



*Evolving*  
**for Tomorrow's Palate**

ANNUAL REPORT 2023 - 2024

# *Evolving* for Tomorrow's Palate

*For KRBL, evolution has been a path marked by innovation and sustainability. From our modest beginnings, we have grown into a leading force in the rice industry, propelled by an unwavering commitment to our principles and a relentless pursuit of excellence.*

*“ Our story commenced with a vision to redefine the rice industry, not solely as a commodity but as a culinary delight. ”*

We have invested in state-of-the-art technology and modern agricultural practices, ensuring that every grain of rice we produce adheres to the highest standards of quality and flavour.

Over time, we have encountered numerous hurdles from market fluctuations to shifting consumer tastes. Each challenge has only served to strengthen our resolution to innovate and adapt. We have embraced novel technologies, revamped our supply chain and widened our product range to stay at the forefront of the industry.

At the heart of our journey, lies our steadfast commitment to sustainability. We recognise that our prosperity is intricately linked to the health of the planet and the prosperity of our communities. Consequently, we have implemented sustainable manufacturing practices, reduced our environmental impact, and actively participated in community development endeavours.

As we forge ahead, our journey is far from over. We stand at the cusp of endless possibilities, fuelled by our passion for innovation and sustainability. Our commitment towards pushing boundaries, exploring new horizons, and creating a lasting impact on our planet and communities is unwavering.

This annual report is not just a reflection of our past achievements, but a roadmap for the exciting journey ahead. Join us as we continue to evolve, innovate, and tantalize the palates of tomorrow.

*Together we will  
shape a future*

*that is sustainable, vibrant, and full of flavour*



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### Forward-looking statement

Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements are identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words.

A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. KRBL has chosen these assumptions or basis in good faith and the Company believes that they are reasonable in all material respects. However, Company cautions you that forward-looking statements and assumed facts or bases usually vary from actual results and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.



# Crafting our Legacy for Tomorrow



“  
Our Company has become a global leader in the rice industry, known for its premium basmati rice & unwavering commitment to quality.”

From humble beginnings, the Company has grown into a powerhouse, recognised as the world’s top basmati rice brand. We prioritise sustainability, innovation and forward-thinking practices to minimise environmental impact. KRBL’s strategic initiatives and strong CSR programmes reflect its dedication to enhance value for the community, making a meaningful difference.

## Vision

To enrich the legacy of basmati in India by ensuring the genetic integrity of the seed, by encouraging farmers to adopt scientific agricultural practices and by leveraging world-class rice processing technologies, so as to emerge as the industry benchmark for product quality and customer service.


## Mission


To emerge as the world’s number one basmati rice player, committed to deliver precision – perfect quality products to our customers; nurture a professional work environment that fosters employee excellence, growth and job satisfaction; and build a financially strong, growth-oriented company that creates value for our stakeholders.


## Values


Integrity, quality, and sustainability have been our compass, steering us towards success. We have established a solid foundation of trust and excellence by adhering to ethical practices & championing environmental care. These principles have not only fuelled our achievements but also empowered us to make a positive impact on the communities we serve. Our values are the bedrock of our journey & accomplishments.


Embracing our values at KRBL, we continuously evolve to achieve excellence & innovation:


 We aim to create a better future by making basmati rice affordable for the masses


We do this by providing opportunities to our farmers, our people and communities 

 We delivered steady performance by keeping our debts under control and by efficiently managing our working capital cycle

We live by our values – trust, passion and quality. Process is as important as results 

 We transform our DNA and culture to drive growth focusing on our people and by continuously perfecting the basmati grain

We help our value chain partners grow and aim at customer satisfaction 

 We empower our people to deliver in challenging situations

# Corporate Information\*



## BOARD OF DIRECTORS

**Chairman & Managing Director**  
Mr. Anil Kumar Mittal

**Joint Managing Directors**  
Mr. Arun Kumar Gupta  
Mr. Anoop Kumar Gupta

**Whole Time Director**  
Ms. Priyanka Mittal

**Independent Non-Executive Directors**  
Mr. Devendra Kumar Agarwal  
Ms. Priyanka Sardana  
Mr. Shyam Arora  
Mr. Vinod Ahuja  
Mr. Surinder Singh

**CHIEF FINANCIAL OFFICER**  
Mr. Ashish Jain

**COMPANY SECRETARY AND COMPLIANCE OFFICER**  
Mr. Piyush Asija

## BOARD COMMITTEES

**Audit Committee**  
Mr. Devendra Kumar Agarwal – Chairman  
Mr. Anoop Kumar Gupta – Member  
Mr. Shyam Arora – Member  
Mr. Vinod Ahuja – Member

**Stakeholders Relationship Committee**  
Ms. Priyanka Sardana – Chairperson  
Mr. Shyam Arora – Member  
Mr. Vinod Ahuja – Member

**Nomination and Remuneration Committee**  
Mr. Vinod Ahuja – Chairman  
Ms. Priyanka Sardana – Member  
Mr. Shyam Arora – Member  
Mr. Devendra Kumar Agarwal – Member

**CSR & ESG Committee**  
Mr. Anil Kumar Mittal – Chairman  
Mr. Anoop Kumar Gupta – Member  
Mr. Vinod Ahuja – Member

**Risk Management Committee**  
Mr. Arun Kumar Gupta – Chairman  
Mr. Anoop Kumar Gupta – Member  
Mr. Vinod Ahuja – Member  
Mr. Ashish Jain – Member

**Borrowing and Investment Committee**  
Mr. Anil Kumar Mittal – Chairman  
Mr. Arun Kumar Gupta – Member  
Mr. Anoop Kumar Gupta – Member  
Mr. Ashish Jain – Member

## STATUTORY AUDITORS

M/s Walker Chandiook & Co. LLP  
Chartered Accountants  
21<sup>st</sup> Floor DLF Square, Jacaranda  
Marg, DLF Phase II,  
Gurgaon - 122 002

## SECRETARIAL AUDITORS

M/s DMK Associates  
Company Secretaries  
31/36, Basement, Old Rajinder Nagar,  
Delhi-110 060

## INTERNAL AUDITORS

M/s S S Kothari Mehta & Co. LLP  
Chartered Accountants  
Plot No. 68, Okhla Industrial Area,  
Phase-III, New Delhi - 110 020

## COST AUDITORS

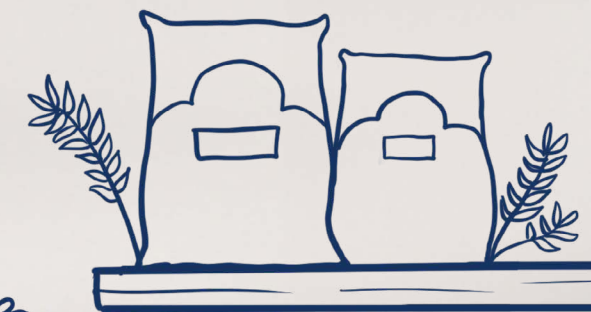
M/s HMVN & Associates  
Cost Accountants  
909 GD-ITL, North Tower, A-09,  
Netaji Subhash Place, Pitampura,  
New Delhi-110 034

## REGISTRAR & SHARE TRANSFER AGENT

M/s Alankit Assignments Limited  
4E/2, Jhandewalan Extension,  
New Delhi - 110 055  
Phone: 011 - 4254 1234  
Fax: 011 - 4254 1201

## REGISTERED OFFICE

5190, Lahori Gate, Delhi - 110 006  
Phone: 011 - 2396 8328  
Fax: 011 - 2396 8327  
E-mail: investor@krblindia.com  
Website: www.krblrice.com  
CIN: L01111DL1993PLC052845



## CORPORATE OFFICE

C-32, 5<sup>th</sup> & 6<sup>th</sup> Floor, Sector 62,  
Noida, Uttar Pradesh - 201 301  
Phone: 0120 - 4060 300  
Fax: 0120 - 4060 398

## BANKERS

State Bank of India  
HDFC Bank Limited  
DBS Bank India Limited  
IndusInd Bank Limited  
Karnataka Bank Limited

## UNITS

- ◆ **Gautam Budh Nagar Unit**  
9<sup>th</sup> Milestone, Post Dujana,  
Bulandshahar Road,  
Distt. Gautam Budh Nagar,  
Uttar Pradesh - 203 207
- ◆ **Dhuri Unit**  
Village Bhasaur (Dhuri),  
Distt. Sangrur,  
Punjab - 148 024
- ◆ **Barota Unit**  
Village Akbarpur Barota,  
Distt. Sonapat, Haryana - 131 104
- ◆ **Alipur Unit**  
29/15-29/16, Village Jindpur,  
G.T. Karnal Road; &  
Plot 258-260, Extended Lal Dora  
Both at Alipur, Delhi - 110 036
- ◆ **Gujarat Unit**  
Survey No. 113,  
Varsamedi Village,  
Anjar Gandhidham,  
Kutch, Gujarat-370301

\* As at March 31, 2024

# Financial Highlights

As at 31<sup>st</sup> March 2024

The Company has achieved a remarkable feat: crossing ₹1,000 Crore in revenue from the Domestic Market in a single quarter for the first time!

The Company's domestic business achieved this phenomenal growth by driving a 17% year-on-year increase in branded basmati sales and an impressive 89% surge in non-basmati sales, meeting the target of 5% contribution to the overall Indian business.

## ₹5,385 Cr

Total revenue from operations

**₹596 Cr**

PAT

**₹899 Cr**

EBITDA

**₹1,345 Cr**

Export revenue

**₹25.69**

EPS

**18%**

Revenue growth from the domestic market

**~80%**

of consolidated revenue from branded business\*



*Breaking records and setting new milestones*

\*Percentage of Revenue at contracted price. Note: Above figures are based on consolidated financial statements.

# Operational Highlights

## PRESENCE

**~90**

Countries

**6**

Continents

**750**

Cities

**850+**

Distributors

**5**

Units

**3.75 Lac+**

Retail outlets reach



## UPLIFTING COMMUNITIES

**63 Lac+**

Meals served to underprivileged children

**₹20 Cr**

Directed towards the construction of Higher Education Facility



## CULTIVATING TALENT, FOSTERING INNOVATION

**11,157+**

Man-hours of employee training

**~14%**

Turnover ratio for permanent employees

**Zero Complaints**

On POSH, Human Rights, Whistle Blower and Fraud

**220+**

New permanent employees hired



## PIONEERING SUSTAINABILITY FOR A BETTER TOMORROW

**100%**

Water re-used from RO & ETP operations

**~25%**

reduction in water consumption

**~90%**

Power consumption from renewable sources at Units

**20,000**

Trees planted across 30 acres

Sustainably managed over **2,600 MT** plastic in India



# Chairman's vision for elevating flavours

*Our flagship brand maintained the status quo as the crowned jewel, recognised as the World's **NO.1 Basmati Rice Brand\****

## Dear Members,

Just as a gourmet meal leaves a lasting impression, our commitment to quality and excellence sets us apart in the world of basmati rice. As we continue to innovate and expand our horizons, we thank you for joining us on this flavourful journey towards greatness.

As FY24 ends, we stand at a pivotal moment, poised to reflect on the profound journey of our contribution to the industry. This annual report highlights our collective resilience, innovation and unwavering commitment to excellence.

### Harvesting opportunities through the evolving Global and Indian markets

In FY24, the global rice landscape encountered formidable challenges. Rising consumption, environmental concerns and production challenges culminated in the largest rice deficit in two decades.

India saw a 22% surge in basmati rice exports, reaching US\$ 5.8 Billion in FY24. Basmati exports shipments rose to 5.24 Million metric tonnes during this period, marking a 15% increase from the previous year. Shipments to Africa grew by ~70% while shipments to Europe, North America and Asia grew by ~20%. Despite challenges such as the Red Sea crisis impacting European exports, India maintained its position as the world's leading rice exporter.

Although food prices dropped sharply from August 2023, rice prices increased significantly in recent months due to disruptions in production, new trade restrictions and stockpiling in major producing countries.

Rice is essential for a substantial portion of the global population, particularly in Asia and parts of Africa. With over half of the world's people relying on rice as their primary calorie source, its significance in supporting communities worldwide cannot be overstated. We remained resilient and adaptable, seeking innovative solutions to address these pressing issues.

\*Source - Mordor Intelligence report.



### Mastering Challenges, Embracing Ingenuity and Celebrating Victories

In a world where every grain counts, our journey has been extraordinary. Our flagship brand remained the World's No. 1 Basmati Rice Brand, thanks to our customers' enduring trust and loyalty.

As FY24 ended, our story unfolded with great success. We achieved a consolidated revenue from operations of ₹5,385 Crore. Domestic business achieved ₹3,936 Crore revenue during the year. In the competitive Indian branded basmati rice segment, we lead with a market share of 35%\* in general trade and 42%\* in modern trade.

Despite a decline in exports revenue, we remain optimistic about overcoming these challenges and restoring previous revenue levels. Anticipating an uptake in the global demand for basmati rice, prices are expected to remain robust in the upcoming months. Rising to meet this demand, KRBL has proactively strengthened the supply chain.

To further enhance our consumer experience, we launched Biryani Masala in FY24, allowing consumers to enjoy the perfect taste of biryani from KRBL's basmati rice and masala. We plan to introduce a range of healthy edible oils in the upcoming year, broadening our product portfolio.

Amid this whirlwind, our net worth, now at ₹4,858 Crore, has reached an all-time high. In FY24, the Company also rewarded its shareholders with an equity share buy-back of ₹325 Crore.

Our journey extends beyond financial success; it encompasses a deep commitment to Corporate Social Responsibility (CSR) and sustainability. Partnering with the Akshaya Patra Foundation, we have served approximately 63 Lakh+ mid-day meals, demonstrating our dedication towards the community. We continue to collaborate with the community, strengthening initiatives focussed on nutrition, rural development, education infrastructure, and other health-related efforts.

The journey towards decarbonisation in KRBL includes increasing our footprint of renewable energy, green infrastructure and carbon sequestration. This includes reusing by-products such as rice husk across operations and recycling waste, making the concept of circularity central to conducting business at the Company. Around 90% of our total energy requirements for plant operations were met from renewable sources. Our energy portfolio includes 112.25 MW in wind power, 17 MW in solar projects, and 17.59 MW in biomass segments. We aim to further reduce energy consumption, water withdrawal and replenish 137,210 KL of water annually through recharge wells.

\* As per Nielsen's Report

In addition, we have taken steps to reduce carbon footprint through extensive tree plantation projects, showcasing our commitment to environmental conservation. Our focus on water stewardship is evident in our near-zero wastewater discharge across all our sites, highlighting our dedication to responsible water management. We actively promote rainwater harvesting and groundwater recharge initiatives. These efforts demonstrate our belief in the importance of sustainability and our dedication to positively impacting the environment and society.

**66**  
*Domestic business achieved ₹3,936 Crore revenue during the year. In the competitive Indian branded basmati rice segment, we lead with a market share of 35%\* in general trade and 42%\* in modern trade 99*

As we look back at our journey, we are filled with gratitude for the steadfast support of our stakeholders. Together, we have weathered storms and embraced victories, each step bringing us closer to our vision of excellence. The future beckons, we have exciting plans and vision for FY25, as we stand ready to embrace it with open arms, knowing that our story is far from over.

Yours sincerely,

**Anil Kumar Mittal**

Chairman & Managing Director

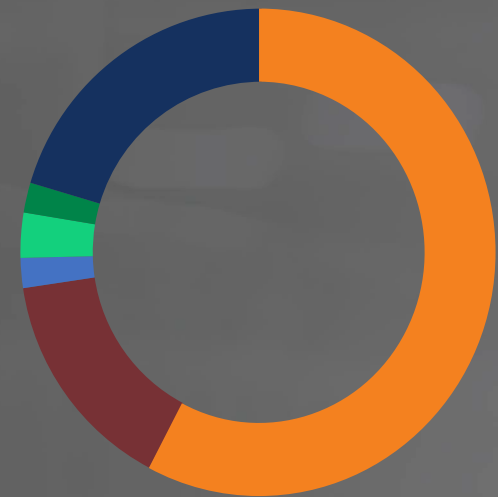
# Timeline of Major Milestones





# KRBL's Flavours of success

KRBL's product range is constantly evolving to meet the changing demands of the customers. KRBL offers a wide variety of basmati rice and specialty rice products, continually innovating to match diverse consumer preferences. The Company's focus on quality and sustainability has driven the introduction of organic and sustainable end products, in line with the increasing consumer awareness of health and environmental issues. Additionally, KRBL has expanded its portfolio to include biryani masala, addressing the convenience needs of modern consumers. These efforts underline KRBL's commitment to provide high-quality, innovative products that resonate with today's discerning customers.



- 58% India Gate
- 20% Unbranded & Other Segments
- 15% Unity
- 2% Nurjahan
- 3% Zabreen
- 2% Other brands

## Basmati Rice

### INDIA GATE BASMATI PORTFOLIO

- Premium Range – Classic | Traditional | Super
- Daily Premium Basmati – Tibar | Select | Dubar | Daily Premium
- Daily Regular Basmati – Feast Rozzana | Regular Choice | Everyday | Daily Delight | Mogra | Mini Mogra | Mini Mogra - II

### INDIA GATE GOLDEN SELLA RANGE

### INDIA GATE WHITE SELLA RANGE

### UNITY BASMATI RICE PORTFOLIO

- Super | Tibar | Dubar | Mini Dubar | Mogra | Mini Mogra

### NURJAHAN BASMATI RANGE

### ZABREEN BASMATI RANGE

### DOON BASMATI RANGE

### BEMISAL BASMATI RANGE

## Non-basmati rice

### REGIONAL PRODUCT PORTFOLIO

- Sona Masoori
- Surti Kolam
- Wada Kolam
- Jeera Rice
- Ambemor
- Gobindobhog

## Health Food Segment

### PRODUCT PORTFOLIO

- India Gate Brown Rice
- Quinoa
- Flax Seeds
- Chia Seeds
- India Gate Weight Watchers Special

## New Product Launches

### PRODUCT PORTFOLIO

- Biryani Masala in packs of 60g and 100g**
- Hyderabad Classic Biryani Masala
  - Lucknowi Classic Biryani Masala
  - Kolkata Classic Biryani Masala



# The Chefs Behind Our Success

KRBL's Board of Directors exemplify outstanding leadership and proficiency, continually steering the Company towards progress. With extensive experience in the industry, KRBL's Directors have instilled an entrepreneurial ethos that has elevated it to a position of market leadership. Under their stewardship, KRBL has achieved remarkable growth and numerous significant milestones. Enhancing this leadership, the Company's Independent Directors bring a wealth of expertise from their respective fields, fostering a dynamic and diverse board. This synergy of excellence, experience and talent positions KRBL for ongoing success.

## Board of Directors



**Mr. Anil Kumar Mittal**  
Chairman and Managing Director

As the visionary founder, Mr. Mittal has transformed the Company into a global brand and leader in the Indian Basmati industry. He guides the Company's overall growth and its stakeholders. Mr. Mittal has held prestigious positions, including President of the All-India Rice Exporters Association and the Basmati Rice Farmers and Exporters Development Forum and has received the Silver Jubilee Award from the National Academy of Agricultural Sciences, India. With a keen interest in global affairs, he envisions KRBL becoming a favourite brand worldwide while continuing to improve the socio-economic conditions of underprivileged communities.



**Ms. Priyanka Mittal**  
Whole Time Director

With over two decades of experience, Ms. Mittal leads the international sales and marketing of the Company's branded business. She is a graduate of Harvard Business School's OPM programme and holds an undergraduate degree from the University of Southern California. Actively promoting women's leadership, Ms. Mittal has received accolades such as the Business Woman of the Decade Award from the Women Economic Forum. She has also held prominent positions in various trade committees and represented the Indian rice industry at international forums on food security, sustainability, and supply chain management.



**Mr. Vinod Ahuja**  
Independent Non-Executive Director

Mr. Vinod Ahuja holds a B.Sc. in Mechanical Engineering (Hons.) from Punjab Engineering College, Chandigarh, brings over five decades of experience across various business domains. He provides valuable insights into quality improvement, cost reduction, and production techniques. In addition to advising the Company on strategic developments in the agricultural industry, he has strengthened relationships between KRBL and the farming community.

Mr. Arun Kumar Gupta is an expert in rice and paddy supply chain management and milling technology. With over 42 years of experience in the industry and his deep understanding of the complexities and nuances of the supply chain has enabled the Company to optimise its procurement processes, ensuring timely and cost-effective sourcing of high quality paddy. He has been pivotal in implementing advanced milling technologies leading to an enhanced quality product.



**Mr. Arun Kumar Gupta**  
Joint Managing Director



**Mr. Shyam Arora**  
Independent Non-Executive Director

Mr. Shyam Arora, is an M.Tech in Electronic Instrumentation and Controls from Loughborough University of Technology, UK. His expertise spans technical and business realms, providing valuable insights into the Board and management's performance.



**Mr. Anoop Kumar Gupta**  
Joint Managing Director

Mr. Anoop Kumar Gupta has over 38 years of experience in the rice industry, specialising in strategy and financial operations. He holds a degree in science stream from University of Delhi and has served on the Executive Committee of the All-India Rice Exporters Association. His prudent financial strategies have led to improved liquidity, better credit ratings, and strong financial position for the Company.

With over 40 years of experience in financial management, consulting, taxation, and auditing, Mr. Devendra Kumar Agarwal is a seasoned professional. He plays a vital role in guiding strategic financial decisions and ensuring meticulous financial reporting and governance for KRBL.



