43	(10.64)	10.64	(5.56)	5.56	(7.96)	7.96
Less: Effect of interest rate swap	1.36	(1.36)	2.02	(2.02)	1.02	(1.02)	1.51	(1.51)
<b>Sensitivity (net)</b>	<b>(6.07)</b>	<b>6.07</b>	<b>(8.62)</b>	<b>8.62</b>	<b>(4.54)</b>	<b>4.54</b>	<b>(6.45)</b>	<b>6.45</b>

### C) Cash flow hedges - hedge exposures

	31 March 2022			31 March 2021		
	1-6 months	6-12 months	More than 1 year	1-6 months	6-12 months	More than 1 year
<b>Foreign currency forward contracts - USD</b>						
Net exposure	7.57	6.58	-	7.93	5.72	-
Average INR:USD forward contract rate	76.66	78.35	-	75.93	76.32	-
<b>Foreign currency forward contracts - GBP</b>						
Net exposure	1.50	1.90	-	3.00	1.16	-
Average INR:GBP forward contract rate	102.54	104.00	-	99.40	102.01	-
<b>Foreign currency forward contracts - EUR</b>						
Net exposure	-	-	-	0.26	0.14	-
Average INR:EUR forward contract rate	-	-	-	89.21	92.28	-
<b>Interest rate swaps - USD</b>						
Net exposure	31.99	31.99	71.88	35.41	35.41	130.96
Average fixed interest rate	2.53%	2.53%	2.53%	2.53%	2.53%	2.53%

### Details of item designated as hedging instruments

	31 March 2022			31 March 2021		
	Nominal Amount	Assets	Liabilities	Nominal Amount	Assets	Liabilities
<b>Foreign currency forward contracts</b>						
Forward contracts sales, receivables	1,446.98	10.08	-	1,491.07	9.73	-
<b>Interest rate risk</b>						
Interest rate swaps	135.86	0.80	-	201.77	-	(3.74)
	<b>1,582.84</b>	<b>10.88</b>	<b>-</b>	<b>1,692.84</b>	<b>9.73</b>	<b>(3.74)</b>

All the above categories of hedging instruments have been included in derivative assets/derivative liabilities. Management of the Company believes that there are no items to be recognised in profit or loss as hedge ineffective, except for realised portion of foreign exchange against the relevant forward contract. The amount recognised as effective hedge is disclosed under Other comprehensive income.

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting:

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 48. Financial instruments - risk management (Contd.)

### Cash flow hedges - Equity head 'Effective portion of cash flow hedges'

	31 March 2022	31 March 2021
<b>Change in fair value:</b>		
Foreign currency risk	10.08	9.73
Interest rate risk	0.80	[3.74]
	<b>10.88</b>	<b>5.99</b>
<b>Amount classified to profit and loss:</b>		
Foreign currency risk	-	-
Interest rate risk	-	-
Tax on movements in relevant items of OCI during the year	[8.27]	[7.05]
<b>Balance as at the end of the year</b>	<b>2.61</b>	<b>[1.06]</b>

### Impact of COVID - 19

The Company based on an internal assessment believes that the probability of the occurrence of their highly probable forecasted transactions is not significantly impacted by the COVID-19 pandemic. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

### D) Other Risks

Financial assets carried at amortized cost as at 31 March 2022 is INR 786.58 Million [2021: INR 1,056.29 Million].

The Company has assessed the counterparty credit risk in connection with Cash and cash equivalents and Other bank balances amounting to INR 40.33 Million as at 31 March 2022 [2021: INR 349.06 Million].

Trade receivables amounting to INR 544.48 Million as at 31 March 2022 are valued at considering provision for allowance under the expected credit loss method. In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk considering emerging situations due to the COVID-19 pandemic. This assessment is based on the likelihood of the recoveries from the customers in the present situation. The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case.

Based on this internal assessment, the allowance for doubtful trade receivables is considered adequate.

**49.** The Company had received three whistle-blower complaints during March and April 2022 alleging financial irregularities in terms of conflict of interest of certain employees in awarding certain contracts for capital expenditure and scrap sales. The Company had initiated an independent investigation into these matters. The investigating agency had provided an interim report and its preliminary assessment indicated certain financial irregularities, although the final report was awaited on 27 May 2022 when the earlier financial statements were approved by the Board of Directors.

The final investigation report dated 24 June 2022 has confirmed financial irregularities of INR 4.10 million with respect to certain contracts for capital expenditure. The Company has recovered INR 2.67 million from the alleged employees and is in the process of agreeing the terms of recovery for the balance amount. There are no adverse findings with respect to scrap sales contracts.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 [Contd.]