**Mr. Devendra Kumar Agarwal**  
Independent Non-Executive Director



**Ms. Priyanka Sardana**  
Independent  
Non-Executive Director

Ms. Priyanka Sardana brings a wealth of knowledge and experience from her illustrious legal career, she is a renowned lawyer with over two decades of practice, specialising in civil, criminal and IPR matters. She is a member of Supreme Court Bar Association (SCBA), Indian Institute of Law, International Society of Law, Bar Association of India and a registered patent attorney and an Arbitrator on panel of Indian Council of Arbitration (ICA). She is an LLB, MA, M. Phil from JNU and currently serving as Vice-President Supreme Court Women Lawyers Association. Ms. Sardana's proactive approach to governance has helped the Company maintain a robust and effective framework.

Mr. Surinder Singh, former Executive Director of the Food Corporation of India, brings over four decades of diverse experience in massive operations, financial management, administration, warehousing, and food grain preservation. He is also well-versed in human resource management, procurement, and public relations. With an MBA, B.Sc, and a Diploma in Marketing and Sales Management, Mr. Singh is serving as a Director on the Board of Inferential Surveys and Statistics Research Foundation (ISSRF), he is also a Guest Faculty at the Delhi Skill and Entrepreneurship University (DSEU) under the Government of NCT.



**Mr. Surinder Singh**  
Independent  
Non-Executive Director

Mr. Ashok Pai, is a retired civil servant having extensive experience in administration, public policy, governance, environment management initiatives and community development.

Throughout his career, Mr. Pai has been a pivotal figure in implementing systemic reforms, enhancing transparency, and optimising resource utilisation. Mr. Pai possesses appropriate skills, experience and knowledge, inter alia, in the field of leadership, public policy and governance.



**Mr. Ashok Pai**  
Independent  
Non-Executive Director

Mr. Anil Kumar Chaudhary has over 45 years of immense experience across diverse sectors including steel, oil, and banking in areas like Finance and Treasury Management, Corporate Strategy & Planning, Marketing, Risk Management, Corporate Governance and Personnel Management. He has held key leadership roles such as Group Managing Director & CEO at Essar Group and the Chairman and Director (Finance) of Steel Authority of India Limited (SAIL), where he led the "SAIL Uday" turnaround project, resulted in SAIL regain its position as the top crude steel producing Company in India. At Essar, he was instrumental in the completion of several pre-project activities for mega steel plants both within India and internationally. Mr. Chaudhary is a qualified Company Secretary, Cost and Management Accountant, LL.B and holds a Post Graduate Diploma in Personnel Management. His industry contributions have earned him several awards, leadership roles in key industry committees. He is widely acknowledged for his contribution to the Steel Industry.



**Mr. Anil Kumar Chaudhary**  
Independent  
Non-Executive Director

## Key Executives



**Mr. Ashish Mittal**  
Head  
Paddy Procurement &  
Gautam Buddha Nagar Unit

Mr. Ashish Mittal has been an integral part of KRBL Limited, bringing forth remarkable expertise and leadership over the past 16 years. He holds a Bachelor's degree in Business Administration from the University of Northridge, California, USA. Mr. Mittal's exceptional management skills have led him to head the paddy procurement division and oversee the operations of the Gautam Buddha Nagar facility. He has pioneered the development of high-yield seeds and advanced plant technology emphasising on reducing pesticide use and sustainable packaging. Under his leadership, the Gautam Buddha Nagar facility has optimised procurement, production, and seed development. He focuses on improving material handling, promoting good agricultural practices, and ensuring pesticide-free paddy cultivation.

Mr. Akshay Gupta is a versatile business leader with expertise in commodity sales and consumer goods marketing, spanning over a decade. He excels in driving revenue growth, forging strategic alliances, and navigating global markets. He is skilled in managing large-scale commodity transactions, maintaining strong client relationships, and mitigating risks. In the FMCG sector, he strategically aligns commodity procurement with product placements, ensuring streamlined supply chains and efficient inventory management. As the business head for bulk exports, he has meticulously strengthened logistics and sales within the Company's international operations. His strategic initiatives have led to the development of new markets within the Basmati and non-Basmati portfolios.



**Mr. Akshay Gupta**  
Head  
Bulk Exports



**Mr. Kunal Gupta**  
Head  
Rice Procurement  
& Dhuri Unit

Mr. Kunal Gupta has been managing the basmati paddy supply chain at KRBL. He focuses on operational optimisation, procurement excellence, and streamlined supply chains and has played a significant role in KRBL's expansion strategy, overseeing the establishment of new plants and ensuring their seamless integration into the Company's operational framework. His contributions have been crucial in maintaining the high standards of efficiency and sustainability. Mr. Gupta's industry expertise is recognised through his current role as the co-chair of the Agri and Food Processing Committee at the PHD Chamber of Commerce and Industry. Mr. Kunal Gupta leads the supply chain operations and production at the world's largest integrated rice milling plant at Dhuri, Punjab.

Mr. Ayush Gupta is a dynamic leader with over a decade of experience in driving growth and operational excellence. He played a key role in making the brand a market leader in Modern Trade. He excels in building strong distributor networks, driving revenue growth, and leading innovative marketing campaigns. He has also led the Company's expansion into e-commerce, positioning the brand as a leader in digital transformation in the FMCG sector. He envisions KRBL as a trailblazer in the rice industry, focusing on technology-driven supply chain management and category development.

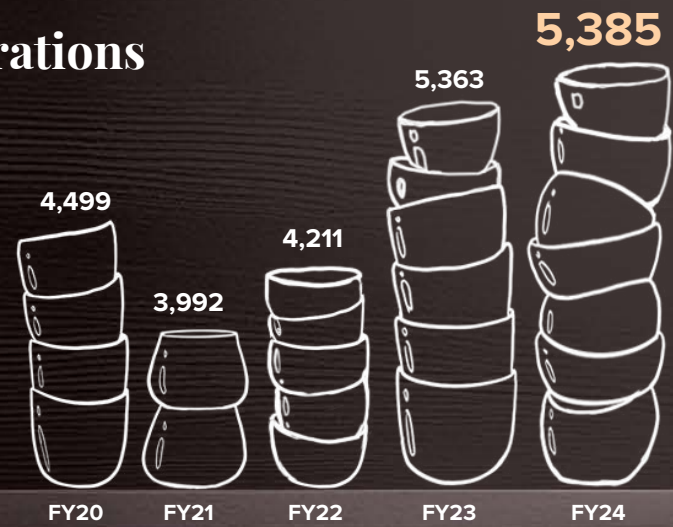


**Mr. Ayush Gupta**  
Head  
Domestic Division

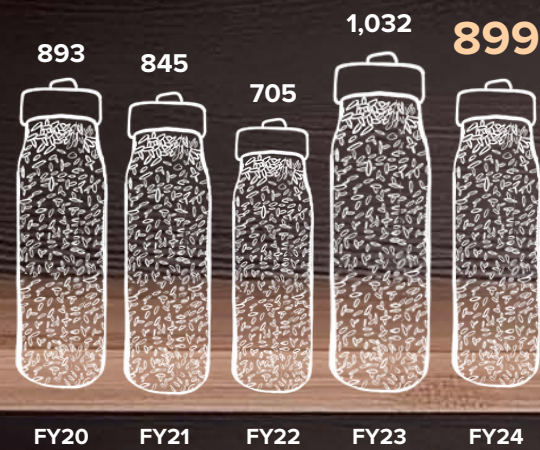
# Measuring evolution

Guided by our shared commitment to progress, KRBL met our goals in FY24, marking yet another year of significant growth.

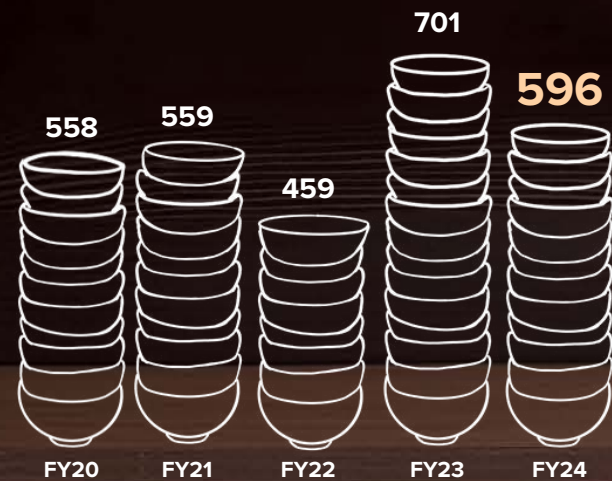
## Revenue from operations (₹ in Crore)



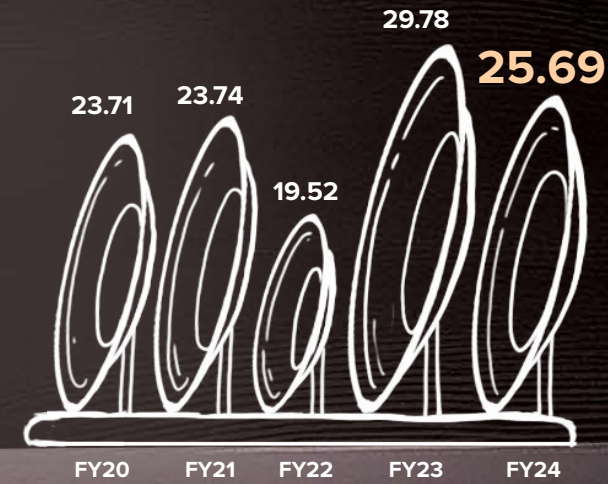
## EBITDA (₹ in Crore)



## Profit After Tax (₹ in Crore)



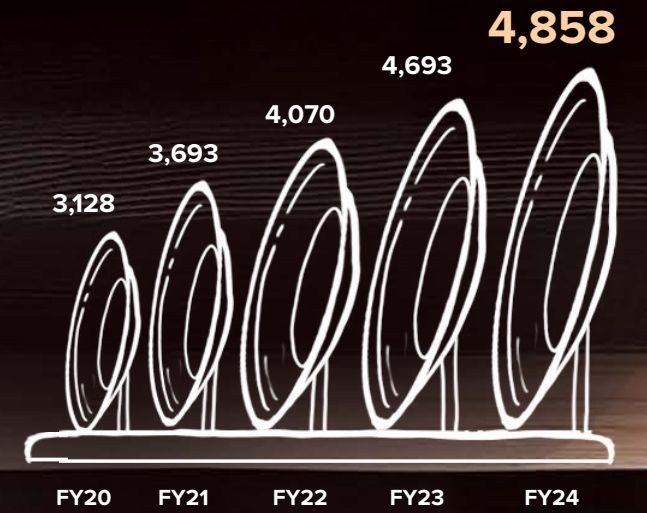
## Earnings Per Share (₹)



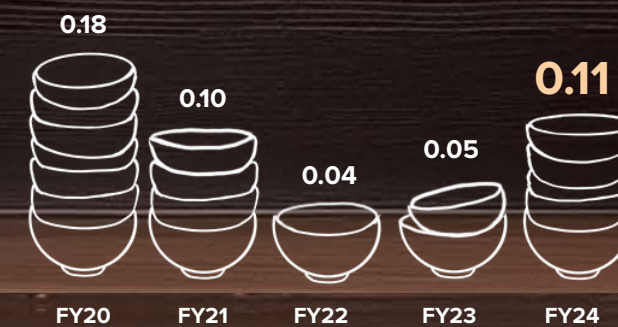
## Net Fixed Assets (₹ in Crore)



## Net Worth (₹ in Crore)



## Debt-Equity Ratio (times)



## Return on Equity (%)



# Recipe for Success

The Company's business model seamlessly integrates strategic planning, operational excellence and a strong focus on customer satisfaction. This balanced approach creates a sustainable and satisfying experience for all our stakeholders.



## Resources we deploy

### FINANCIAL CAPITAL

- Net worth: ₹4,858 Crore
- Net bank debt: ₹460 Crore
- Operating cash flow: ₹226 Crore
- Net block assets: ₹916 Crore

### MANUFACTURED CAPITAL

- 2 Integrated manufacturing units
- 3 Rice processing units
- Total installed renewable energy capacity: ~146 MW

### SOCIAL AND RELATIONSHIP CAPITAL

- Number of MSME suppliers: 213
- CSR expenditure: ~₹25 Cr

### HUMAN CAPITAL

- Employees: 2,768
- Man hours of employee engagement activity: 11,157+

### INTELLECTUAL CAPITAL

- Expenditure on Marketing Activities: ~₹81 Crore
- Registered Flagship Brands: 05
- R&D expenditure: ~₹6.6 Crore

### NATURAL CAPITAL

- Total Energy Consumed: 19,18,780.14 GJ
- Volume of Water Consumption: 2,94,538.18 KL

## Value creation process



Integrated logistics and distribution system.



Highest standards in all our stakeholder dealings.



Commitment to excellence.



Robust procurement system with a digital paddy procurement app.



Optimised supply chain and logistics management with the Transport Management System (TMS) while committing to sustainable business practices.

- Certified to FSSC 22000 Version 5.1, SQF Food Safety Code for Manufacturing Edition 9, BRC Global Standard for Food Safety Issue 9, Halal Certification, SEDEX registration and BRCGS ETRS with a perfect score of 5/5.
- KRBL practices contact farming to create mutual benefits for both farmers and the organisation.
- The Company's precise sorting and packaging ensure its products reach customers in perfect condition.
- Reduced reliance on grid electricity by use of renewable sources of energy at manufacturing plants.
- Consistently delivering high-quality rice and other FMCG products.

## Outputs

### BASMATI RICE PORTFOLIO

- India Gate Premium Range
- India Gate Daily Premium Range
- India Gate Daily Regular Range
- India Gate Sella Range
- Unity Basmati Range
- Nurjahan Basmati Range
- Doon Basmati Range
- Bemisal Basmati Range
- Zabreen Basmati Range



### REGIONAL RICE PORTFOLIO

- Sona Masoori
- Surti Kolam
- Wada Kolam
- Jeera Rice
- Ambemor
- Gobindobhog



### RICE ADJACENCIES

- India Gate Classic Biryani Masala Range
- Hyderabad
- Lucknowi
- Kolkata



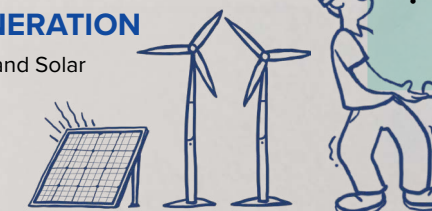
### HEALTH FOOD SEGMENT

- India Gate Weight Watchers
- India Gate Brown Rice Range
- India Gate Quinoa
- Chia Seeds
- Flax seeds



### POWER GENERATION

- Bio-Mass, Wind and Solar



## Outcomes

### FINANCIAL CAPITAL

Revenue ₹5,385 Crore      EBITDA ₹899 Crore  
PAT ₹596 Crore      EPS ₹25.69

### MANUFACTURED CAPITAL

- Capacity of 195 tonnes per hour for milling and 221 tonnes per hour for rice processing
- State of the art integrated rice milling units
- Renewable energy generated equivalent to carbon offset of approx. 2 lac tonnes CO<sub>2</sub>

### SOCIAL AND RELATIONSHIP CAPITAL

- Strong and sustainable relationship with all stakeholders.
- 800+ beneficiaries from completed CSR projects
- Provided 63 Lacs+ meals through the Akshaya Patra Foundation
- 85,000+ shareholder base

### HUMAN CAPITAL

- High levels of job satisfaction and retention
- Trained professionals
- Safe work environment

### INTELLECTUAL CAPITAL

- Digital transformation in supply chain
- Innovative product launches
- Streamlined operations
- Market expansion
- Competitive Edge
- High performing well known brands - **India Gate, Unity, Nur Jahan, Doon**

### NATURAL CAPITAL

- 3,000 sq.m. Miyawaki Plantation
- 20,000 trees planted over 30 acres



# Supplying flavours from the fields to your kitchen

In the heartland of India, where the soil is rich and the sun is kind, begins our journey of excellence in rice production. From the initial seed to the palate, every step is meticulously planned and executed, ensuring that only the finest rice reaches your table.

KRBL's rice journey begins with farmers cultivating paddy, which is then procured by KRBL and aged up to two years during milling and processing. This is followed by polishing, packaging, and distribution to wholesalers and retailers, ultimately reaching consumers with a commitment to quality and excellence.



## FOUNDATION OF QUALITY RICE PRODUCTION

**Seed Development** - Collaborating with rice research bodies, we select and develop superior seeds to ensure a bountiful harvest.

**Contact Farming** - We partner with farmers, providing superior seeds and essential knowledge to cultivate high-quality rice crops.

**Procurement** - We source paddy and rice from prime regions using transparent, technology-driven methods to ensure fair pricing for farmers and consumers.



## ENSURING QUALITY AND PRESERVATION

**Grading** - Our QC team rigorously tests and grades the first harvest to select only the finest paddy for processing.

**Ageing** - We age our rice for 1 to 2 years, enhancing its aroma, length, and taste for a delightful consumer experience.

**Storage** - With a 1 MT+ capacity and 100% in-house storage, we ensure maximum protection, eliminating risks of pilferage or quality change.



## EFFICIENT PROCESSING AND STRONG BRANDING

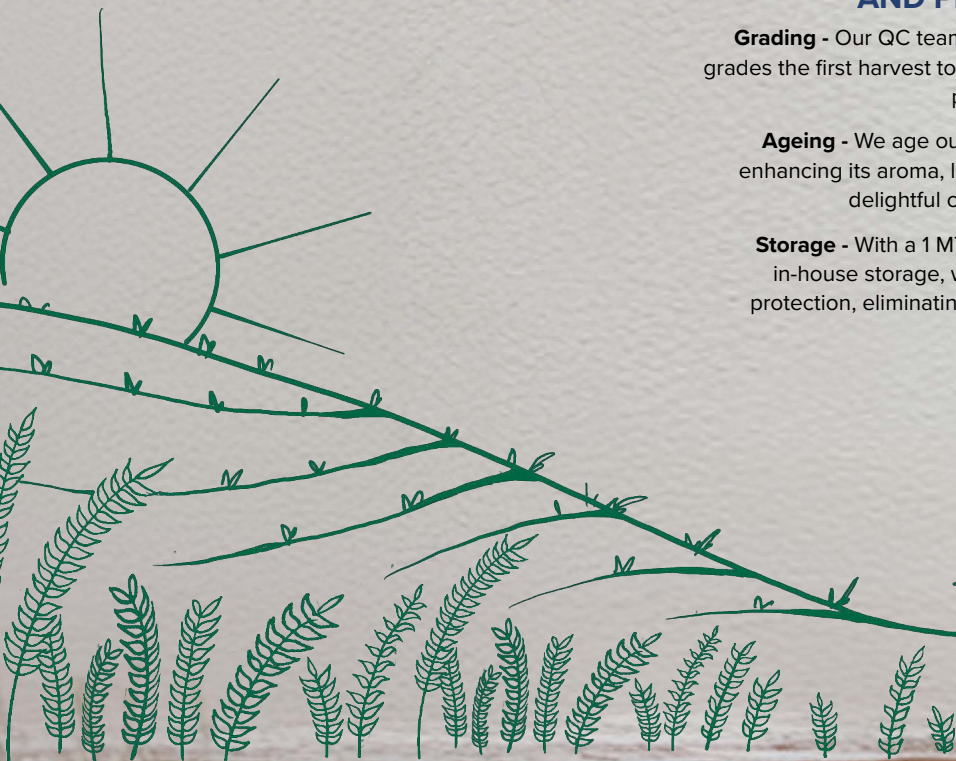
**Processing** - Our state-of-the-art plants hull and mill 195 MT/hr, covering the entire rice belt efficiently.

**Branding and Marketing**  
Under the 'India Gate' brand, our rice reaches Millions of homes. Our ageing process ensures our brand represents quality.

**Sales Channels and Distributor** - Our distribution network spans over Indian and international markets, supported by strategically located warehouses and logistics partners. KRBL collaborates with wholesalers, retailers, and modern trade outlets to ensure our high-quality products are accessible and available worldwide.

“

*From the fields to your palate, KRBL's integrated supply chain ensures that every grain of rice is a testament to our commitment to excellence. Here is an insight into our processes, where quality meets tradition and excellence is a way of life.* ”



# Forging pathways through proactive upstream engagement and strategic sourcing efforts.



- Purchase of paddy from mandi
- Classification of paddy into Raw or Sella
- Cleaning of paddy
- Storage of paddy
- Drying/Steaming
- Milling, Cleaning and De-stoning
- De-husking
- Whitening/Polishing
- Grading/Silking
- Ageing of semi-finished rice
- Storing
- Packaging

## Benefits of Ageing



### LONGER GRAINS

Grows 29% more in length as compared to non-aged rice



### HIGHER VOLUMES

Yields 30% more volume as compared to non-aged rice



### BETTER TEXTURE

Smooth and nonsticky. Fluffier, softer and bouncier



### LONGER HOLDING TIME

Maintains its texture, form and fluffiness for a longer period



## Contact Farming

KRBL sets itself apart from competitors by building strong relationships with farmers through contact farming. This includes distributing high-quality seeds, sharing optimal sowing and transplanting techniques, assisting in sourcing quality inputs and providing advice on optimal pesticide management.



## Seed Development

KRBL acquires 'breeder' seeds from leading Indian Agricultural Research Institutes, which are then cultivated as 'foundation' seeds under the supervision of scientists and the government seed certification agency. These seeds are then distributed to the farmers.



## Procurement

KRBL meticulously identifies and sources the season's finest paddy with the aid of a team of rice experts and its network of Artias (commission agents). Upon arrival at the plant, the paddy undergoes thorough scrutiny using advanced testing equipment to assess moisture content, head rice yield, percentage of broken grains, admixture and grain length and width. Only paddy that meets the Company's stringent quality standards is purchased and forwarded for storage and processing, ensuring that every grain processed maintains the Company's reputation for excellence.

## KRBL offers fair prices to farmers for high-quality produce

This helps farmers;

- Enhance their earning potential from improved crop quality and productivity
- Reduce their market risk and uncertainty
- Increase realisation from crop switching
- Access competitive and modern technologies.
- KRBL reaps the benefits of these practices in the form of an adequate supply of good quality paddy, leading to unmatched product quality.

# Business Highlights

## INDIA BUSINESS

KRBL Limited's journey from a modest trader in Delhi to the world's No. 1 basmati rice brand, India Gate, exemplifies its commitment to quality, innovation, and growth. This transformation showcases the Company's visionary leadership and dedication to meeting consumer needs. India Gate is evolving from a single-category player to a broader food brand, becoming a trusted kitchen partner in over 10 Million Indian households and selling over 100 Million packs globally. KRBL's success stems from a robust distribution network of 850+ distributors, 6+ C&Fs, a strong multichannel presence, and effective go-to-market strategies.

### A Strong Today, A Future-Ready Tomorrow

This year, KRBL achieved its highest-ever India business revenue of ₹ 3,936 crore, marking significant growth of 18% over the previous year. The Basmati consumer pack segment delivered an impressive growth of 13%, driven by a strengthened presence and consumer traction across various channels, consolidating KRBL's No. 1 position. The Basmati bulk pack segment saw growth of 20% through strategic portfolio enhancement and distributor expansion. The Regional Rice portfolio also crossed the ₹ 200 Crore mark, showing strong consumer traction in targeted markets.

### Taking Leaps, Not Steps: Vision for the Future

With his belief in taking leaps, Mr. Gupta is not just steering KRBL's domestic business but propelling it into new dimensions of growth and innovation. His approach is about making bold, transformative changes that position the company ahead of the curve, rather than settling for gradual progress.

Mr. Gupta unravels his thoughts on this year's success and shares his vision for Company's transformation into an agile multi-category food brand, with consumer focus at the core. His words resonate with a clear message: in a world of constant change, staying ahead requires a willingness to leap forward.



## Insights from the Head of India Business

In Conversation with Mr. Ayush Gupta: Pioneering KRBL's Path to a Multi-Category Food Brand in India

With greater consumer trust comes greater responsibility. What strategies has KRBL implemented to achieve its superlative performance in the India market?

**22%**  
CAGR growth in top line

Over the last three years, we have seen a **CAGR growth of 22% with our top line at ₹ 3,936 Cr this financial year.** This success is attributed to several strategic key interventions, over the last few years. Our success recipe includes three key ingredients: **Consumer, Category, and Channel.** We keep the consumer at the heart of everything, understanding their evolving preferences and translating this into resonating initiatives.

**We are not just selling rice; we are passionate about evolving the entire basmati category.** We are expanding the market, educating consumers and retailers, and safeguarding basmati's identity and providing an uncompromised experience. Further, reaching the right customer at the right time requires a strong omnichannel presence, and this has been a key pillar of our growth strategy.

For most FMCG companies, organised trade (Modern Trade and E-commerce) contributes approximately 15%. How is the channel mix between traditional trade and organised trade playing out for KRBL, and what are your channel-specific strategies for growth?

While traditional trade remains the bigger contributor, our Organised Trade (Modern Trade and E-commerce) contributes 30% to our consumer business, with a robust 33% growth (vs last year). In General Trade, we focus on deeper market penetration, especially in Metros & Town class 1 markets (which contributes to ~70% of Basmati salience), by strengthening direct reach. In Organised Trade, we maintain a higher market share through **strong consumer-facing channels, building our range repertoire, and investing in shopper and performance marketing.**

“ Organised Trade (Modern Trade and E-commerce) contributes 30% to our consumer business, with a robust 33% growth. ”

### GENERAL TRADE Nielsen | FY24 vs. FY23

**35%**

FY24 +300 bps

### MODERN TRADE Nielsen | FY24 vs. FY23

**42%**

FY24 -30 bps

### E-COMMERCE Internal numbers | Feb'24 vs. Feb'23

**39%**

FY24 +400 bps





You are the No. 1 player in India in the packaged basmati segment, and 95% of your revenue comes from the basmati portfolio. What are the biggest opportunities for KRBL in India over the next five years?

India presents a dynamic landscape with significant potential. Our consumer pack business, similar to an FMCG category, has significant growth potential. With **two-thirds of India's basmati rice sold loose**, there is immense room for growth in the branded segment. As the **No. 1 brand\***, we aim to drive the shift from 'loose' to 'packaged' basmati through consumer education, expanding our distribution, and offering a diverse portfolio.

Shift from loose to packaged Basmati is our key growth lever

We are expanding into regional rice to tap into India's diverse preferences, especially in the South and West, significantly increasing our market reach. Moreover, by exploring new categories beyond rice, we aim to capitalise on our brand strength and secure a greater presence on the kitchen shelf.



You have spoken about the importance of expanding reach in the GT channel to achieve your overall strategy of converting loose to packaged basmati. Could you elaborate on the actions being taken to expand reach in the GT channel and achieve your overall strategy of converting loose to packaged basmati?

Our Sales & Distribution functions are evolving rapidly to meet the increasing demand for basmati rice, resulting in a **10% year-over-year (YOY) growth in India Gate's penetration** in urban Indian households. We have enhanced our C&F and Super Stockist (SS) presence, allowing us to service lower quantity demands with greater agility. ~90% of our Alternate channel business is now Direct and through C&F operations. Over the last three years, our distributor network has grown from **500+ to 850+**, greatly expanding our market representation. Additionally, we have increased direct coverage in Metro, Town Class I & II cities, boosting retail availability by around **45,000 outlets** over the past year.

10% growth in household penetration, Y-O-Y

Our sales processes have been re-engineered to empower regional teams to stay agile in a competitive market. Our goal is to ensure our products are available wherever consumers choose to shop, including kirana shops, supermarkets, and online platforms. By improving serviceability across India, **we are committed to making our high-quality basmati rice accessible to all.**

Given the Company's ambitious growth plans, how are you strengthening the people and culture agenda to build high-performing teams amid the Company's ambitious growth plans?

As we advance our ambitious growth plans, we recognise that our people and culture are the core of our success. While our established processes have worked well for our single-category focus, venturing into new categories introduces complexities that require a shift from a fixed to a growth mindset. We are committed to fostering a culture of collaboration and innovation by building a strong foundation in key areas like **Supply Chain, Brand and Digital Marketing, and Go-to-Market strategies**. This strategic investment equips our teams to handle new challenges and seize emerging opportunities. With our expanding scale, we emphasize empowerment, ownership, and accountability at all levels. By nurturing a culture that values initiative and continuous improvement, we are building high-performing teams poised to drive KRBL's growth forward.

From fixed to growth: Embracing the mindset shift

Switching gears from business to brand, how is India Gate working towards staying relevant in changing times?

Over the decades, India Gate has achieved unmatched brand salience through strategic media investments, establishing itself as the **Most Trusted Basmati Rice Brand\* in India**.

As we look to the future, our focus is on three key pillars: **Constant Innovation, Newer Media, and Many Indias Approach**.

**Constant Innovation:** We are dedicated to driving growth with products that enhance healthier lifestyles and deliver authentic culinary experiences, aligning with consumer trends for convenience and premium quality.

**Newer Media:** As digital penetration in India reaches 65%—now rivaling TV—we are leading the way in digital marketing, engaging diverse consumer demographics and integrating future buyers into our ecosystem from the start.

**Many India Approach:** Understanding India's rich diversity, we tailor our brand strategy to regional insights, addressing the unique preferences and dynamics across the country. By embracing these strategies, we are not just keeping pace with the market but shaping its future, **ensuring that India Gate remains a relevant and trusted brand for generations to come.**

Most Trusted Brand of India



## Export Business

KRBL has established itself as a global leader in the rice industry, operating across 90+ countries and earning a reputation for excellence and superior Basmati quality. As one of India's largest players in the international rice trade, KRBL's steadfast commitment to deliver premium rice has positioned it prominently on the global stage. In FY24, KRBL achieved export revenue of ₹ 1,331 Crore.

### MARKET SHARE IN FY24

KRBL commands approximately **40%** market share in five of the 150 countries importing Indian Basmati rice.

It holds around **20%** market share in six countries and **10%** market share in twelve countries, further solidifying its global market presence and leadership.

KRBL remains committed to strengthening its international footprint, exploring new markets, and delivering exceptional quality and value to customers worldwide.

### KRBL'S PERFORMANCE AND POSITION IN INTERNATIONAL MARKETS

KRBL has solidified its presence as a leading player in the global market, distinguished by:



#### Middle East And GCC Region

The Middle East, representing 74% of India's Basmati rice exports, remains a pivotal market. KRBL derives approximately 58% of its basmati export revenue from this region with notable growth in Kuwait, Bahrain, and Oman.



#### North America

KRBL maintains a strong foothold in the region with 10% contribution to its Basmati exports revenue. KRBL achieved 7% year-on-year growth. KRBL's key markets include USA and Canada.



#### Europe

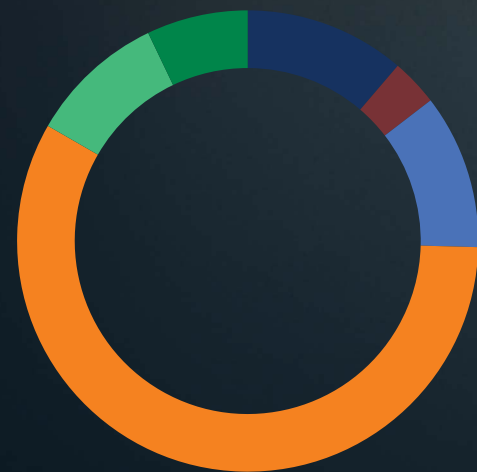
Experiencing a 400% growth in Basmati exports, Europe contributed 11% to KRBL's total basmati export revenue. Key markets like Belgium, France, Netherlands, and the UK have shown substantial growth.



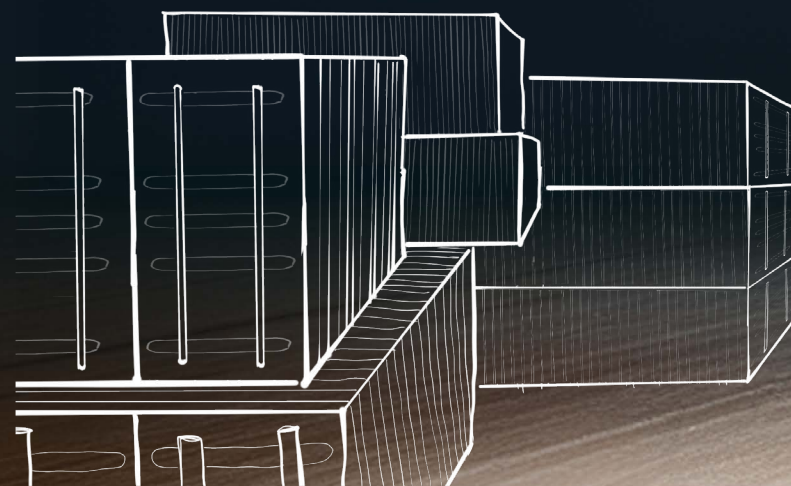
#### Rest of the World

KRBL continues to expand in Oceania and Africa, with significant market shares and growth rates. Notably, Africa saw a 13% growth in Basmati exports with Algeria and South Africa being key markets, while Oceania, including Australia and New Zealand, experienced notable expansion.

### REGION WISE KRBL'S BASMATI EXPORTS



● 58% Middle East    ● 11% Europe  
● 11% Africa    ● 7% Oceania  
● 3% Asia    ● 10% North America

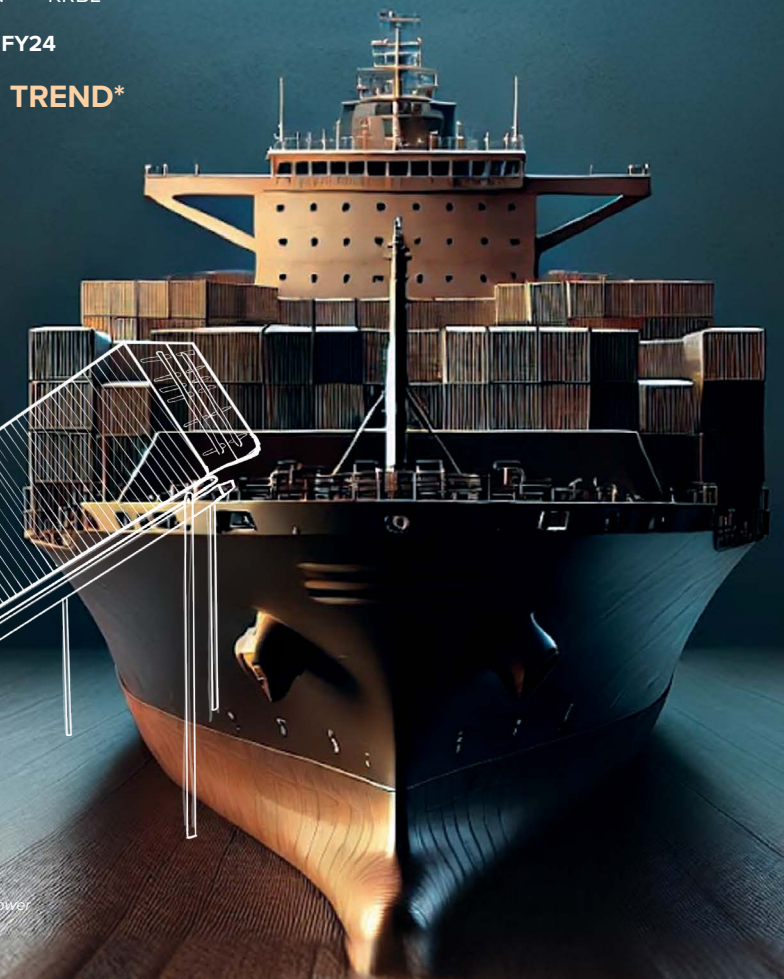


### KRBL'S EXPORT REALISATION TREND\*

\*Average realisation took a dip in current financial year due to lower sales in a key market which churns significant premium.

### KEY CHALLENGES FOR KRBL'S EXPORT IN FY24

- ◆ **Distribution Challenges:** Issues in a key market impacted top-line and profitability. Efforts are underway to resolve these challenges for the upcoming financial year.
- ◆ **Transit Time and Cost:** Increased transit costs and time for shipments to Europe, West Africa and North America due to the Red Sea Crisis had a minimal impact on financial performance.
- ◆ **Export Restrictions:** Export restrictions affected premium-aged non-basmati rice exports, a strategic focus for KRBL's product portfolio. Future easing of these restrictions is expected to expand this category significantly.



# Spicing up our brands with innovative marketing

In FY24, KRBL revolutionised its marketing approach with market-wise AoP (Annual Operating Plan) strategies custom-tailored to each region's unique dynamics. Its digital roadmap is laser-focussed on achieving these goals, ensuring precise market alignment. KRBL maintains a strong media presence achieving up to 80% share of voice enhancing brand visibility and consumer recall.

## Marketing initiatives in India

The primary objective of KRBL's marketing initiatives is convert unbranded (loose) basmati rice to branded basmati rice, emphasising quality and consistency to elevate brand presence and customer loyalty.

### BASMATI RICE SE NO COMPROMISE

In FY24, KRBL Limited, under its renowned India Gate Basmati Rice brand, launched a major public interest initiative in collaboration with Eat Right India, titled the "Basmati Rice se No Compromise Conclave." This extensive campaign was created to raise awareness about the new FSSAI regulations, which set forth identity standards for Basmati rice to ensure fair trade practices and protect consumers.

The Conclave spanned nine major cities across India, making it a landmark event in the Basmati rice industry. It served as a platform for key stakeholders, including industry experts, retailers, and consumers, to engage in meaningful discussions about the preservation of the authenticity, quality, and sustainability of Basmati rice.

#### KEY HIGHLIGHTS:

- ◆ Nationwide Reach: The Conclave kicked off on August 8, 2023, at the India Habitat Centre in Delhi and culminated on October 26, 2023, at Taj Krishna in Hyderabad.
- ◆ Expert Panels: Each event featured panel discussions with eminent personalities from FSSAI, NIFTEM, IARI, and the All India Rice Association of India.
- ◆ Consumer Engagement: The initiative successfully reached a broad audience, educating them about the stringent FSSAI standards and their benefits, thus enhancing consumer confidence in the authenticity and safety of Basmati rice.

**10,000**

Attendees across the nine cities

**20,000+**

Informational brochures and leaflets distributed to attendees and consumers



**200**  
Industry experts and stakeholders

**500,000**  
Engagements across various social media platforms

#### IMPACT METRICS

- ◆ Audience Reach: Over **10,000** attendees across the nine cities.
- ◆ Media Coverage: **50+** media outlets covered the events, generating over **100** news articles and features.
- ◆ Social Media Impact: The campaign garnered over **5 Million** impressions and **500,000** engagements across various social media platforms.
- ◆ Educational Materials Distributed: **20,000+** informational brochures and leaflets distributed to attendees and consumers.
- ◆ Stakeholder Participation: Participation from over **200** industry experts and stakeholders.
- ◆ This nine-city campaign showcased KRBL's commitment to quality and leadership in the Basmati rice market, significantly boosting its public relations efforts and reinforcing its reputation as a leading provider of premium basmati rice.



## Regional Initiatives

### BRAND POWER (MAHARASHTRA)

KRBL launched a media campaign to position itself as the top choice among women in Maharashtra, supported by the Brand Power survey. Leveraging insights from the survey, particularly the high preference for India Gate Basmati Rice among women (9 out of 10), KRBL deployed vernacular assets for a media-first approach.

### HOME MINISTER (WEST BENGAL)

KRBL's campaign emphasised the conversion to branded basmati rice with a local celebrity endorsement, linking food quality to family reputation.

### EXPERIMENT WITH BASMATI RICE (TAMIL NADU AND KARNATAKA)

KRBL undertook targeted marketing campaigns highlighting the versatility, taste, and health benefits of basmati rice. The campaign "Traditions Made Nice with Basmati Rice", encouraged broader use of basmati rice beyond biryani through a 360-degree campaign, including film promotions, social media contests, influencer outreach, and on-ground activations.



## International Marketing Initiatives

KRBL has implemented a robust strategy to enhance its position in international markets, focussing on two key areas:

### STRATEGY FOR EXISTING MARKETS:

- ◆ **Direct Marketing:** Utilising diverse media channels for direct outreach, KRBL maintains leadership in key markets.
- ◆ **Channel Deepening and Diversification:** Expanding distributor networks in general trade, modern trade, e-commerce, and HoReCa segments to broaden market reach.
- ◆ **Acquisition of "Adjacent" Basmati Consumers:** Introducing regional specialty aged rice to attract new consumer segments adjacent to traditional basmati markets.
- ◆ **New Product Introductions:** Launching innovative products like regional specialty aged rice to expand market presence and address broader consumer needs.

### STRATEGY FOR NEW/SEEDED MARKETS:

- ◆ **Economy Variants:** Introducing affordable variants to drive market penetration.
- ◆ **Mid-Tier Brands:** Strengthening brand value of products like Nur Jahan.
- ◆ **Channel Expansion:** Scaling business across all channels.
- ◆ **Direct Marketing Initiatives:** Engaging consumers via social media platforms.



## Marketing activities in UK and US region

- ◆ Exhibitor stall at World Food India 2023.
- ◆ Exhibitor booth at Indus Food 2024.
- ◆ Exhibitor stall at Gulf Food 2024.
- ◆ Mind Mega Mela in Ireland 2024.



# KRBL's Power Business

KRBL Limited is an environmentally conscious company and has taken proactive steps towards climate change mitigation through its investments in renewable energy. These initiatives focus on reducing greenhouse gas (GHG) emissions and leveraging low-carbon technology options.

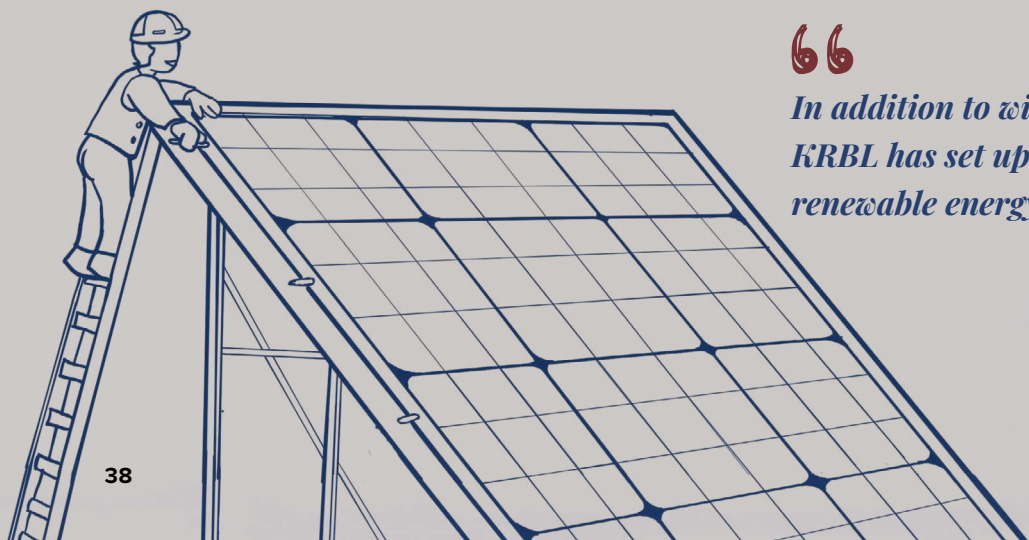


KRBL was an early adopter of wind energy generation technology, making its first investments in 2006 with a 12.5 MW wind plant in Maharashtra. Over the next decade, KRBL continued to expand its renewable energy portfolio, which now includes 112.25 MW of wind plants across seven states in India. In 2013, the Company also ventured into solar power despite the high costs per MW at the time. Today, KRBL features 17 MW of solar plants in Madhya Pradesh and Haryana. While most of the power generated from these wind and solar plants is sold to various state utilities, a portion of the solar capacity is utilised for captive consumption. This diverse renewable energy portfolio

not only enhances KRBL's sustainability but also contributes to significant carbon offsetting.