[Currency - INR in Million, except per share data]

## 49. [Contd.]

The revision to the financial statements has been carried out solely to update the disclosure for the above referred matter. As the total impact of the financial irregularities of INR 4.10 million as well as the remaining exposure of INR 1.43 million [net of recovery of INR 2.67 million] is not expected to have a significant impact on the financial statements captions [e.g. Property, plant and equipment, Capital work in progress and depreciation] of the current and previous years, no revision has been made to these financial statement captions. Further, no additional adjustments have been carried out for any other events occurring after 27 May 2022 [being the date when the financial statements were first approved by the Board of Directors of the Company].

## 50. Additional regulatory information

### A. Title deeds of immovable properties not held in the name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold Land - Gut No. 503	0.03	No	04-Mar-87	The Company has filed a legal suit alleging illegal occupation of the land owned by the Company.

### B. Capital Work-in Progress (CWIP)

#### CWIP aging schedule:

31 March 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	418.27	160.90	37.70	0.06	616.93
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>418.27</b>	<b>160.90</b>	<b>37.70</b>	<b>0.06</b>	<b>616.93</b>

31 March 2021	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	299.35	116.76	4.33	4.05	424.49
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>299.35</b>	<b>116.76</b>	<b>4.33</b>	<b>4.05</b>	<b>424.49</b>

Note: There are no material capital work-in-progress projects, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2022.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 50. Additional regulatory information (Contd.)

### C. Ratios:

Particulars	Numerator	Denominator	FY 2021-22	FY 2020-21	Variance	Explanation
1. Current Ratio (in times)	Total current assets	Total current liabilities	1.51	1.66	-9.4%	-
2. Debt-Equity Ratio (in times)	Total debt	Total equity	0.34	0.51	-33.5%	During the year company has partially repaid the working capital loan resulting in lower debt equity ratio.
3. Debt Service Coverage Ratio (in times)	Earnings before interest tax depreciation and amortisation	Short term debt	1.52	1.28	18.8%	-
4. Return on Equity Ratio (in %)	Profit after tax	Total equity	4.8%	19.0%	-75.0%	Reduced due to lower profit during the year.
5. Inventory turnover ratio (in times)	Total sales	Average inventory	5.49	5.98	-8.3%	-
6. Trade Receivables turnover ratio (in times)	Total sales	Average trade receivables	6.84	6.92	-1.1%	-
7. Trade payables turnover ratio (in times)	Total sales	Average trade payables	6.73	7.94	-15.3%	-
8. Net capital turnover ratio (in times)	Total sales	Net working capital	6.96	4.84	43.8%	Working Capital Turnover Ratio has increased during current year on account of efficient utilization of working capital.
9. Net profit ratio (in %)	Profit after tax	Total income	2.7%	9.7%	-72.5%	Lower profitability in current year on account of lower revenues, lower export incentive income and higher material costs.
10. Return on Capital employed (in %)	Earnings before interest and tax	Average equity	7.0%	21.1%	-67.0%	Reduced due to lower profit during the year.

- D.** The Company does not have transactions with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956.
- E.** The Company does not hold any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- F.** The Company has not availed borrowings from banks or financial institutions on the basis of security of current assets and has not been declared a wilful defaulter by any bank or financial institutions or government or government authority.
- G.** The Company has not traded or invested in crypto currency or virtual currency during the current year.

# Notes to the Revised Financial Statements

for the year ended 31 March 2022 (Contd.)

[Currency - INR in Million, except per share data]

## 50. Additional regulatory information (Contd.)

- H. A) The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities [Intermediaries] with the understanding that the Intermediary shall:
- i) 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
  - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- B) The Company has not received any fund from any persons or entities, including foreign entities [Funding Party] with the understanding (whether recorded in writing or otherwise) that the Company shall:
- i) 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
  - ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- I. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 [such as, search or survey or any other relevant provisions of the Income Tax Act, 1961].
- J. The Company does not have any charges, satisfaction of which is yet to be registered with Registrar of Companies [ROC] beyond the statutory period.

51. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

The accompanying notes referred to above form an integral part of the revised financial statements.

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm Registration No: 116231W/W - 100024

**Raajnish Desai**

Partner

Membership No: 101190

Place: Pune

Date: 10 August 2022

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

**Tasty Bite Eatables Limited**

**CIN: L15419PN1985PLC037347**

**Gaurav Gupta**

Whole Time Director

& Chief Financial Officer

DIN: 07529010

Place: Pune

Date: 10 August 2022

**Ashok Vasudevan**

Chairman

DIN: 00575574

**Minal Talwar**

Company

Secretary



## TASTY BITE EATABLES LIMITED

CIN L15419PN1985PLC037347

Registered Office: 201-202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune - 411 005

E-mail: [info@tastybite.com](mailto:info@tastybite.com) Website: [www.tastybite.co.in](http://www.tastybite.co.in)

### Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies [Management and Administration] Rules, 2014]

#### 38<sup>th</sup> Annual General Meeting – 21 September 2022

Name of the Member(s)..... E-mail id.....  
Registered address..... Folio no. / \* DP ID & Client ID .....