In FY24, the generation from KRBL's wind and solar plants resulted in carbon offsetting equivalent to more than 200,000 tonnes of CO<sub>2</sub>. This reduction in CO<sub>2</sub> emissions is comparable to planting approximately 8.1 Million full-grown trees, which would have been needed to absorb the same amount of CO<sub>2</sub> released into the environment. Through these renewable energy initiatives, KRBL is creating substantial environmental value while reinforcing its commitment to sustainability and corporate responsibility.

“ In addition to wind and solar installations, KRBL has set up 17.59 MW of biomass based renewable energy plants. ”



# Awards and Recognitions

KRBL's unwavering dedication to excellence, innovation, and quality has not only set industry benchmarks but has also earned it numerous prestigious awards and accolades.



**SILVER AT THE INDIAN PR AND CORPORATE COMMUNICATION AWARDS (IPRCCA) 2023 FOR THE BEST PUBLIC AFFAIRS CAMPAIGN**

This highlights KRBL's dedication to craft impactful narratives and promote positive change.



**BRONZE FOR BEST PRODUCT SAMPLING AT AFAQS MARKETERS' EXCELLENCE AWARDS & CONFERENCE**

This recognition underscores India Gate's innovative marketing strategies and commitment to deliver exceptional consumer experiences.



**INDIA GATE WINS BRONZE FOR REGIONAL CAMPAIGN AT ET BRAND EQUITY SHARK AWARDS 2024**

This accolade highlights the brand's ability to connect with regional audiences through tailored and impactful marketing efforts.



**INDIA GATE WINS GOLD FOR CHALCHITRA CAMPAIGN AT DRIVERS OF DIGITAL AWARDS 2023**

This prestigious recognition celebrates the brand's excellence in leveraging social media to drive performance and engagement.



**THE PLATINUM AWARD FOR DIGITAL TRANSFORMATION INITIATIVE IN PADDY PROCUREMENT PROCESS AT THE ET SCM SUMMIT**

This recognition highlights the Company's commitment to making the procurement process more efficient and farmer-friendly. The digital portal provides real-time purchase details, enabling swift decisions and transforming processes into live dashboards. In the dynamic Mandi environment, this means quicker, smarter decisions.



**HONORED WITH GOLD AT THE 2023 VISION AWARDS BY LACP, USA**

KRBL competed against global giants, including Fortune 500 companies and won the Gold at the esteemed 2023 Vision Awards, hosted by the League of American Communications Professionals (LACP), USA. KRBL's annual report stood out, earning a place among the World's Top 100 Annual Reports.



# ESG Highlights

## Environment

### Energy Conservation

**~90%**  
Power consumption from renewable sources at units

**2 MW**  
Captive Solar Plant

Total renewable energy portfolio  
**112.25** MW wind

**17** MW solar

**17.59** MW biomass

**~12%**  
Reduction in energy consumption

**~25%**  
Reduction in water consumption

### Climate

**3000** sq. m.  
Miyawaki Plantation

**20,000** Trees planted  
Across 30 acres

### Plastic Stewardship

**100%**  
Plastic Neutrality

**30%** recycled plastics  
In PET jars by FY25

**10** MT  
Plastic reduction

## Social

### Ethical Trade and Training

**5/5**  
ETRS score

**11,157+**  
Employee Training Hours

**Zero Complaints**

On POSH, Human Rights, Whistle Blower and Fraud

### CSR Initiatives

**800+** beneficiaries  
From completed projects

**₹25 Cr+**  
Expenditure on ongoing projects

**63 lac+**  
Mid-day meals served

## Governance

**100%**  
Independent Stakeholder Relationship and Nomination & Remuneration Committees

**55%**  
Board Independence

**50%** of Committees chaired by Independent Directors

**100%** attendance of Independent Directors at meetings

**CSR & ESG Committee**

Oversight on sustainability and community initiatives

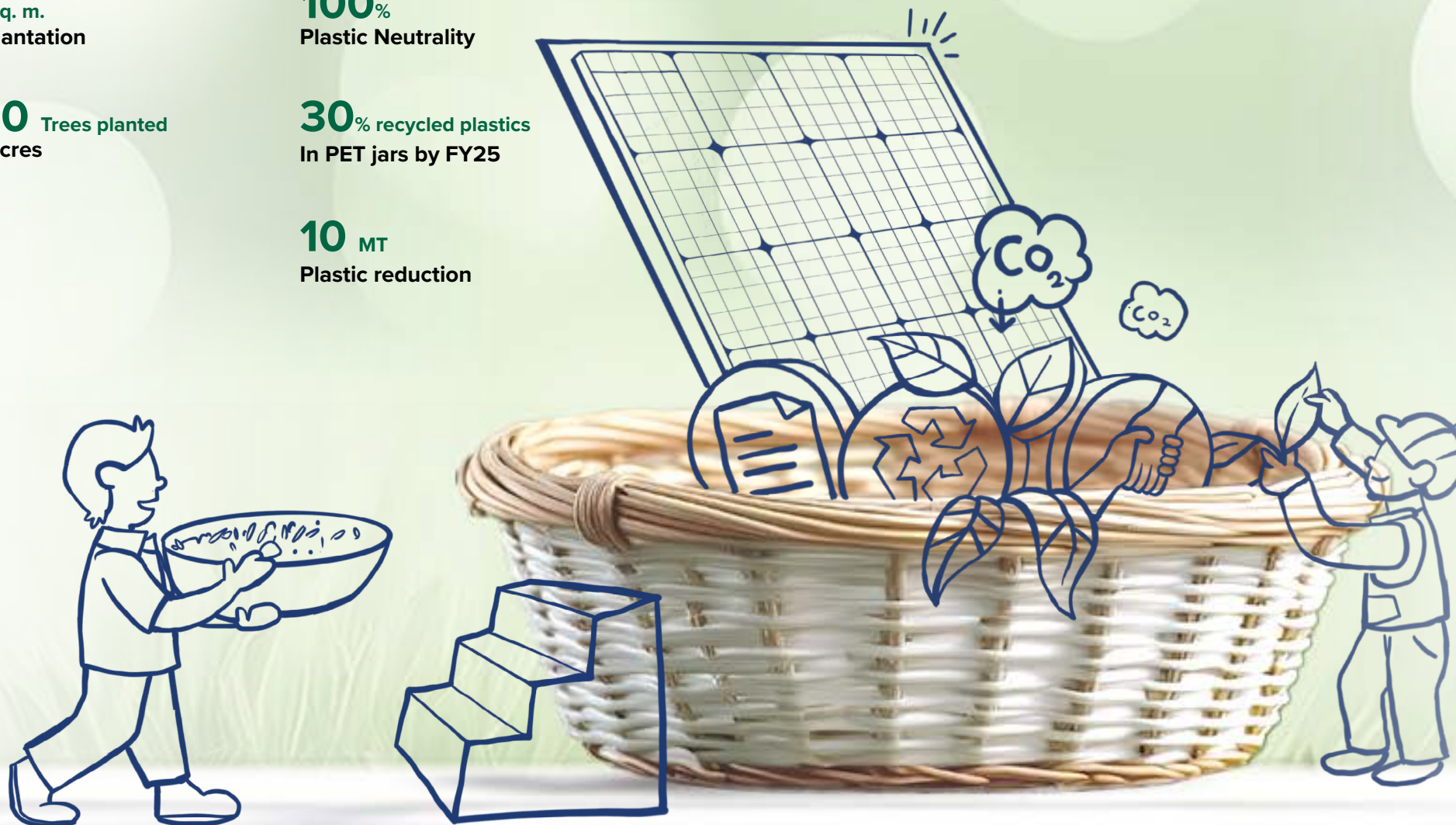
**22%**  
Board diversity

**Risk Management Framework**

includes anti-fraud measures

**Experienced Board**

Average age: 66 years



# Sowing Care through our Sustainability Initiatives

KRBL's sustainability philosophy is deeply rooted in its commitment to responsible business practices, environmental stewardship and social responsibility. The Company recognises that its long-term success is intricately linked to the well-being of the communities it serves and the health of our planet.

## Waste Management

KRBL is deeply committed to environmental stewardship, exemplified by its comprehensive waste management strategy that integrates best practices across all waste categories.

- **Extended Producer Responsibility:** Ensuring proper disposal and recycling of plastic and electronic waste.
- **Hazardous Waste Management:** Adhering to Pollution Control Board guidelines for safe disposal.
- **Resource Efficiency and Circularity:** Utilising residual rice husk for power generation and actively exploring sustainable options for rice husk ash.
- **Transparency in Reporting:** Enhancing waste management reporting, including rice husk ash in non-hazardous waste reporting.

## Packaging

KRBL's targeted initiatives have significantly reduced the consumption of plastic, paper and fuel, promoting sustainability across our operations. Highlights include:

- **Plastic Reduction:** Achieved substantial reductions in plastic usage through optimised packaging and material efficiency.
- **Procurement Process:** Decentralised procurement, reducing fuel usage and carbon footprint.
- **Paper Reduction:** Optimised use of paper in packaging, reducing consumption while maintaining quality.

## Water Management

Demonstrating a strong commitment to water stewardship, KRBL has achieved near-zero wastewater discharge across all sites. Key initiatives include:

- **Rainwater Harvesting and Groundwater Recharge:** Promoting conservation and replenishment of water resources.
- **Water-Positive Practices:** Ensuring water extraction is less than the potential for water recharge.
- **Use of Treated Effluent:** Repurposing treated water for horticulture, conserving freshwater resources.

## Sourcing

KRBL is dedicated to ethical sourcing practices that respect both people and the environment:

- **Sustainable Procurement:** Implemented policies promoting sustainable practices and high-quality, locally sourced materials.
- **Paddy Purchase App:** Enhancing transparency and efficiency in sourcing operations

## Diversity, Equity, and Inclusion

- **Workplace Diversity:** Promoting equal opportunities and building a diverse workforce through, Anti-Discrimination and Equal Opportunity Policy
- **Community Nutrition:** Serving mid-day meals to under privileged school children

## Product Quality, Health and Safety

Ensuring the highest standards of product quality and safety is paramount:

- **Quality Control:** Stringent measures throughout production processes.
- **Health and Safety Protocols:** Maintaining a safe and healthy workplace.
- **Advocacy Support:** Collaborating with prominent organisations for chemical contaminant management.

## Ethics, Governance and Compliance

Maintaining transparency, accountability and ethical conduct is integral to KRBL's operations:

- **Corporate Governance:** Ensuring compliance with all applicable legal and regulatory requirements.
- **Compliance Tools:** Implemented AMS for product label compliance and achieved 100% GDPR compliance.

## Climate Change

KRBL is dedicated to address climate change through proactive measures:

- **Renewable Energy:** Significant investments in wind, solar, and biomass energy projects.
- **Energy Efficiency:** Converting to LED lighting, installing electrostatic precipitators and replacing old motors with efficient models.
- **Carbon Reduction:** Extensive tree plantation projects and sustainable energy practices reducing CO<sub>2</sub> emissions significantly.

By integrating these initiatives, KRBL is sowing care for the planet and future generations, reinforcing its commitment to sustainability and responsible business practices.



“By integrating these initiatives, we are sowing care for our planet and future generations, reinforcing our commitment to sustainability and responsible business practices.”



# Stakeholder Engagement for Shared Success

Regular collaboration with stakeholders allows the Company to understand their needs and expectations, helping it design informed business strategies that promote long-term sustainable value for all.

KRBL aims to create an environment where all stakeholders feel safe to raise concerns about any issues or conduct.

## Cultivating Stakeholder Confidence: Initiative for Effective Engagement

### BASMATI RICE SE NO COMPROMISE CONCLAVE 2023

KRBL recently launched "Basmati Rice No Compromise" public interest initiative under Eat Right India. This initiative highlights the importance of recently launched FSSAI regulations for Basmati Rice, emphasising fair trade practices and consumer protection. As part of this commitment, KRBL organised a conclave that served as a platform to share insights, industry trends, and expertise related to rice and the new FSSAI regulations.

The conclave brought together eminent experts, industry stakeholders, retailers, and consumers to discuss preserving the authenticity, quality, and sustainability of Basmati rice. This 9-city roadshow aimed to create a unified vision for a thriving and responsible Basmati rice industry. Through such engagements, KRBL demonstrates its commitment to quality and purity, engaging stakeholders to drive positive change in the industry.

## Stakeholder Engagement Principles



### IDENTIFY AND ENGAGE STAKEHOLDERS

KRBL identifies stakeholders dependent on its activities or those on whom we depend to operate effectively. This includes customers, employees, vendors, investors, government bodies and the community.



### PROMOTE TWO-WAY COMMUNICATION

Effective two-way communication strengthens relationships and enhances trust and confidence in our processes.



### RESPONSIVE AND FAIR GRIEVANCE MANAGEMENT

KRBL ensures a fair and responsive grievance management process, treating all stakeholders without bias and addressing issues promptly.



### PROTECT VULNERABLE GROUPS

KRBL prioritises the interests of vulnerable and marginalised sections of society.



## Stakeholder Engagement Process

- ◆ **Consistent Engagement:** Regular and systematic engagement with all stakeholder groups to seek feedback and improve business processes.
- ◆ **Continuous Dialogue:** Establish continuous dialogue for timely and responsive communication.
- ◆ **Address Concerns Equitably:** Address stakeholder concerns transparently and resolve grievances fairly and promptly.
- ◆ **Incorporate Feedback:** Use stakeholder feedback to develop beneficial strategies, policies, objectives, and initiatives.
- ◆ **Compliance:** Ensure all communication complies with applicable laws, contractual obligations, and internal guidelines.

## Modes of Engagement

- ◆ **Customers:** Website, customer service support, feedback surveys, and correspondence.
- ◆ **Employees:** Newsletters, intranet portal, resource groups, communication forums, and surveys.
- ◆ **Vendors:** Evaluation, project discussions, and correspondence.
- ◆ **Investors and Shareholders:** Corporate website, reports, earnings calls, and correspondence.
- ◆ **Government and Regulators:** Public policy advocacy, representations, and formal dialogues.
- ◆ **Community:** Surveys, community initiatives, events, and CSR activities.

## Protecting the Disadvantaged

KRBL ensures equitable opportunities for those facing discrimination by:

- ◆ Providing equal employment opportunities for differently-abled individuals.
- ◆ Training farmers to increase output.
- ◆ Preventing discrimination based on race, gender, religion, etc.
- ◆ Promoting nourishment for underprivileged children through CSR initiatives.
- ◆ Defined timelines for resolution.
- ◆ Established communication channels for resolution.

## Policy Compliance and Review

The Stakeholders Engagement and Grievance Redressal Policy is communicated to all employees and stakeholders appropriately. Respective Departments are responsible for monitoring the compliance and communication of the policy to the relevant stakeholders. In case of conflicts with laws or regulations, the latter will take precedence.

The Stakeholders Relationship Committee reviews the policy to ensure relevance to operations and evolving expectations.





# Cultivating an empowered and a connected workforce

Over the past year, KRBL has significantly ramped up its employee engagement initiatives. The Company organised various comprehensive training sessions, dedicating a total of 11,157 man-hours to enhance its team's skills and professional development. These sessions were meticulously designed to address various aspects of professional growth, ensuring that the Company's employees are well-equipped with the latest knowledge and skills required in their respective fields. By investing in these training programmes, KRBL has empowered its team to achieve greater efficiency and innovation in their roles.

KRBL held the Trailblazer Awards to celebrate & recognise outstanding performance. The Trailblazer Awards celebrated outstanding contributions from employees across four categories.

The Company recognised individuals for their exceptional achievements. The categories included the Trailblazer Individual Award, Team Excellence Award, Dronacharya Award, and Chairman's Award. Each winner exemplified excellence in their respective fields, making us proud of their accomplishments.

Additionally, KRBL fostered a vibrant workplace culture through major engagement events, celebrating Holi, Diwali, Independence Day, New Year, International Women's Day and Blood Donation Camp. These efforts have not only boosted morale but also reinforced a sense of compassion and belonging among our employees.



Employee Felicitation



Blood Donation Camp



Holi Celebration



Diwali Celebration



Drawing Competition



Women's Day Celebration



Fire Safety Training

# Ensuring a Resilient Future

At KRBL, a robust risk management process identifies, evaluates, and manages business risks across all functions, facilities, and countries. Early risk assessment drives better decision-making, fosters preventive measures and ensures business continuity.

## Risk Management Framework

### PROCESS



#### Risk Identification

We use a comprehensive reporting system to identify potential risks, gather stakeholder insights and analyse root causes.



#### Risk Assessment

We assess the probability and impact of each risk, prioritising based on severity and likelihood.



#### Risk Monitoring/Reporting

The Company develops mitigation strategies, assign responsibilities, implement contingency plans and continuously monitor risk controls.



#### Risk Response

Risk owners develop responses aligned with organisational risk appetite. The risk appetite statement guides decisions, balancing safety, compliance, operations and strategic objectives.



#### Risk Mitigation

We implement risk mitigation strategies including acceptance, avoidance, limitation, and transfer to manage high-priority risks effectively.

### GOVERNANCE



#### Board of Directors

Oversees the risk management framework.



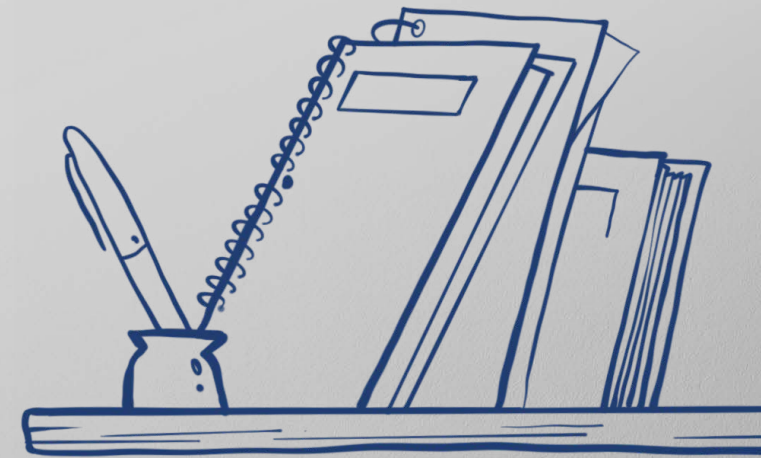
#### Audit Committee

Evaluates the operation and reviews risk assessments.



#### Risk Management Committee (RMC)

Defines strategic plans, approves mitigation plans, reviews progress and reports to the Board.



# Cultivating Communities with our CSR Initiatives

## Promoting Nutrition and Higher Education

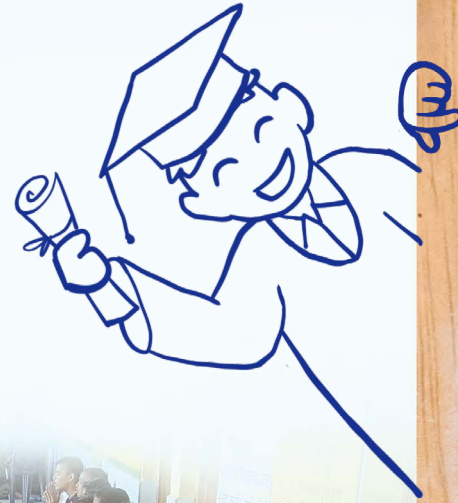
At KRBL, our initiatives are committed to enhance socio-economic conditions through education, healthcare, and livelihood opportunities.

Partnering with the Akshaya Patra Foundation, the Company provides nutritious mid-day meals to children, supporting their health and educational outcomes.

Through its partnership with Akshaya Patra, KRBL has been able to contribute to this noble cause, serving approximately 63 Lakh+ mid-day meals. This collaboration has strengthened KRBL's commitment to community development and reinforced its focus on nutrition and education. Akshaya Patra's impact reaches far and wide, and their vision aligns with the Company's own values of social responsibility and sustainable development.

KRBL is proud to support Akshaya Patra in their mission to eliminate classroom hunger and to create a brighter, healthier future for children across the nation. Together, the Company looks forward to continuing this journey, fostering positive change and making a lasting difference in the lives of many by ensuring young minds receive nutritious food resulting in increased school attendance and retention.

The Company contributed ₹20 Crore to establish a state-of-the-art higher education facility, empowering future generations with access to quality education.



## Other Initiatives



Sponsor the education of students at Shriram International School in Dhuri, Punjab.



Distribute blankets and ration packets to support communities.



Conducted an Eye Check-up Camp.

~ ₹25+ Crore  
CSR Expenditure



63 Lacs+  
Meals served



Sapna Upadhaya, Teacher  
Kanya Intercollege

"The food here comes from the Akshaya Patra Foundation. The children eat this food with great affection. There is a good arrangement for the children's meals here every day."



Arushi, Class 8  
C.R.S. Girls Intercollege

"The food comes from the Akshaya Patra Foundation, and it is very good. I especially like the kheer."



Prachi, Class 7  
Uchpradmaye Vidyalaya

"We get food from the Akshaya Patra Foundation. It is very tasty and arrives hot. I really like the roti and vegetables."

# Management Discussion and Analysis

## Global Economic Overview<sup>1</sup>

The global economy is doing well, with steady growth and inflation moderated from peak levels in 2022. It has been a rough journey, starting with supply-chain issues after the pandemic, a war started by Russia that caused a global energy and food crisis, and a big rise in inflation. This led to tighter monetary policy worldwide. Despite many worries, a recession was avoided. The banking system mostly stayed strong, and major emerging markets did not face sudden crises. Even though inflation spiked and caused a cost-of-living problem, it did not lead to out-of-control wage and price increases.

Growth in employment and incomes held steady, reflecting supportive demand developments—including greater-than-expected government spending and household consumption and a supply-side expansion amid, notably, an unanticipated boost to labour force participation. The unexpected economic resilience, despite significant central bank interest rate hikes aimed at restoring price stability, also reflects the ability of households in major advanced economies to draw on substantial savings accumulated during the pandemic.

### Global Economic Outlook

The global economy has grown at an estimated 3.2% in 2023, and this trend is expected to continue at the same pace in 2024 and 2025. This pace is low (when compared to historical standards) because of short-term factors such as still-high borrowing costs and withdrawal of fiscal support; and longer-term effects of the COVID-19 pandemic, which added to the dire effects of Russia-Ukraine conflict. Global trade may have longer impact of Red sea Crisis.

Global inflation is expected to decline from an annual average of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025. Advanced economies will return to their inflation targets sooner than emerging markets and developing economies. Developed economies are expected to grow from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. But this growth is likely to offset by emerging and developing markets are expected to go from a growth rate of 4.3% in 2023 to 4.2% in 2024 and 2025.

## Indian Economic Overview<sup>2</sup>

The Indian economy is expected to sustain the growth at an estimated rate of 7.3% in FY24. This reflects the resilience of the economy despite dire geopolitical circumstances. Meanwhile, a global slowdown experienced by India's major trading partners has led to a decline in India's merchandise exports. Simultaneously, there has been a decline in the overall value of imports due to a fall in international commodity prices, which spiked because of the Russia-Ukraine conflict. This resulted in a narrowing of India's merchandise trade deficit in the first ten months of FY24.

Since January 2024, inflationary pressures have moderated to 5.1% due to a fall in food and core inflation, and the recent measures announced by the Government to control food prices are likely to reduce inflation further. Even nature seems to favour this year's crop yield as the El Niño is not expected to suppress rainfall this year, allowing the country to experience a normal monsoon, which enables a healthy sowing of the Kharif crop.

### Indian Economic Outlook

The future looks bright for India. The RBI has forecasted India's real GDP to grow by 7% in FY25 with evenly balanced risks. Economic activity in FY25 will be supported by a healthy Rabi harvest, sustained manufacturing profitability, and underlying service resilience. Furthermore, demand will be supported by an expected improvement in household consumption, while prospects for fixed investment remain bright owing to an upturn in the private capex cycle, improved business sentiments, healthy balance sheets of banks and corporates, and the government's continued thrust on capital expenditure.

A key factor contributing to high growth is private consumption, which was initially driven by post-pandemic pent-up demand but remains buoyant because of consumer confidence associated with reduced economic uncertainty.

This urban demand is reflected in rising passenger vehicle sales, increased spending on credit and debit cards, domestic air passenger traffic (comfortably above the pre-pandemic level) and increasing housing sales. Rural demand is also high, as showcased by an increase in two- and three-wheeler sales and a surge in the volume growth of fast-moving consumer goods (FMCGs).

While the positive outlook for global trade and rising integration in the global supply chain supports net external demand, headwinds from geopolitical tensions such as supply chain disruptions and higher logistics costs, volatility in international financial markets and geo-economic fragmentation pose downside risks.

## Indian Agriculture Industry overview

The agricultural sector is estimated to constitute 18% of India's GVA in FY24 and remains a pillar of the nation's economy. Despite the challenges posed by the global health crisis and variability in climate conditions, the sector demonstrated remarkable tenacity and resilience, contributing significantly to India's economic recovery and development.

However, the sector experienced notable challenges in the 2023-24 period, resulting in slower Gross Value Added (GVA) growth compared to previous years. The GVA growth for agriculture and allied activities was recorded at 1.4%, marking the slowest growth since 2018-19. This is a significant decline from the 4.7% growth seen in the previous year (2022-23).

### Impact of El Nino in India during the year

The reduced crop output in 2023 was due to El Nino effect which resulted in below-normal monsoon rainfall at 94% of the long-period average (LPA), not seen since 2018. The monsoon's delayed onset, disrupted weather patterns, uneven rainfall distribution and extended break in August, delivering only 64% of the LPA for that month, severely disrupted the kharif season, leading to a significant reduction in the harvest of critical crops. Poor post-monsoon showers also adversely affected rabi crops. As a result, water levels in reservoirs decreased, impacting irrigation activities crucial for crop yields in various states.

### Agricultural Output in 2023-24

**Food grain Production:** As per the Third Advance Estimates of Major Agricultural Crops, total food grain production for the agricultural year 2023-24 (July to June) is estimated at 328.85 Million tonnes, as against 329.69 Million tonnes in 2022-23. This reflects a marginal drop in food grain production from the previous year but remains higher by approximately 21 Million tonnes compared to the average food grain production of the last five years.

**Rice Production:** Rice production increased to 136.7 Million tonnes, which is 0.9% higher than in the 2022-23.

### Production Dominance and Exports

India enjoys production dominance across agricultural commodities, being the world's largest producer of fruits, vegetables, tea, farmed fish, sugarcane, wheat, rice, cotton, and sugar. Agricultural exports decreased by 8% to \$48.9 Billion during FY24. Factors such as the Red Sea crisis, the Russia-Ukraine war, and domestic restrictions on items like rice, wheat, sugar, and onion influenced this decline. Nonetheless, among 24 principal commodities in the APEDA basket, 17 recorded positive growth during this period, including fresh fruit, processed vegetables, Basmati rice, and bananas.

### Government Support and Sectoral Resilience

Policy initiatives such as the Pradhan Mantri Kisan Maandhan Yojana (PM-KMY), Pradhan Mantri Kisan Samman Nidhi (PM-KISAN), and Pradhan Mantri Fasal Bima Yojana (PMFBY) have been instrumental in offering financial and income assistance to farmers, increasing their resilience to weather shocks. Additionally, the Government has implemented a Minimum Support Price (MSP) for 22 kharif and rabi crops that secures prices at one-and-a-half times the all-India weighted average cost of production. Price measures to encourage the cultivation of high-value crops like oilseed have also been implemented, as have incentives for crop diversification, improvements in agricultural marketing, and enhanced resource efficiency.

Despite these challenges, the allied sectors, including livestock, poultry, fish, meat, eggs, horticulture, and forestry, continued to grow at a faster rate than the crop sector. This diversification helped cushion the overall impact on the agriculture sector.

### Conclusion

The Indian agricultural sector's performance in 2023-24 highlights the critical impact of climatic conditions on agricultural productivity. The slower GVA growth underscores the need for adaptive strategies to manage and mitigate the effects of adverse weather patterns, ensuring sustainable agricultural development in the face of climate variability.

Source:

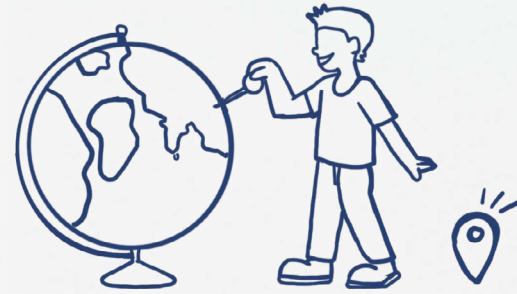
<sup>1</sup> The International Monetary Fund's World Economy Outlook report

<sup>2</sup> Monthly Economic Review Report Dept. Ministry of Economic Affairs

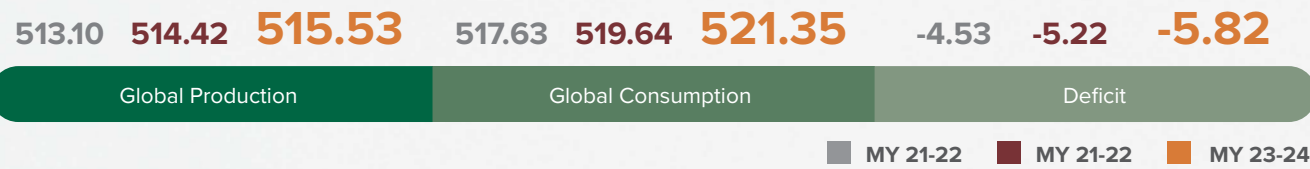


# Global Rice Industry Overview<sup>3</sup>

Global rice consumption has surpassed global rice production in recent years, leading to a depletion in rice stocks and an increase in the price of rice globally. Prices have also risen because of the impact of the El Niño current patterns, the Russia-Ukraine conflict, the Red Sea crisis and restrictions on rice exports by India, the largest rice exporter which accounted for ~40% rice exports in FY23.



**Recent trends of global rice production and consumption:** Despite these challenges, India remained the top rice exporter in FY24 with 16.4 Million tonnes of exported rice, followed by Vietnam, Thailand and Pakistan. As per USDA estimates, global rice production is expected to remain stable at 517 Million tonnes (2023-24) as against 516 Million tonnes (2022-23).



## Outlook

As per USDA, Global global rice production is expected to increase by 10.3 Million tonnes from the prior year to a new record of 527.6 Million tonnes. The biggest year-to-year increase is expected for from India, where rice production is expected to hit a record high. China is also forecast to increase. Together, these two producers account for more than half of global rice production. Larger crops are also forecast in major producing countries including Indonesia, Burma, Pakistan, and Bangladesh.

World rice consumption is expected to increase by up 4.8 Million tonnes to a record 526.4 Million tonnes. Consumption in India, the second-largest rice-consuming country, is projected to reach a record high at 120.0 Million tonnes, as the Government of India continues to allocate rice in public distribution programmes.

Consumption in China, the largest rice-consuming country, is projected to decline for a third consecutive year. This decline is a result of decreased utilisation of rice as a substitute for coarse grains in feed. Consumption in Sub-Saharan Africa, South Asia, and the Middle East is forecast to continue growing with rising populations.

Global stocks are forecasted up by 1.2 Million tonnes to 176.1 Million tonnes. Overall, stocks in major rice exporting countries are forecast to rebound.

India is forecasted to remain the largest rice exporter in 2025 with exports projected at 18.0 Million tonnes, up 1.5 Million tonnes from the previous year and accounting for over a third of global rice trade. Rebounding exports from India are expected to partly offset declines from other major Asian exporters: Vietnam,

Thailand, Pakistan, and Burma. Together, these four exporters are forecast down 1.9 Million tonnes, mainly on increased competition from India and reduced demand from Indonesia.

World Bank expects the price of rice is expected to rise further by 8% in 2024, owing to tight global markets and India's export restrictions. The bank however, expects the prices to moderate in 2025 on account of higher production and possible ease of trade restrictions.

Source:

<sup>3</sup> World Agricultural Production USDA May 24 Report World Production, Markets, and Trade Report USDA May 24



# Indian Rice Industry Overview<sup>4</sup>

India is the second-largest producer of rice in the world and is estimated to account for one-fourth of global rice production. In 2023-2024, India rice production is estimated at around 137 Million tonnes. In 2023-24, the domestic price of rice in India surged to a record high as the kharif rice output was expected to be low due to unfavourable weather conditions because of El Niño patterns and a high demand for rice globally.

To control domestic surges in rice prices, the Indian government put certain measures in place, like banning the export of white non-Basmati rice, imposing a 20% export duty on the export of par-boiled non-basmati rice and minimum export price (MEP) on Basmati exports. The export of broken rice has been banned since 2022-2023. Due to these export restrictions, the volume of Indian rice exports declined by 27% to 16.4 Million in FY24 vs. 22.35 Million tonnes in FY23. In terms of value, India exported rice worth \$10.4 Billion in FY24, a decrease of 7% from the previous year's record rice export of \$11.1 Billion. Due to high global demand, Indian rice commanded higher realisation in FY24.

## Indian Rice Industry Outlook

India's rice production is set to experience steady growth in the coming years. Due to favourable effects of the El Niño in 2024 monsoon season, India is expected to receive surplus rainfall, boosting rice production. Indian government has set rice production target of 136.3 Million tonnes in 2024-25. Steady demand in domestic and international markets is expected to keep prices firm in FY25. These favourable conditions might may lead to the removal of export restrictions on rice exports in the second-half of FY25 and rice exports from India might increase. These factors indicate a positive outlook for India's rice industry, with steady growth anticipated in the next few years.

# Indian Basmati Rice Industry Overview<sup>5</sup>

India produced around 10 Million tonnes of basmati rice in 2023-2024 and of that, 5.2 Million tonnes were exported, which is 15% higher than the previous year signifying a 26% increase in exports. A driving force for this growth is the rise in demand for long-grain speciality variants, known for their quality aroma and flavour. The increasing preference for brown Basmati rice is also boosting growth in the market.

As per the Kantar Household Panel MAT report (March 2023), at present, around 41.5% of urban households in India consume Basmati rice, of which only 19.1% consume packaged Basmati rice. This means there is great potential to explore the scope of growth of packaged basmati rice in the domestic market.

Market expansion is further aided by the adoption of Basmati rice in the food and beverage sector to prepare biryani, desserts and pilaf, to name a few. There is a surplus of demand for Basmati rice in various regions across the globe, especially in the Middle East, giving the market's positive outlook.

## Indian Basmati Rice Industry Outlook

A highlight of the Indian Basmati rice industry is the excess demand from key markets in the Middle East, USA and UK. The demand for Basmati is expected to remain stable throughout the marketing year 2024-2025.

Even the domestic demand for packaged Basmati rice is expected to remain steady owing to consumption preferences shifting from loose to packaged rice resulting from growing urbanisation, quality assurance, increasing household consumption and expenditure trends.

Source: USDA Report on India Food grains March, 2024

Source:

<sup>4</sup> Third Advance Estimates of foodgrains for 2023-24

<sup>5</sup>.DGCIS Data Query Portal

# Company Overview

KRBL Limited enjoys leadership position in the Indian Basmati Rice Industry. It is India's first integrated rice company and its primary operations include manufacturing and marketing rice products. The Company's success is a result of responsible operations that have been executed efficiently, complemented by innovative manufacturing and a proactive approach to identifying and making the most of new opportunities.

As KRBL evolved over the years, its product portfolio has widened to cater to consumers across geographies. The dietary market is consumer-driven and offers KRBL's products a source of steady demand in India as well as international markets.

KRBL's leadership features stalwarts of the Indian agri-product industry like Mr. Anil Kumar Mittal (Chairman & Managing Director), Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta (Joint Managing Directors). Their leadership steers the Company towards success, supported by a team of qualified professionals. KRBL has made its presence felt in every aspect of the entire value chain, from seed development and multiplication to contact farming, production and marketing. The Company does not rest on its laurels and is dedicated to enhancing offtake, widening the reach and deploying technologies that bolster cost-competitiveness.

## Overall Key Strengths:

**KRBL is a leading exporter** of branded Basmati rice from India, with strong brand presence catering to consumers in 90 countries across six continents.

**KRBL owns the India Gate rice brand**, World's No. 1 Basmati Rice Brand.

**Capacity of 195 tonnes** per hour paddy processing and **221 tonnes** per hour rice processing capacity, including the world's largest rice milling plant at Punjab, India supported by largest contact farming network coverage for rice.

**Fully integrated business** model which ensures efficiency and resilience.

## Exports

KRBL maintains a strong presence in key export markets, solidifying its position as a leading player in the global rice trade. The Company is actively pursuing efforts to stimulate growth in new markets by diversifying its export footprint and expanding its customer base.

## Domestic Market

With strong demand in the domestic market, KRBL is well-positioned for growth and holds a market-leading position across various distribution channels, including general trade, modern trade and e-commerce. Growth prospects are further enhanced by the transition from loose to packaged rice, expanding distribution reach, introducing new products and exploring selected non-Basmati rice varieties.

## Expansion

By establishing new plants at strategic locations, KRBL is poised to meet growing demand and make inroads into the non-Basmati rice segment to expand its product portfolio and market reach. KRBL has successfully commenced commercial production at its new plant in Anjar, Gujarat, in 2023.

## Company's Renewable Power Generation Capacity

KRBL has established Renewable Power Division to produce renewable energy and to contribute for the environment. The Company uses the husk generated during paddy hulling to generate power which makes the Company's manufacturing plants self-reliant for power. The Company has also established solar plant and wind plants to generate green renewable energy at various locations.

## Strong Financials

KRBL prioritises maintaining healthy margins and has ample capital availability, positioning the company favourably for future growth. Furthermore, KRBL takes pride in being a long term zero-debt company that ensures financial security and flexibility.

## KEY STRATEGIC PRIORITIES



Increasing consumer centricity



Building best-in-class functional capabilities



Focus on innovation



Digitisation across value chain



Increasing total addressable market



# Financial Performance

In FY24, the Company recorded a total income of ₹ 5,48,165 Lakh being flat as compared to the previous year. EBITDA of the company stood at ₹ 89,925 Lakh in FY24, compared to ₹ 1,03,157 Lakh in FY23.

(₹ in Lakh)

Description	FY24	FY23
<b>REVENUE</b>		
Revenue from Operations	5,38,469	5,36,474
Other Income	9,696	9,278
<b>Total Income</b>	<b>5,48,165</b>	<b>5,45,752</b>
<b>EXPENSES</b>		
Material Cost	3,99,992	3,78,490
Material Cost/Total Income (%)	73.0%	69.4%
<b>Gross Profit</b>	<b>1,48,173</b>	<b>1,67,262</b>
Gross Profit Margin (%)	27.0%	30.6%
Employee Benefit Expenses	14,885	11,754
Depreciation & Amortisation Expense	7,937	7,565
Other Expenses	43,363	52,351
<b>Total Expenses</b>	<b>4,68,587</b>	<b>4,51,634</b>
Total Expenses/Total Income (%)	85.5%	82.8%
<b>EBITDA</b>	<b>89,925</b>	<b>1,03,157</b>
EBITDA Margin (%)	16.4%	18.9%
Finance Cost	2,410	1,474
<b>Profit Before Tax</b>	<b>79,578</b>	<b>94,118</b>
PBT Margin (%)	14.5%	17.2%
Tax Expense		
Current Taxation	21,066	24,890
Deferred Taxation	(1,074)	(870)
<b>Net Profit after Tax</b>	<b>59,586</b>	<b>70,098</b>
Other Comprehensive income/ (expenses)	(179)	379
Total Comprehensive Income	59,407	70,477
Comprehensive Net Profit/Total Income (%)	10.8%	12.9%

\*As per Consolidated Financial Statements

## Segment-wise Performance

The Company's Consolidated Revenue from Operations in FY24 is at ₹ 5,38,469 Lakh, flat from previous financial year. In FY24, the Company's domestic business recorded revenue of ₹ 3,93,618 Lakh marking a strong growth of 18% contributed by both volume and realisation growth. In FY24, the Export business recorded revenue of ₹ 1,34,521 Lakh, lower than previous financial year.

(₹ in Lakh)

Description	FY24	FY23
<b>AGRI SEGMENT</b>		
Export Sales	1,34,521	1,93,125
Domestic Sales	3,93,618	3,33,554
Power Segment	10,330	9,659
<b>Total</b>	<b>5,38,469</b>	<b>5,36,338</b>

## Key Financial Ratios

The Company's Net Profit stood at ₹59,586 lakh during the year, reflecting the year-on-year trend in EBITDA.

Description	FY24	FY23
Operating profit margin (%) <sup>1</sup>	15.23	17.82
Net profit margin (%) <sup>1</sup>	11.07	13.07
Return on net worth (%) <sup>2</sup>	12.48	16.00
Return on Capital Employed (%) <sup>2</sup>	14.87	18.87

Description	FY24	FY23
Inventory <sup>3</sup> (₹ in Lakh)	4,45,071	4,18,627
Trade Receivable (₹ in Lakh)	30,308	28,506
Trade Payable (₹ in Lakh)	11,031	11,973
Inventory turnover ratio <sup>3</sup>	2.27	2.64
Debtor turnover ratio	18.31	18.68

Description	FY24	FY23
Debt Equity ratio <sup>4</sup>	0.11	0.05
Current ratio	5.40	6.35
Interest Coverage ratio <sup>5</sup>	34.02	64.85

\*As per Consolidated Financial Statements



## Reasons for change in the ratio

**1.** Operating profit margin and Net profit margin declined in FY24 due to higher input cost and lower exports, partially offset by lower freight cost, as compared to previous financial year.

**2.** Return on Net Worth and Return on Capital Employed declined in FY24 due to lower margins as explained in point above.

**3.** As basmati paddy crop season is from October to December, closing Inventory as on 30<sup>th</sup> September has been considered for calculating inventory turnover ratio.

**4.** Debt Equity ratio is higher in FY24 because of higher short-term working capital borrowings.

**5.** The interest coverage ratio has declined in the current year mainly due to higher finance cost paid on short-term borrowings for working capital purpose & lower earnings before interest and taxes.

### Formula used for calculation of the ratios

Operating profit margin (%)	Profit before interest, taxes and exceptional items/Revenue from operations
Net profit margin (%)	Profit after tax/Revenue from operations
Return on net worth (%)	Profit after tax/Average Equity
Return on capital employed (%)	Profit before interest, taxes and exceptional items/ (Total Equity + Borrowings + Lease liability + Deferred tax liability)
Inventory turnover ratio	Net sales/Average of opening and closing inventories
Debtors' turnover ratio	Net sales/Average of opening and closing trade receivables
Debt equity ratio	Debt (Borrowing and lease liability)/Equity
Current ratio	Current assets/Current liabilities
Interest coverage ratio	Profit before interest, taxes/Finance costs



## Opportunities

In the dynamic global market landscape, KRBL Limited recognises the significance of identifying and navigating the opportunities and threats that shape its industry. By analysing emerging opportunities and potential challenges, KRBL Limited remains proactive in adapting its strategies and capitalising on favourable trends. With a keen focus on continuous improvement and agile decision-making, the Company stands ready to leverage opportunities and mitigate threats, ensuring sustained growth and resilience in an ever-evolving business environment.