\*Applicable for Investors holding shares in electronic form.

I/ We being the Member(s) of..... shares of the above named Company, hereby appoint:

1.....of.....having e-mail id:.....or failing him/her  
2.....of.....having e-mail id:.....or failing him/her  
3.....of.....having e-mail id:.....

as my / our proxy to attend and vote [on a poll] for me / us and on my / our behalf at the 38th Annual General Meeting of the Company, to be held on Wednesday, 21 September 2022 at 11.00 a.m. at Hotel Sheraton Grand, Pune, RBM Road, Pune – 411 001, and at any adjournment thereof in respect of such Resolutions as are indicated below:

No.	Resolution	Vote # [Optional See Note 2]		
		For	Against	Abstain
<b>ORDINARY BUSINESS:</b>				
1	Adoption of Financial Statements and Report of the Directors and Auditors thereon for the Financial Year ended 31 March 2022			
2	Declaration of dividend of Rs.1 per Equity Share on 25,66,000 Equity shares of Rs. 10 each for the financial year 2021-22			
3	Re-appointment of Mr. Ashok Vasudevan, as Director who retires by rotation			
4	Appointment of Statutory Auditors and Fixation of remuneration of Statutory Auditors			
<b>SPECIAL BUSINESS:</b>				
5	Regularisation of Additional Director Ms. Emmanuelle Orth			
6	Appointment of Mr. Rajendra Jadhav as Whole Time Director till 31 December 2023			
7	Fixation of remuneration of Mr. Rajendra Jadhav as Whole Time Director till 31 March 2023			
8	Rectification of past ordinary resolutions regarding appointment of directors			
9	Re-appointment of Dr. Chengappa Ganapati as an Independent Director			
10	Re-appointment of Ms. Rama Kannan as an Independent Director			

Signed this..... day of ..... 2022

Signature of the Member / Signature of the Proxy holder(s).....

Affix One  
Rupee  
Revenue  
Stamp here

#### Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.
3. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

**TASTY BITE EATABLES LIMITED**

CIN L15419PN1985PLC037347

Registered Office: 201-202, Mayfair Towers, Wakdevadi, Shivajinagar, Pune - 411 005

E-mail: [info@tastybite.com](mailto:info@tastybite.com) Website: [www.tastybite.co.in](http://www.tastybite.co.in)

**Attendance Slip**

**38<sup>th</sup> Annual General Meeting – 21 September 2022**

Folio no./ DP ID & Client ID: .....

No.of Shares:.....

\*Name of the Member/ Proxy holder: .....  
[in BLOCK letters]

I certify that I am a Member / Proxy holder for the Member of the Company.

I hereby record my presence at the 38th Annual General Meeting of the Company, held on Wednesday, 21 September 2022 at 11.00 a.m. at Hotel Sheraton Grand Pune, RBM Road, Pune- 411001.

.....  
Signature of the Member/Proxy holder

\* Strike out whichever is not applicable.

**Note:** Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM

## Route Map

Hotel Sheraton Grand  
Pune, RBM Road,  
Pune - 411 001





# In Memoriam



## Shashish Hodlur

[10th October 1975 – 29th June 2022]

Shashish Hodlur, Head of the Tasty Bite Research Center (TBRC) and a member of the Management Committee of Tasty Bite Eatables Ltd., Pune, passed away on June 29, 2022 after a valiant fight with cancer.

A trained culinologist by background, with 20+ years of experience in the food industry, he embraced food science, food technology and nutrition with equal interest, and dedicated his entire work to natural and organic foods, adhering to the Tasty Bite promise of 'holding the consumer's health in our hands'. Everyone who knew him was struck by his sheer energy – cognitive and physical – his curiosity for knowledge and innovativeness, his ability to shift from concept to flawless execution with equal ease and rigor.

Shashish was also an innate athlete, a fitness enthusiast and a keen marathoner.

But more than all his amazing personal and professional achievements, Shashish was best known for his warmth, verve and good cheer at all times, his ready laughter and for being such a wonderful team member and leader. Truly a vibrant and yet gentle soul. Everyone who met him came away charmed.

He continued to stay deeply involved in his work even during the very difficult days as he fought cancer over the past year. He never gave up on anything.

Shashish is survived by Awanti Hodlur, his wife and best friend in life, his loving and accomplished son Yash Hodlur. And by hundreds of Tasty Bite team members who truly saw him as 'family'. He will be missed so very much.



## **Tasty Bite Eatables Limited**

201 - 202, Mayfair Towers,  
Wakdewadi, Shivajinagar, Pune - 411005,  
Maharashtra, India

[www.tastybite.co.in](http://www.tastybite.co.in)