### Consumption Shift

The shift from loose to packaged rice in both basmati and non-basmati segments in the domestic market presents a significant opportunity. This transition, driven by consumer preferences for convenience and quality assurance, is further accelerated by the ongoing urbanisation of the Indian population. As more people migrate to urban areas, the demand for packaged rice is expected to rise, offering the Company the chance to further tap into a growing market segment by providing innovative packaging and meeting the evolving needs of urban consumers.

### Growing Demand

The demand for rice, growing in both domestic and international markets with an expected CAGR of 3% from 2023 – 2028, this global rice market growth is driven by several factors, including population growth, rising incomes and changing consumer preferences.

### Quality Assurance

The Food Safety and Standards Authority of India (FSSAI) has specified the identity standards for Basmati rice to come into effect on August 1, 2023. This has made the challenge of evaluating Basmati's quality significantly easier for consumers and customers. KRBL's branded rice ensures the quality to consumers.

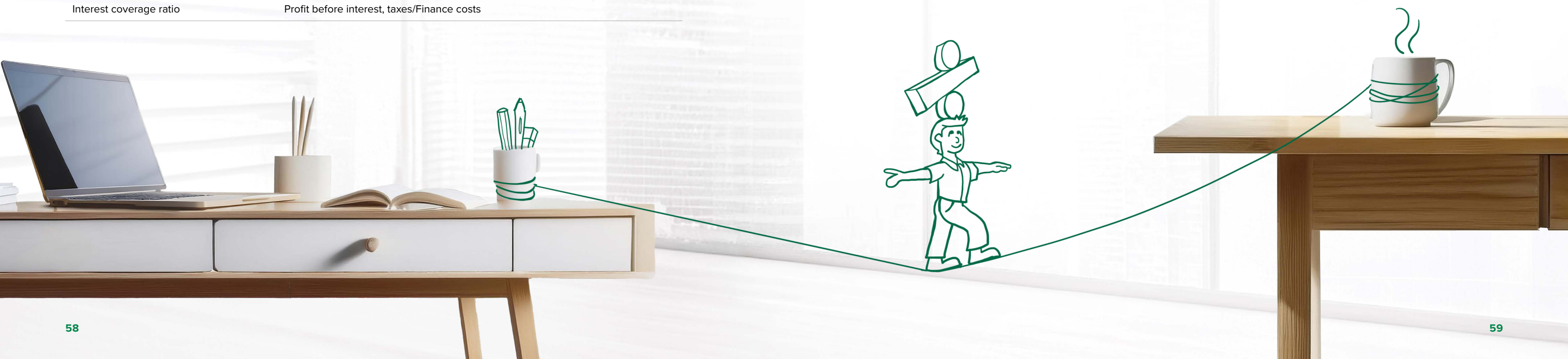
### Government Support

The Indian government provides several subsidies and other support to the rice industry. These subsidies help reduce production costs and make it more profitable for farmers to grow rice. The government also provides technical assistance to farmers and helps to improve the quality of rice production. Government initiatives such as the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), the Pradhan Mantri Fasal Bima Yojana (PMFBY), the Pradhan Mantri Krishi Kalyan Yojana (PMKKY), the National Mission for Sustainable Agriculture (NMSA) and National Food Security Mission (NFSM) – have helped boost production while supporting farmers and food security.

### Exports

India enjoys a geographical advantage for Basmati rice production and accounts for nearly 85% of global Basmati rice export.

India also has surplus non-basmati rice production compared to other exporters such as Thailand and Vietnam. India's non-Basmati rice prices are lower, even with the 20% export duty imposed on non-basmati parboiled rice.



## Risks and Concerns

KRBL strongly emphasises implementing a comprehensive system for managing risks, aiming to achieve its objectives while ensuring the organisation's sustainability. The Company management actively identifies, analyses, assesses, manages and controls risks that may impact operations. This process is led by the company's senior management, with support from various committees that regularly review and monitor risks in line with governance standards. KRBL Limited's risk management approach aligns with its strategy and contributes to its successful implementation.

### Exposure to Trade Policies and Government Regulations

- Changes in the trade policies of key importing countries or government regulations, such as export bans or alterations in export duties, can impact the Company's export revenues.

#### Risk Mitigation:

- KRBL revenue is diversified into different geographies, domestically and in the export market (90+ countries), thereby reducing risk by not depending on any single customer or country.
- Approximately 85% of world Basmati exports are from India and therefore, countries looking to purchase Basmati rice have limited alternatives.
- KRBL has established a process for the legal team to identify regulatory changes and their associated impacts to stay abreast of compliance requirements worldwide.
- Basmati rice is a premium product, so it is less likely to be affected by food security concern-oriented policy developments.
- National Food Security Mission (NFSM) – have all helped boost production while supporting farmers and food security.

### Vulnerability to Foreign Exchange and Agro-Climatic Risks

- As a significant portion of its turnover comes from exports, the Company is exposed to foreign currency fluctuations. To manage this risk, the Company has a hedging policy in place. Additionally, being in the agricultural industry, KRBL faces agro-climatic risks that affect the availability and quality of raw materials, consequently impacting Basmati rice prices.

#### Risk Mitigation:

- Foreign exchange risk is mitigated through a thought-out and well-structured foreign exchange risk management policy, which safeguards the Company from any unwanted foreign currency fluctuations by competently hedging all foreign currency exposures.
- Maintaining a sufficient inventory mitigates agroclimatic risk. During the basmati harvesting season from October to December, KRBL procures adequate paddy to meet the expected demand.
- KRBL conducts field surveys, trains farmers on best agricultural practices and deploys field officers to identify quality basmati paddy. KRBL also has quality control team at units to ensure the quality of products. All of these mitigate risks related to the quality of raw materials.
- KRBL can leverage its strong brand position in case of price increases and pass on the costs to the customers.



### Intense Industry Competition Risk

- The Basmati rice industry is highly fragmented, with numerous players competing for market share. This intense competition limits pricing flexibility for industry participants, including KRBL.

#### Risk Mitigation:

- A strong brand presence in both domestic and export markets serve as a mitigation strategy.
- The availability of KRBL products across all channels, including General Trade, e-commerce, and Modern Trade, ensures broader market reach and reduces reliance on a single distribution channel.
- Processes are in place to monitor the competitors and take necessary actions.
- KRBL has appropriate policies to monitor the distributors and channel partners.

### ESG Risk

KRBL faces certain ESG (Environmental, Social, and Governance) risks, which are as follows:

#### Environmental considerations:

The Company is significantly exposed to climate-change risks as the supply of its key input, paddy, relies on the monsoon. Paddy cultivation is water-intensive, posing sustainability challenges for this critical natural resource. While these environmental factors create supply-side risks. KRBL operations are energy intensive. Rice processing and milling produces also results in waste products.

#### Risk Mitigation:

- KRBL is actively involved in renewable energy initiatives by operating wind, solar, and bio mass plants to generate renewable energy.
- Waste products such as rice bran are effectively utilised to produce rice bran oil, furfural oil, furfural alcohol, cattle feed, and other valuable by-products.
- The Company is continuously working on reducing the use of plastics in packaging.

#### Social Considerations

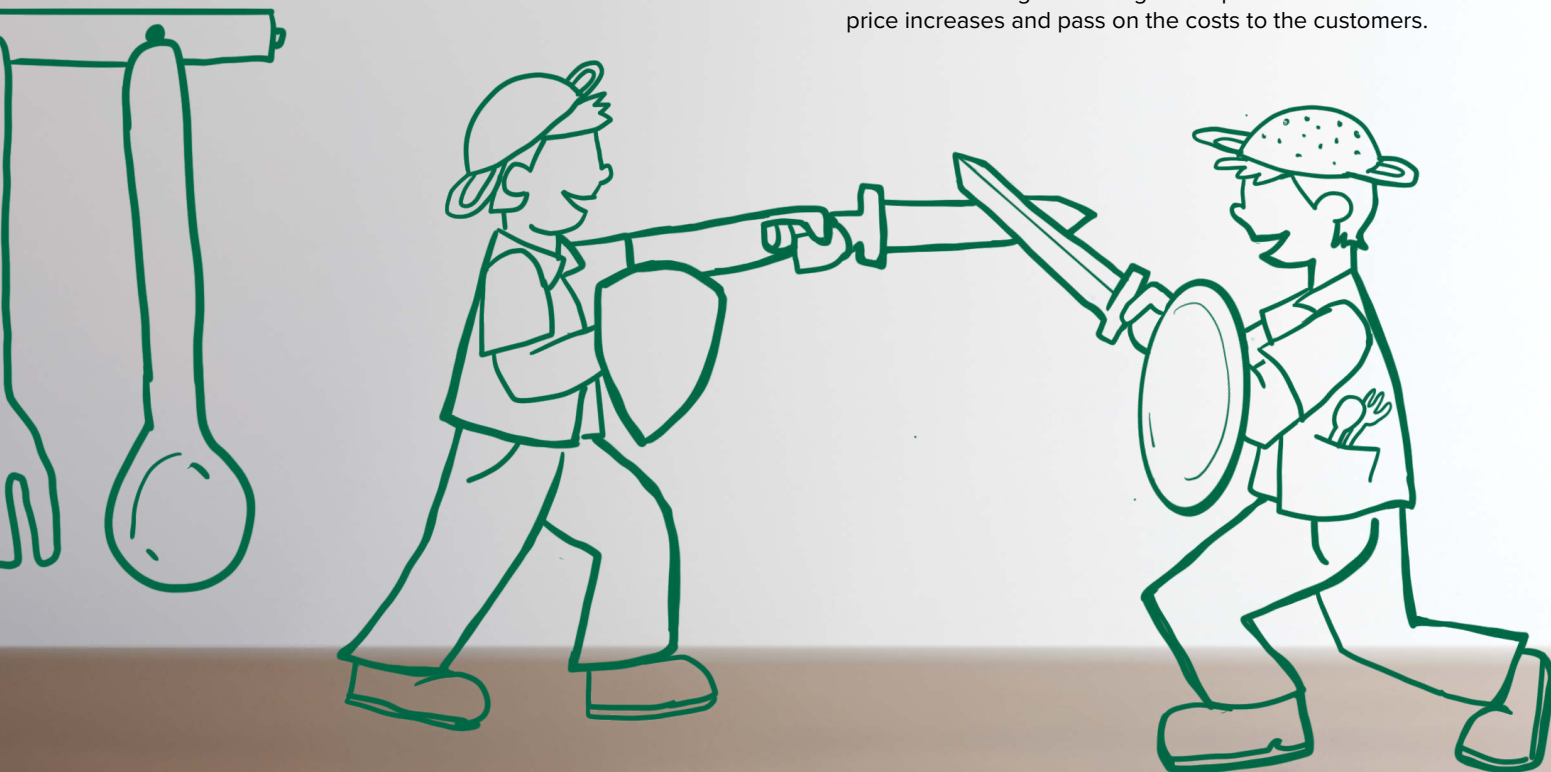
The Company relies on farmers for paddy procurement. KRBL supports farmers by providing them with superior quality seeds and offering training on agricultural techniques to maximise yields and optimise pesticide and fertiliser usage.

### Geographical Risk

A high dependency on any single country can lead to a decline in profitability.

#### Risk Mitigation:

- KRBL has a product presence in over 90 countries across the world. This diversified presence across multiple countries is expected to mitigate risks associated with geopolitical instability in certain regions.
- KRBL holds a significant market share in two major rice markets within the Middle East region.
- KRBL is the market leader in the branded Basmati segment of the domestic market.





### Human Capital Risk

- The Company's growth could be adversely affected if it cannot attract and retain talented individuals.

**Risk Mitigation:**

- KRBL Limited invests in recruiting talent that aligns with the organisation's values, as well as in talent development and employee engagement. This approach helps create fulfilling career opportunities at KRBL Limited.
- The Company strengthened its robust talent value proposition as one of the key focus areas to drive sustainable growth.

### IT Risk

- Cyber Security and IT risk could lead to financial loss and disruption or damage to the reputation of the Company from failure of its information technology systems.

**Risk Mitigation:**

- The Company has a dedicated cyber-security cell responsible for maintaining and continuously updating its computer systems to prevent data security issues. An organisation has implemented a firewall system that protects systems from computer attacks.
- Furthermore, a network security system monitors and controls incoming and outgoing network traffic based on the Company's cyber security rules.
- The Company periodically conducts assessments of cyber security through both internal and external parties and has a cybersecurity policy in place.

### Human Resources

- At KRBL, a core part of the business strategy is to provide an environment where all employees feel enabled, empowered, and committed. The Company's HR practices are aligned with industry best practices and have created a talent base, which helps reinforce leadership across countries. These practices enable it to seamlessly integrate professionals from different socio-economic backgrounds, countries, and cultures and invest in their formal and informal training. The Company focuses on diversity hiring and onboarding new talent from industry.
- During the reporting year, KRBL strives to strengthen its employee engagement across levels by providing an enriching work environment; it undertook HR transformation projects at various levels and maintained an ongoing dialogue with its people. During the year, the Company celebrated Independence Day, Diwali, Holi, and International Women's Day, among other events. The Company has always prioritised employee safety. Various safety training sessions were conducted at the Head Office and plants, including POSH training, fire safety training, cybersecurity training etc.
- KRBL believes its people are fundamental to great products, services and reputation. Therefore, it constantly endeavours to build a workforce of strong teams that include passionate, dedicated and highly-skilled professionals at the corporate and plant levels. The Company constantly introduces better systems and processes to enhance employee productivity and has conducted various training sessions for the overall skill development of employees.
- KRBL has been working towards developing, grooming and training its employees for next-level roles. It is inducting high-calibre talent to ensure the Company has the right people, teams and skills to grow its business. Its HR approach ensures the overall growth of an employee. The Company strives to ensure that its employees are well-rounded, feel safe in the work environment and are motivated and productive in their personal and professional lives.
- The Company's total employee strength as of March 31, 2024 stood at 2,768.

### Information Technology

Information technology (IT) has been an integral part of the process at KRBL and has been one of the key driving forces behind the growth achieved. Effective management of the Company's vast network of distribution channels is facilitated by its use of top-of-the-line technology. The Company is consistently scaling up its IT investments to upgrade technological processes and evolve infrastructure and IT security, which can maximise the potential of the countless growth opportunities in the digital universe. Various business processes have been streamlined across the organisation using various applications/tools successfully and integrated with company ERP. The Company adheres to e-waste regulations, ensuring proper disposal and recycling practices contributing to environmental sustainability. In addition to cybersecurity measures, KRBL's Cyber insurance coverage provides financial protection and assistance in the event of cyber incidents, mitigating potential financial losses and liabilities.

### Internal Control Systems and Adequacy

The Company prioritises transparency, ethics, and good corporate governance and has established strong internal controls integral to its growth process. It maintains proper accounting control and monitoring of operational efficiency; its policies ensure strict compliance with laws, and it works towards maintaining reliable financial and operational information. KRBL's Audit Committee is consistent in its periodic review of all audit reports, audit plans, audit findings of note, adequacy of internal controls and compliance with Indian Accounting Standards (Ind AS). Over and above this, the Audit Committee proposes improvements when necessary.

### Cautionary Statement

Readers are advised to kindly note that the above discussion contains statements about risks, concerns, and opportunities, which are valid only when making the statements. Various factors, known or unknown, expected or otherwise, may influence the financial results. These statements are not expected to be updated or revised to address any changes in the underlying presumptions. Readers may appreciate the context in which these statements are made before using the same.



## DIRECTORS' REPORT

To  
The Members  
**KRBL Limited**  
5190, Lahori Gate,  
Delhi - 110 006

Your Board of Directors are pleased to share with you the 31<sup>st</sup> Annual Report on the business and operations of the Company along with the summary of standalone and consolidated Financial Statements for the Financial Year ended March 31, 2024.

In compliance with the applicable provisions of the Companies Act 2013 ("the Act"), the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this Report is prepared based on the standalone Financial statements (except as stated) of the Company for the year under review.

### 1. OVERVIEW OF FINANCIAL PERFORMANCE

Key highlights of consolidated and standalone financial performance for the Financial Year ended March 31, 2024, are summarised as under:

(₹ in lacs, except as stated)

Particulars	Consolidated		Standalone	
	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from operations	5,38,469	5,36,474	5,38,469	5,36,474
Other income	9,696	9,278	9,666	9,250
<b>Total income</b>	<b>5,48,165</b>	<b>5,45,752</b>	<b>5,48,135</b>	<b>5,45,724</b>
Operating expenditure	4,58,240	4,42,595	4,58,253	4,42,602
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>89,925</b>	<b>1,03,157</b>	<b>89,882</b>	<b>1,03,122</b>
Finance costs	2,410	1,474	2,410	1,473
Depreciation and amortisation expense	7,937	7,565	7,935	7,561
<b>Profit before tax (PBT)</b>	<b>79,578</b>	<b>94,118</b>	<b>79,537</b>	<b>94,088</b>
<b>Tax expense:</b>	<b>19,992</b>	<b>24,020</b>	<b>19,992</b>	<b>24,020</b>
Current tax	21,066	24,890	21,066	24,890
Deferred tax credit	(1,074)	(870)	(1,074)	(870)
<b>Profit for the year</b>	<b>59,586</b>	<b>70,098</b>	<b>59,545</b>	<b>70,068</b>
Other comprehensive income for the year	(179)	379	(257)	300
Total comprehensive income for the year	59,407	70,477	59,288	70,368
<b>Earning per share (Face Value of ₹1 each)</b>				
i) Basic (in ₹)	25.69	29.78	25.67	29.77
ii) Diluted (in ₹)	25.69	29.78	25.67	29.77

### 2. STATE OF COMPANY AFFAIRS

The key highlights of the performance during the Financial Year 2023-24 on a consolidated basis are as under:

- Revenue from operations stood at ₹5,38,469 lacs (March, 31 2023 ₹5,36,474 lacs).
- Earnings before interest, tax, depreciation and amortisation (EBITDA) stands at ₹89,925 lacs (March 31, 2023 ₹1,03,157 lacs).
- Profit before tax (PBT) stood at ₹79,578 lacs (March 31, 2023 ₹94,118 lacs).
- Profit after tax (PAT) stood at ₹59,586 lacs (March 31, 2023 ₹70,098 lacs).
- Total comprehensive income for the year stood at ₹59,407 lacs (March 31, 2023 ₹70,477 lacs).
- Return on Capital Employed (ROCE) stood at 14.87% (March 31, 2023 19%).
- Net Worth increased by 3.5% to ₹4,858 lacs (March 31, 2023 ₹4,693 lacs).
- 6% CAGR growth in revenue (over the last decade).
- 7% CAGR growth in EBITDA (over the last decade).
- 9% CAGR growth in Net Profit (over the last decade).
- Earnings per Equity Share (EPS) for the year stood at ₹25.69 (March 31, 2023 ₹29.78).

- Detailed information on the business overview and outlook of the Company are in the Management Discussion & Analysis Report forming part of this Annual Report.

### 3. BUYBACK OF SHARES

Your Board of Directors in their meeting held on August 10, 2023 approved the buyback of 65,00,000 (Sixty Five Lacs) equity shares of ₹1/- (Rupee One only) each fully paid-up, representing approximately 2.76% of the total number of pre-buyback equity shares at a price of ₹500/- (Rupees Five Hundred only) per equity share aggregating to ₹325 Crore (Rupees Three Hundred and Twenty Five Crore only), being 6.94% and 6.96% of the fully paid-up equity share capital and free reserves of the Company as per the audited standalone and consolidated Financial Statements of the

Company as at March 31, 2023, respectively (which is within the statutory limits of 10% of the aggregate of the fully paid up equity share capital and free reserves of the Company, based on both standalone and consolidated Financial Statements of the Company, under the Board approval route as per the provisions of the Act and SEBI (Buyback of Securities) Regulations, 2018 ("the Buyback Regulations"), excluding the transaction cost relating to the buyback, from the members of the Company, including the promoters of the Company, on a proportionate basis under the tender offer route. Pursuant to the provisions of Section 68 of the Act read with rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 and the Buyback Regulations, the amount on account of buyback was paid to the members on September 13, 2023 and the corresponding equity shares were extinguished on September 20, 2023.

### PRE AND POST BUYBACK CAPITAL STRUCTURE IS AS UNDER:

Sr. No	Particulars	Pre Buyback		Post Buyback	
		No. of Equity Shares	Amount (in ₹ Crores)	No. of Equity Shares	Amount (in ₹ Crores)
1	Authorised Share Capital	30,00,00,000 equity shares of ₹1/-	30.00	30,00,00,000 equity shares of ₹1/-	30.00
2	Issued and Subscribed Share Capital	23,62,44,892 equity shares of ₹1/-	23.62	22,97,44,892 equity shares of ₹1/-	22.97
3	Fully Paid Up Share Capital	23,53,89,892 equity shares of ₹1/-	23.54	22,88,89,892 equity shares of ₹1/-	22.89

### 4. DIVIDEND

Your Board of Directors, in their meeting held on May 20, 2024, has recommended a final dividend of ₹4/- (Rupees Four Only) per equity share of face value of ₹1/- (Rupee One Only) each for the year ended March 31, 2024. The proposed dividend shall be paid subject to the approval of shareholders in the ensuing Annual General Meeting ("AGM") of the Company. The final dividend as recommended by the Company is in accordance with the Dividend Distribution Policy of the Company framed pursuant to Regulation 43A of SEBI Listing Regulations. The Dividend Distribution Policy of the Company can be accessed on the Company's website at [https://krblrice.com/policy-guidelines/REVISED\\_DIVIDEND\\_DISTRIBUTION\\_POLICY.pdf](https://krblrice.com/policy-guidelines/REVISED_DIVIDEND_DISTRIBUTION_POLICY.pdf).

### 5. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE FINANCIAL YEAR

During the Financial Year 2023-24, no entity became or ceased to be a Subsidiary, Joint Venture or Associate of the Company.

### 6. TRANSFER TO RESERVES

During the year under review, no amount was transferred to any of the reserves by the Company.

### 7. SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on March 31, 2024 is ₹2,289 Lacs. During the year under review, your Company has successfully completed the buyback as mentioned in Para 3 above.

Further, the Company has no other type of securities except equity shares forming part of Share Capital of the Company.

### 8. TRANSFER OF UNCLAIMED DIVIDEND/ SHARES TO INVESTOR EDUCATION & PROTECTION FUND AUTHORITY

Pursuant to the provisions of Section 124 and 125 of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) ("IEPF Rules"), all dividend which were unpaid or unclaimed for seven consecutive years or more are liable to be transferred to the Investors Education and Protection Fund ("IEPF") Authority. Accordingly, the Company transferred an amount aggregating to ₹5,92,829 (Rupees Five Lacs Ninety Two Thousand Eight Hundred and Twenty Nine Only) to the IEPF Fund during the Financial Year 2023-24. This amount was lying unclaimed with the Company for a period of seven consecutive years or more after the declaration of dividend for the Financial Year 2015-16.

Further, the Company has transferred 1,656 (one thousand six hundred and fifty six) equity shares which belong to 27 (twenty seven) shareholders whose dividend has not been claimed for 7 (seven) consecutive years or more as on the due date of transfer i.e. April 16, 2023, to the demat account of IEPF Authority.

As per the IEPF Rules, Companies are required to inform regarding the transfer of shares to those members whose shares are due for transfer to IEPF, three months prior to such transfer and also publish newspaper advertisement for the same.

In order to prevent the shares from getting transferred to IEPF, Members, who have not claimed their dividends for the previous seven years, are hereby requested to approach the Company or its RTA to claim the same, by complying with the necessary requirements.

A list of unpaid or unclaimed dividends liable to be transferred to IEPF, is available on the website of the Company at : <https://krblrice.com/unclaimed-dividends/> and on the IEPF website at [www.iepf.gov.in](http://www.iepf.gov.in).

#### 9. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes or commitments that have affected the financial position of the Company between the close of FY 2023-24 till the date of this report.

#### 10. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year there has been no change in the nature of the business of the Company.

#### 11. SEGMENT REPORTING

A separate reportable segment section forms part of notes to the Financial Statements.

#### 12. CASH FLOW STATEMENT

The Cash Flow Statement, forming part of the financial statements of the Company for the Financial Year ending on March 31, 2024 has been prepared in accordance with Ind AS-7.

#### 13. FAMILIARIZATION AND INDUCTION PROGRAMME FOR DIRECTORS INCLUDING INDEPENDENT DIRECTORS

All the Directors (including Independent Non-Executive Directors) are familiarised with the operations and functioning of the Company at the time of their appointment and on an ongoing basis. Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company has an orientation process/familiarization programme for its Directors (including Independent Directors), which includes sessions on various business and functional matters.

The induction program is an exhaustive exercise that covers the history, culture and background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the business and operations.

The Directors are also briefed on their role, responsibilities, duties and obligations, including the matters relating to Corporate Governance, Code of Business Conduct, Risk Framework, Compliance & Regulatory Framework, Internal Audit etc.

In addition to the above, the Board of Directors are familiarized with the recent developments and changes through various trainings sessions, on a regular basis.

The Company also organises Awareness Programmes and visits to units of the Company for the Independent Non-Executive Directors. During the visit the Independent Directors are apprised on the plants operation system, safety measures initiated thereat, process of power generation etc.

The details of the familiarization and training programs attended by Independent Directors are available on the Company's website and can be accessed at <https://krblrice.com/wp-content/uploads/2022/06/Familiarization.pdf>

#### 14. SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

The Company has two Subsidiary Companies viz., KRBL DMCC, Dubai (comprises of a step down wholly owned subsidiary) and K B Exports Private Limited, India. There is no Associate Company within the meaning of Section 2(6) of the Act. There has not been any material change in the nature of the business of the subsidiary companies during the Financial Year 2023-24.

Both the subsidiaries of the Company are managed by their respective Board of Directors. The Annual Financial Statements and minutes of the meetings of the subsidiary companies are periodically reviewed by the Audit Committee and Board of Directors of the Company. The management periodically brings to the notice of the Audit Committee and the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by the subsidiaries, if any.

The Company does not have any material subsidiary. The Company's policy for determination of a material subsidiary as approved by the Board, available on the Company's website and can be accessed at <https://krblrice.com/policy-guidelines/Policy-For-Determining-Material-Subsidiaries.pdf>.

The consolidated Financial Statements of the Company for the Financial Year 2023-24 are prepared in compliance with applicable provisions of the Act, read with the Rules made thereunder, applicable Indian Accounting Standards (Ind-As) and SEBI Listing Regulations. The Consolidated Financial Statements have been prepared by consolidating the audited Financial Statements of the Company and its Subsidiaries. Further, pursuant to the proviso of sub section (3) of Section

129 of the Act read with the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Financial Statements of Subsidiaries in the prescribed form AOC-1 is attached as 'Annexure 1' and forms part of this Report.

The Audited Financial Statements including the Consolidated Financial Statements and the related information of the Company and the separate Financial Statement of the subsidiary companies, are available at the website of the Company at <https://krblrice.com/subsidiary-companies>. Any member desirous of inspecting or obtaining copies of the audited Financial Statements, including the Consolidated Financial Statements may write to the Company at [investor@krblindia.com](mailto:investor@krblindia.com).

#### 15. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### BOARD COMPOSITION

The Company values and believes in having a diverse Board. A diverse Board with variation in experience, thoughts, perspective, skill sets, gender and expertise ensures constructive deliberations, effective decision making and fosters innovation in various functional domains.

The Board of the Company has an optimum combination of Executive and Non-Executive Directors and is comprised of eminent personalities with proven track record of competence and integrity. Besides the experience, strong financial expertise, strategic astuteness and leadership qualities, they exhibit a notable level of dedication to the Company and consistently allocate sufficient time for both meetings and preparation.

The Board of Directors of the Company acts as catalyst in driving superior business performance by actively guiding and supporting innovation in products, process, marketing, organization and strategy.

As on March 31, 2024, the Company's Board has a strength of 9 (nine) Directors including 2 (two) Women Directors. The Chairperson of the Board is an Executive Director. The composition of the Board is as below:

Category	Number of Directors	% of Total Number of Directors
Executive Directors	4	45
Independent Non-Executive Directors*	5	55

\* During the year under review, Mr. Surinder Singh (DIN: 08200756) was appointed as Additional Director (Non-Executive Independent) in the Board meeting held on August 10, 2023 and his appointment was approved by the Shareholders at the 30<sup>th</sup> AGM of the Company held on September 28, 2023.

For detailed information on the Board of Directors, please refer the 'Report on Corporate Governance'.

In opinion of the Board, all the Directors, as well as the Directors appointed/re-appointed during the year possess the requisite qualifications, experience and expertise and hold high standards of integrity.

#### KEY MANAGERIAL PERSONNEL

The details of Key Managerial Personnel(s) ("KMPs") of the Company in accordance with the provisions of Section 2(51) and Section 203 of the Act, read with rules framed thereunder are as follows:

S. No.	Name of KMPs	Designation
1.	Mr. Anil Kumar Mittal	Chairperson & Managing Director
2.	Mr. Arun Kumar Gupta	Joint Managing Director
3.	Mr. Anoop Kumar Gupta	Joint Managing Director
4.	Ms. Priyanka Mittal	Whole Time Director
5.	Mr. Ashish Jain	Chief Financial Officer
6.	Mr. Piyush Asija*	Company Secretary & Compliance Officer

\*During the period under review, Mr. Piyush Asija was appointed as Company Secretary & Compliance Officer w.e.f. February 13, 2024. Ms. Jyoti Verma resigned from the position of Company Secretary w.e.f. closing of business hours of November, 20 2023.

Except as stated above, there was no change in the Key Managerial Personnel of the Company, during the year under review.

#### DECLARATION BY DIRECTORS

The Company has inter alia, received the following declarations from all the Independent Directors confirming that:

- they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act.
- they are registered with the Independent Director's Databank maintained by the Indian Institute of Corporate Affairs.

The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics. Based on the disclosure received, the Board is of opinion that, all the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are independent of the management.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) or are debarred or disqualified by SEBI, Ministry of Corporate Affairs ("MCA") or any other such statutory authority.

The Company has received certification from a Practicing Company Secretary confirming that:

- None of the Directors on the Board of the Company have been debarred or disqualified from being appointed

and/or continuing as Directors by the SEBI/MCA or any other such statutory authority.

b) Certificate on Corporate Governance

**RETIREMENT BY ROTATION AND SUBSEQUENT RE-APPOINTMENT**

As per Section 152 of the Act, two-third of the Board of Directors (other than Independent Directors) shall be liable to retire by rotation of which atleast one-third shall retire at each AGM. Accordingly, Mr. Anil Kumar Mittal, Chairperson and Managing Director being the longest serving Director, will retire at the 31<sup>st</sup> AGM and being eligible offers himself for re-appointment without constituting a break in his term as Chairperson and Managing Director.

A brief resume of Mr. Anil Kumar Mittal (DIN: 00030100) along with the other details as stipulated under Regulation 36 of SEBI Listing Regulations and Secretarial Standards on General Meetings (“SS-2”) are provided in the Notice for convening the 31<sup>st</sup> AGM of the Company.

**RETIRING DIRECTORS**

Mr. Vinod Ahuja (DIN: 00030390), Mr. Shyam Arora (DIN: 00742924) and Mr. Devendra Kumar Agarwal (DIN: 06754542), Independent Non-Executive Directors of the Company will be retiring from the Board of Directors from closing of business hours on September 13, 2024 due to completion of their second (2<sup>nd</sup>) term as Independent Non-Executive Directors of the Company in compliance with Section 149(11) of the Act.

**APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS**

Pursuant to Section 196 of the Act, the term of Managing Director(s) shall not exceed 5 (five) Years at a time, in consequence of which, existing term of office of Mr. Anil Kumar Mittal, Chairman & Managing Director, Mr. Arun Kumar Gupta, Joint Managing Director and Mr. Anoop Kumar Gupta, Joint Managing Director of the Company will be completing on December 01, 2024. On the recommendation of Nomination and Remuneration Committee, the Board in its meeting held on July 31, 2024 approved the re-appointment of Mr. Anil Kumar Mittal, Chairman & Managing Director, Mr. Arun Kumar Gupta, Joint Managing Director and Mr. Anoop Kumar Gupta, Joint Managing Director with effect from December 02, 2024 for a term of 5 (five) consecutive years subject to the approval of the shareholders.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on July 31, 2024 approved the re-appointment of Ms. Priyanka Sardana (DIN 00049811) (Independent Non-Executive Director) with effect from September 25, 2024 for a term of consecutive five (5) years subject to the approval of the shareholders.

Further the Board of Directors have approved the appointment of Mr. Ashok Pai (DIN:06874699) as Additional

Director (Independent Non-Executive Director) with effect from July 31, 2024 for a term of consecutive five (5) years subject to the approval of the shareholders.

The details of Directors seeking appointment/re-appointment/change in terms as stipulated under Regulation 36 of SEBI Listing Regulations and SS-2 are provided in the Notice for convening the 31<sup>st</sup> AGM of the Company.

**16. AUDIT COMMITTEE**

The Audit Committee of the Board of Directors has been constituted in conformity with the requirements of the SEBI Listing Regulations as well as Section 177 of the Act. The terms of reference of the Audit Committee are as set out in conformity with the Regulation 18 of SEBI Listing Regulations and Section 177 of the Act. The primary objective of the Committee is to monitor and provide effective supervision to the Management’s financial reporting process, review and approval of related party transactions, review the functioning of whistle blower mechanism and to ensure accurate and timely disclosures, with the highest levels of transparency, integrity, and quality of financial reporting.

As on March 31, 2024, the Audit Committee comprises of 4 (four) members out of which 3 (three) are Independent Non-Executive Directors and 1 (one) is an Executive Director. The Committee is chaired by an Independent Director. The details w.r.t. to the constitution of the committee is as follows;

Name	Designation	Category
Mr. Devendra Kumar Agarwal	Chairperson	Independent Non-Executive Director
Mr. Anoop Kumar Gupta	Member	Executive & Joint Managing Director
Mr. Shyam Arora	Member	Independent Non-Executive Director
Mr. Vinod Ahuja	Member	Independent Non-Executive Director

All the recommendations made by the Audit Committee from time to time were accepted by the Board of Directors. The details of the terms of reference, number of Audit Committee meetings held during the year and attendance of Audit Committee Members at such meetings etc. are provided in the 'Report on Corporate Governance'.

**17. POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGERIAL PERSONNEL AND OTHER EMPLOYEES.**

The remuneration paid to Directors, Key Managerial Personnel (KMP), Senior Managerial Personnel (SMP), and Other Employees reflects a conscientious alignment with their respective roles and responsibilities within the Company.

The Company has a duly approved Nomination, Remuneration and Board Diversity Policy. The said Policy ensures equitable compensation that motivates and acknowledges the contributions of employees effectively. By valuing the significance of each position, the company fosters a culture of fairness and meritocracy, enhancing overall organizational morale and productivity.

The remuneration paid to the Directors is in accordance with the Nomination, Remuneration and Board Diversity Policy of the Company formulated in accordance with Section 134(3)(e) and Section 178(3) of the Act read with Regulation 19 of the SEBI Listing Regulations. The salient features of the Policy are:

- i) To identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director, KMP and any Senior Managerial level and recommend the same to the Board for his / her appointment.
- ii) To devise the criteria for determining qualifications, positive attributes and independence of a Director.
- iii) To devise the criteria for evaluation of performance of the Board of Directors (including Independent Directors).
- iv) To evaluate the performance of the Board and its Committees and provide necessary report to the Board for further evaluation.
- v) To recommend to the Board on all remuneration in whatever form, payable to the Directors, the Key Managerial Personnel and the Senior Managerial Personnel and other Employees.
- vi) To develop a succession plan for the Board and the Senior Management and to regularly review the plan.

The full version of the Nomination, Remuneration and Board Diversity Policy of KRBL Limited can be accessed on the Company's website at [https://krblrice.com/wp-content/uploads/2024/08/KRBL\\_Nomination-Remuneration-and-Board-Diversity-Policy\\_Adopted.pdf](https://krblrice.com/wp-content/uploads/2024/08/KRBL_Nomination-Remuneration-and-Board-Diversity-Policy_Adopted.pdf)

**18. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS HELD DURING THE FINANCIAL YEAR 2023-24**

During the Financial Year under review the Board held 4 (Four) Meetings on May 30, 2023; August 10, 2023; November 09, 2023 and February 13, 2024. For more details thereof, kindly refer to the section 'Board Meetings and Procedures - Details of the Board Meetings held and attended by the Directors during the Financial Year 2023-24' in the 'Report on Corporate Governance'.

**19. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

In terms of the requirements of the Act and the SEBI Listing Regulations, an annual performance evaluation of the Board

is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and its Committees.

The Company has a structured assessment process for evaluation of performance of the Board, its Committees and individual performance of each Director including the Chairperson of the Board. The evolution is carried out in a confidential manner and the Directors provide their feedback by rating based on various metrics.

The aspects covered in the evaluation include the contribution to and monitoring of the corporate governance practices, participation in the long-term strategic planning and the fulfilment of Directors’ obligations and fiduciary responsibilities, including but not limited to, active participation in the Board and Committee Meetings.

In addition, the Chairperson was also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer the meetings, impartiality, ability to keep shareholder’s interests in mind and motivating and providing guidance to the Directors.

Following the framework, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the Board of Directors of the Company in its meeting held on May 20, 2024, had concluded the performance evaluation process for the Financial Year 2023-24 to the satisfaction of the Board.

The Independent Non-Executive Directors of the Company met separately without the presence of the Non-Independent Directors and inter-alia reviewed the performance of the members of management, Non-Independent Directors and the Board as a whole. Further, the performance of the Chairperson of the Company and the Committees were also reviewed in this meeting. The performance review conducted took into consideration the views of the Executive and Non-Executive Directors.

The Board Members submitted to the Nomination and Remuneration Committee, their response for evaluating the entire Board, respective Committees of which they are members and of their peer Board Members, including Chairperson of the Board.

The outcome of evaluation were noted by Nomination and Remuneration Committee and the Board and key outcomes, actionable areas were discussed and the same were acted upon.

It was further acknowledged that every individual Member and Committee of the Board contributed to the best of their abilities in the overall growth of the organization.

**20. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions under Section 134(5) of the Act, with respect to the Directors’ Responsibility Statement, the Directors confirm:

- i) that in the preparation of the Annual Accounts for the Financial Year ending on March 31, 2024, the applicable Indian Accounting Standards (Ind AS) have been followed, and that there are no material departures;
  - ii) that appropriate accounting policies have been selected and applied consistently.
- Further, judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs as at March 31, 2024 and of the profit of the Company for the Financial Year ending on March 31, 2024;
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud or any other irregularities;
  - iv) that the Annual Financial Statements for the Financial Year ending on March 31, 2024 have been prepared on a going concern basis;
  - v) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
  - vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate an operating effectively.

## 21. OPERATIONS, PERFORMANCE AND FUTURE OUTLOOK OF THE COMPANY

A detailed review of the operations, the performance and future outlook of the Company has been disclosed in 'Management Discussion and Analysis' Report pursuant to Regulation 34 read with Part B of Schedule V of the SEBI Listing Regulations.

## 22. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to provisions of Section 134(3)(m) of the Act, read with rules framed thereunder, the details of activities in the nature of Conservation of energy, research and development, technology absorption, adaptation and innovation and foreign exchange earnings and outgo are attached as 'Annexure 2' and forms part of this Report.

## 23. DETAILS PURSUANT TO SECTION 197(12) OF THE ACT

The statement of disclosure of remuneration under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this report as 'Annexure 3'.

Further, as per second proviso to Section 136(1) of the Act read with Rule 5 of the said rules, the Board's Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees as required under Rule 5(2) of the Rules. Any member interested in obtaining a copy of the said statement may write to the Company at investor@krblindia.com up to the date of AGM.

## 24. ANNUAL RETURN

The draft of Annual Return for Financial Year 2023-24 in prescribed form 'MGT-7', pursuant to provisions of Section 92 of the Act read with the rules framed thereunder, is available on the website of the Company at <https://krblrice.com/annual-return/>. The Company will file the Annual Return with Registrar of Companies for the year 2023-24 within the timelines prescribed under the Act and the same will be made available on the website of your Company.

## 25. AUDITORS AND AUDITORS' REPORT

### I) STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Act, M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), were re-appointed as the Statutory Auditors of the Company by the Shareholders in the 30<sup>th</sup> AGM of the Company held on September 28, 2023 for a period of 5 years i.e. to hold office till the conclusion of the 35<sup>th</sup> AGM.

The observations made by the Statutory Auditors in their Report on the Audit of the Financial Statements (Standalone and Consolidated) and the notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report on the Financial Statements (Standalone and Consolidated) contains a qualified opinion provided hereunder:-

### Qualified Opinion in the Auditors' Report on the Standalone Financial Statements:

The Enforcement Directorate ("ED") vide their criminal complaint has made certain allegations against the Company, KRBL DMCC (a subsidiary company) and Mr. Anoop Kumar Gupta (JMD) as fully explained in Note 47(A)(3) of the accompanying standalone financial statements. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to obtain sufficient appropriate audit evidence that adequate internal financial controls with reference to financial statements relevant to prevention and timely detection of management override of controls were established and maintained, and if such controls operated effectively in all material respects, which could potentially result in the Company

not providing for adjustment, if any, that may be required to the accompanying standalone financial statements.

### Qualified Opinion in the Auditors' Report on the Consolidated Financial Statements:

The ED vide their criminal complaint has made certain allegations against the Holding Company, KRBL DMCC (a subsidiary company) and Mr. Anoop Kumar Gupta (JMD) as fully explained in Note 46(A)(3) of the accompanying consolidated financial statements. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to obtain sufficient appropriate audit evidence that adequate internal financial controls with reference to financial statements relevant to prevention and timely detection of management override of controls were established and maintained, and if such controls operated effectively in all material respects, which could potentially result in the Group not providing for adjustment, if any, that may be required to the accompanying consolidated financial statements.

The response of your Directors on the observation made by the Statutory Auditor is as follows:-

The Company appointed an independent professional firm ("IP") to review the aforesaid allegations and to assess the impact, if any, on the Financial Statements and control environment of the Company during the Financial Year ended March 31, 2022. During the Financial Year ended March 31, 2023, the IP issued a report to the Board of Directors which was discussed and approved in their previously held meeting, wherein the Board of Directors responded to the observations contained therein and basis that no further action was proposed.

The management of the Company is confident that the above stated matter will be resolved soon.

### II) COST AUDITORS

Pursuant to the provisions of Section 148 of the Act read with relevant notifications issued by MCA regarding the Cost Audit of power segment, the Company is required to have the audit of its Cost Records pertaining to power segment by a Cost Accountant in Practice. In this connection, considering the recommendation of Audit Committee, the Board of Directors approved the re-appointment of M/s. HVMN & Associates, Cost Accountants, having their office at, 909 GD-ITL, North Tower, A-09, Netaji Subhash Place, Pitampura, New Delhi- 110 034 as Cost Auditors of the Company to conduct the Cost Audit for the Financial Year 2023-24.

A resolution seeking members' approval for the ratification and confirmation of remuneration of Cost Auditors for the Financial Year 2024-25, forms part of the Notice calling AGM of the Company.

The Company is maintaining the requisite cost records as required under the applicable laws.

Further, the Cost Audit Report for the Financial Year 2022-23 has been duly filed and for Financial Year 2023-24, it will be filed within the stipulated time.

### III) SECRETARIAL AUDITORS

Pursuant to the provisions under Section 204(1) of the Act, read with rules framed thereunder and Regulation 24A of SEBI Listing Regulations, M/s. DMK Associates, Company Secretaries, having their office at 31/36 Basement, Old Rajender Nagar, Delhi-110060, was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2023-24.

The Secretarial Audit Report for the Financial Year 2023-24 in the prescribed form MR-3 is attached as 'Annexure 4' and forms part of this Report.

The observations given by the Auditors in their Report along with explanation to the same is as below:

"It is observed that the Company's unit located at Alipur, Delhi is only engaged in only sorting / grading / packing of finished product have not adhered to certain requirements under general laws applicable on it".

The response of your Directors on the observation made by the Secretarial Auditor is as follows:-

"The Company is taking all necessary steps to comply with the requirements at Alipur, Delhi unit."

### IV) INTERNAL AUDITORS

The Company has appointed M/s. S S Kothari Mehta & Co. LLP, Chartered Accountants, having their office at Plot No. 68, Okhla Industrial Area, Phase-III, New Delhi-110020, as the Internal Auditor of the Company.

## 26. SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors, General Meetings and on voluntary basis, the Standard on Report of the Board of Directors and with Secretarial Standards on Dividend.

## 27. CORPORATE GOVERNANCE REPORT

At KRBL Limited, Corporate Governance philosophy is rooted on principles of integrity, transparency, accountability and adherence to the highest standards of governance and regulatory compliance. The Company has adopted best in class governance standards and practices to ensure that the Board functions effectively. It is our firm belief that the essence of good Corporate Governance lies in the phrase 'Your Company'. It is 'Your Company' because it belongs to you - the Stakeholders. The Chairman and the Directors are 'Your' fiduciaries and trustees.



We have sincerely followed the best practices to boost the long-term shareholder value and to respect the minority rights. We also perceive it as our inherent responsibility to do accurate and timely disclosures.

Your Company is devoted to benchmarking itself with best global standards for providing good corporate governance. The Act and the SEBI Listing Regulations have strengthened the governance regime in the Country. Your Company complies with the governance requirements provided under SEBI Listing Regulations.

Pursuant to Regulation 34 read with Schedule V of the SEBI Listing Regulations, a separate section on the Corporate Governance Report forms an integral part of the Annual Report. A certificate from Practicing Company Secretary

confirming compliance with corporate governance norms, as stipulated under the Listing Regulations, is annexed to the Corporate Governance Report.

The Board has also evolved and implemented a Code of Conduct based on the principles of good corporate governance and best management practices adopted globally. The Code is available on the Company's website at: <https://krblrice.com/codes/Code-of-Business-Conduct-and-Ethics.pdf>

The Company has also adopted the below mentioned policies and codes in line with the corporate governance requirements, given below are the link for your quick reference;

Policy	Website Link
Policy on Preservation of Documents and Archival.	<a href="https://krblrice.com/policy-guidelines/Policy%20on%20Preservation%20of%20Documents%20and%20Archival.pdf">https://krblrice.com/policy-guidelines/Policy%20on%20Preservation%20of%20Documents%20and%20Archival.pdf</a>
Policy on Sexual Harassment (Policy on POSH).	<a href="https://krblrice.com/policy-guidelines/SEXUAL%20HARASSMENT%20POLICY.pdf">https://krblrice.com/policy-guidelines/SEXUAL%20HARASSMENT%20POLICY.pdf</a>
Nomination, Remuneration and Board Diversity Policy	<a href="https://krblrice.com/wp-content/uploads/2024/08/KRBL_Nomination-Remuneration-and-Board-Diversity-Policy_Adopted.pdf">https://krblrice.com/wp-content/uploads/2024/08/KRBL_Nomination-Remuneration-and-Board-Diversity-Policy_Adopted.pdf</a>
Vigil Mechanism (Whistle Blower Policy).	<a href="https://krblrice.com/policy-guidelines/Vigil-Mechanism-(Whistle-Blower%20Policy).pdf">https://krblrice.com/policy-guidelines/Vigil-Mechanism-(Whistle-Blower%20Policy).pdf</a>
Corporate Social Responsibility Policy.	<a href="https://krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf">https://krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf</a>
Dividend Distribution Policy.	<a href="https://krblrice.com/policy-guidelines/REVISED_DIVIDEND_DISTRIBUTION_POLICY.pdf">https://krblrice.com/policy-guidelines/REVISED_DIVIDEND_DISTRIBUTION_POLICY.pdf</a>
Policy for Determination of Materiality for Disclosure of Event or Information.	<a href="https://krblrice.com/policy-guidelines/Policy%20for%20Determination%20of%20Materiality.pdf">https://krblrice.com/policy-guidelines/Policy%20for%20Determination%20of%20Materiality.pdf</a>
Policy on Related Party Transactions.	<a href="https://krblrice.com/wp-content/uploads/2022/03/1.-Policy-on-Related-Party-Transactions..pdf">https://krblrice.com/wp-content/uploads/2022/03/1.-Policy-on-Related-Party-Transactions..pdf</a>
Policy for Determining Material Subsidiaries.	<a href="https://krblrice.com/policy-guidelines/Policy-For-Determining-Material-Subsidiaries.pdf">https://krblrice.com/policy-guidelines/Policy-For-Determining-Material-Subsidiaries.pdf</a>
Stakeholder Engagement and Grievance Redressal Policy	<a href="https://krblrice.com/wp-content/uploads/2024/08/SEGR-Policy-31.07.2024-Adopted.pdf">https://krblrice.com/wp-content/uploads/2024/08/SEGR-Policy-31.07.2024-Adopted.pdf</a>
Anti-Discrimination and Equal Opportunity Policy	<a href="https://krblrice.com/wp-content/uploads/2024/08/AntiDiscriminationand-Equal-Opportunity-policy.pdf">https://krblrice.com/wp-content/uploads/2024/08/AntiDiscriminationand-Equal-Opportunity-policy.pdf</a>
Insider Trading Policy	<a href="https://krblrice.com/wp-content/uploads/2024/07/KRBL_Insider_Trading_Policy.pdf">https://krblrice.com/wp-content/uploads/2024/07/KRBL_Insider_Trading_Policy.pdf</a>
Code of Business Conduct and Ethics for the Board of Directors, Senior Management Personnel and Other Employees.	<a href="https://krblrice.com/codes/Code-of-Business-Conduct-and-Ethics.pdf">https://krblrice.com/codes/Code-of-Business-Conduct-and-Ethics.pdf</a>

All the above-mentioned policies and codes are made available on the Company's website under the link <https://krblrice.com/policies-codes-related-documents> and are frequently reviewed by the Board of Directors.

### 28. CSR & ESG COMMITTEE

Pursuant to requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time and on the

recommendation of the CSR Committee, the Board adopted a CSR Policy. With a vision to actively contribute to the social and economic development of the society in which your Company operates, the Company has undertaken projects/ programs directly and through implementing agencies, in accordance with the CSR Policy of the Company.

The Company has also established a mechanism of focused discussions on ESG matters in meetings and through

constitution of specific Committee of Board i.e., Corporate Social Responsibility and ESG Committee

The primary functions of this Committee are inter alia to approve, review and monitor CSR projects & programmes including the expenditure incurred, impact assessment and to review the ESG strategy and reporting.

The CSR & ESG Committee is chaired by Mr. Anil Kumar Mittal, Chairman & Managing Director. The other Members of the Committee are Mr. Anoop Kumar Gupta, Joint Managing Director and Mr. Vinod Ahuja, Independent Non-Executive Director.

The Company's policy on CSR envisages expenditure in areas falling within the purview of Schedule VII of the Act and as permitted under the applicable laws. The detailed CSR policy is available on the Company's website at <https://krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf>

We elevate concepts such as commitment, growth and sustainability to a level where they extend seamlessly to our surrounding environment and society. Within this sphere, every endeavour we undertake aims for inclusive growth, enriching both our organization and the broader community. This philosophy of holistic well-being serves as our guiding principle, anchoring us to our responsibilities and grounding our actions in the pursuit of collective prosperity.

The Company believes that sustainable business growth rests on the triple bottom line approach, the growth of our people, safeguarding the environment where we operate. We also understand that the wellbeing of the community where we operate helps us grow our business and hence we value people around our operating facilities and promote inclusive growth. We endeavour to serve society and achieve excellence. We emphasize on improving the quality of life and engage with the communities by ensuring environmental sustainability, promoting healthcare, education and many other such activities.

The Annual Report on CSR activities is attached as 'Annexure 5' forming part of this Report.

### 29. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

At KRBL Limited, we have ingrained sustainability into the core of our operations. We perceive our obligation to spearhead sustainable development not solely as a societal duty but also as a chance to prosper through actions. Through our commitment to sustainable development, surpassing basic information disclosures mandates and regulatory standards, our goal is to safeguard and enhance value for all stakeholders.

The BRSR for Financial Year 2023-24 is aligned with the nine principles of the National Guidelines on Responsible Business Conduct notified by the Ministry of Corporate Affairs, Government of India and the updated reporting framework as published by the SEBI.

In compliance with the SEBI Listing Regulations, the BRSR disclosures are part of the Annual Report. It aims at describing KRBL's initiatives in discharging responsibilities from an Environmental, Social and Governance perspective. The BRSR is attached as 'Annexure 7' forming part of this Report.

### 30. INTERNAL FINANCIAL CONTROL (IFC) SYSTEM AND THEIR ADEQUACY

The Company possesses robust internal control systems and top tier processes that align with its size and operational scope. These include. Implementation of an internal control system, commensurating with the size, scale and complexity of its operations. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The conduct of Internal Audit is oriented towards the review of internal controls and risks in the Company's operations and covers all functions.

The Audit Committee is presented with a summary of recommendations and follow-up actions thereon. Business risk assessment procedures have been set in place for self-assessment of business risks, operating controls and compliance with corporate policies.

This is an ongoing process to track the evolution of risks and delivery of mitigating action plans. The audit procedures monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating procedures, accounting procedures and policies at all locations of the Company.

The Company has a clearly defined delegation of authority, with limits on the power to approve revenue and expenditures that are regularly reviewed and adjusted as needed. This facilitates seamless decision-making in both day to day operations and in the development of long- and short term business strategies.

The Company has established several Board Committees that are mainly composed of Independent Non-Executive Directors to oversee and govern the effectiveness of internal controls and its corporate governance framework. The Corporate Governance Report, which is included in this Annual Report, provides further information about these Committees.

Further, Audit Committee interacts with the Statutory Auditors, Internal Auditors and the Management in dealing with matters within its terms of reference. During the year under review, Internal Financial controls were assessed and no reportable material weakness in the design or operations was observed. Accordingly, the Board believes

that the Company's IFCs were adequate and effective during Financial Year 2023-24.

Kindly refer Statutory Auditors Report on Internal Financial Control forming part of the Financial Statements.

### 31. RISK MANAGEMENT

The Board of Directors of the Company has ensured that effective risk identification, assessment and mitigation strategies are in place. The Board has constituted a Risk Management Committee to frame, implement and monitor the Risk Management Plan for the Company and ensures its effectiveness. The main objective of the Committee is to assist the Board in identifying the different internal and external risks specifically faced by a listed entity, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee. The Committee also suggests measures for risk mitigation including systems and processes for internal control of identified risks and formulate business continuity plan etc. The Board of Directors in consultation with the Risk Management Committee has also developed Risk Management Policy for the Company which articulates the Company's approach to address the uncertainties of elements of risk in its endeavour to achieve its stated and implicit objectives. For details refer to 'Report on Corporate Governance'.

### 32. RATINGS

During the Financial Year 2023-24, the Company obtained various ratings, which are as follows:

- CARE: In September 2023, "CARE" has reviewed and reaffirmed "[CARE]A1+" rating for Commercial Paper (CP) Limits of KRBL Limited.
- ICRA: In February 2024, "ICRA" has reviewed and reaffirmed "[ICRA] AA (Stable)" rating for Bank Limits on Long-term scale and reaffirmed "[ICRA] A1+" rating for Bank Limits on Short-term scale and Commercial Paper (CP) Limits of KRBL Limited.

### 33. DISCLOSURE ON DEPOSITS UNDER CHAPTER V

The Company has neither accepted nor renewed any Deposits during the Financial Year 2023-24 in terms of Chapter V of the Act. Further, the Company is not having any Unpaid or Unclaimed Deposits at the end of the Financial Year 2023-24.

### 34. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a safe and conducive work environment to all its women employees. As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment Act"), the Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of

sexual harassment complaints at workplace and an Internal Complaints Committee has also been set up to redress any such complaints received. The policy is available on the Company's website at the weblink: <https://krblrice.com/policy-guidelines/SEXUAL%20HARASSMENT%20POLICY.pdf>

The Company periodically conducts sessions and training for its employees across the organisation to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act.

The Company hasn't received any Complaints on Sexual Harassment during the Financial Year under review.

The Internal Complaints Committees of the Company has also submitted its Annual Report on Sexual Harassment to Mr. Anoop Kumar Gupta, Joint Managing Director and also to the Concerned District Officers where the Committee locates, declaring that no Complaints were received during the Year.

### 35. DEPOSITORY SYSTEM

The shares of the Company are traded in the dematerialised form under both the Depository Systems - NSDL and CDSL. The Identification Number ('ISIN') allotted to the Company's shares under the Depository System is INE001B01026.

Requests for dematerialisation of shares are processed and confirmed within the applicable timelines, subject to the documents being valid and complete in all respects.

The shares of the Company were not suspended from trading during the year under review. The Company's shares are compulsorily tradable in electronic form. As on March 31, 2024, 99.96% of the Company's Paid-up Equity Share Capital representing 22,88,01,805 equity shares are in dematerialized form with both the Depositories.

M/s. Alankit Assignments Limited, a Category-I SEBI registered RTA is the Registrar and Share Transfer Agent of the Company.

### 36. CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

During the year under review there was no change in Capital Structure and Listing of Shares except the buyback of shares as defined under Para 3 of the Directors' Report. The Company's shares are listed and actively traded on the below mentioned Stock Exchanges:-

#### I. NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

"Exchange Plaza" C-1, Block G,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai-400 051

#### II. BSE LIMITED (BSE)

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001

### 37. PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENT(S) UNDER SECTION 186 OF THE ACT

Details of investments are given in the Note 12 and 11 to the Standalone and Consolidated Financial Statements respectively.

### 38. PARTICULARS OF LOAN(S) FROM DIRECTORS UNDER SECTION 73 OF THE ACT

For particulars of loan(s) from Directors refer Note 46 & 43 of the Standalone and Consolidated Financial Statements, respectively, forming part of this Annual Report. The declarations in writing confirming that the amount is not being given out of funds acquired by them by borrowing or accepting loans or deposits from others have also been received by the Company from all the concerned Directors.

### 39. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE ACT

During the Financial Year 2023-24, the Company has entered into transactions with Related Parties. The transactions as entered into by the Company with the Related Parties were in the ordinary course of business and on an arm's length basis are in accordance with the provisions of the Act, read with the rules framed thereunder and SEBI Listing Regulations. Further, there were no transactions with related parties which qualify as Material Transactions under the SEBI Listing Regulations.

The Audit Committee considered, approved Omnibus Approval for entering into transactions with related parties for the Financial Year 2023-24, which are repetitive in nature, at arm's length and in ordinary course of business, which was further approved by the Board. The transactions entered pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee for quarterly review. The details of the related party Transactions as per Indian Accounting Standard (Ind AS) 24 are set out in Note 46 to the Standalone Financial Statements forming part of this Report.

Pursuant to the provisions of Section 188 of the Act read with rules framed thereunder, the disclosure of particulars of contracts/arrangements with Related Parties in Form AOC-2 is attached as 'Annexure 6' and forms part of this Report.

The Company has a well-defined process of identification of related parties and tracking transactions with related parties, its approval and review process. The Company has a Policy on Related Party Transactions, the same is also available on the Company's website at <https://krblrice.com/wp-content/uploads/2022/03/1.-Policy-on-Related-Party-Transactions..pdf>.

### 40. DISCLOSURE ON VIGIL MECHANISM (WHISTLE BLOWER POLICY)

The Company is dedicated to uphold the utmost standards of ethical, moral and legal business conduct. Pursuant to the provisions of Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, the Company has established a

mechanism called 'Vigil Mechanism (Whistle Blower Policy)' for Directors and Employees to report unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics, policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the Directors and Employees to report their concerns directly to the Chairman of the Audit Committee of the Company.

The Company has not received any complaint under this mechanism during the Financial Year 2023-24.

Whistle Blower Policy as approved by the Board is available on the Company's website at the weblink [https://krblrice.com/policy-guidelines/Vigil-Mechanism-\(Whistle-Blower%20Policy\).pdf](https://krblrice.com/policy-guidelines/Vigil-Mechanism-(Whistle-Blower%20Policy).pdf)

### 41. ENVIRONMENT, HEALTH AND SAFETY ("EHS")

At KRBL Limited, we recognize our responsibility to safeguard the environment, promote health and ensure safety in all aspects of our operations. Through stringent policies and continuous improvement initiatives, we mitigate environmental impact, prioritize employee well-being, and maintain safe working conditions.

By fostering a culture of awareness and accountability, we empower employees to actively contribute to our EHS objectives. Through proactive measures, regular training and effective communication, we strive to achieve excellence in environmental stewardship, employee health and workplace safety.

For detailed information on the Employee Health and Safety, please refer the 'Annexure 7' on Business Responsibility and Sustainability Reporting.

### 42. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material order has been passed by the regulators, courts and tribunals impacting the going concern status and the Company's operations in future.

### 43. DISCLOSURE ON MATERIAL LEGAL CASES

In addition to the matter(s) reported under Para No. 25, following are the material cases of the Company are as follows:

A portion of land parcels and building thereupon, situated at Dhuri, Punjab was attached by the Directorate of Enforcement ('ED') to the extent of value of ₹ 1,532 lakh in connection with a money laundering investigation which is currently pending before the Special Judge, CBI Court. The Appellate Tribunal, PMLA, New Delhi, ("Appellate Tribunal") had restored the possession of the attached land on interim basis in favour of the Company. However, aforesaid attachment would continue till conclusion of the matter. Against the order of the Appellate Tribunal, ED had filed an appeal before the Hon'ble High Court of Delhi, which is pending for hearing. The Company filed an application before the Hon'ble High

Court of Delhi for restoration of possession of the land in favour of the Company and High court allowed the Company to take physical possession of the said land parcels and building thereupon for specified purpose against the deposit of ₹ 1,113 lakh, (deposited on 5 November 2020), as an interim relief until conclusion of the aforesaid matter, without prejudice to the rights and contentions of the parties to be decided in the appeal. The management based upon the legal assessments, is confident that it has a favourable case and the said attachment shall be vacated.

Indirect tax cases mainly comprise of matters relating to VAT, sales tax pending at various levels. It also includes the matters related to mandi fee levied under the Agricultural Produce Market Committee Act, 2003 for an amount of ₹ 390 lacs.

Other matters comprise of civil cases under CPC 1908, Trade Mark Act 1999, Consumer Protection Act 1986 and other disputes with customers etc. pending at various levels.

Based on the legal opinion, the Company is of the firm belief that the above demands are not tenable and highly unlikely to be retained by higher authorities and is accordingly not carrying any provision in its books in respect of such demands. The amounts disclosed are based on the orders/notices received from the authorities.

#### 44. INDUSTRIAL RELATIONS

Your Company understands that establishment of strong industrial relationships is crucial for fostering a harmonious work environment and ensuring mutual respect between management and employees. The Company optimised the use of effective communication channels and transparent policies including Stakeholder Engagement and Grievance Redressal Policy to promote trust and collaboration, leading to increased productivity and employee satisfaction.

The Company understands that regular dialogue and fair treatment of workers' rights cultivate a positive workplace culture, enhancing the company's reputation and attracting top talent in the industry.

By fostering strong ties with suppliers, manufacturers, distributors and other stakeholders, your Company ensures timely delivery of goods and services, thereby meeting customer demands efficiently. The Company by proactively resolving conflicts and addressing concerns through constructive dialogue demonstrates commitment to sustainable business practices and long-term partnerships.

The Company has been successfully maintaining healthy, cordial and harmonious industrial relations at all levels. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry.

The Company has continuously received co-operation and unstinted support from the distributors, retailers, stockists, suppliers and associated with the Company. The Company

will continue its endeavor to build and nurture strong bonding with its trade partners based on mutuality, respect and co-operation with each other and consistent with consumer interest.

#### 45. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Pursuant to applicable regulations 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, The Company has a comprehensive Insider Trading Policy which includes:

1. Code of Conduct to Regulate, Monitor and Report trading by Insiders;
2. Code of Practices & Procedures for fair disclosure of Unpublished Price Sensitive Information and Policy for determination of "Legitimate Purpose";
3. Policy & Procedures for inquiry in case of leak of Unpublished Price Sensitive Information.

The said Code is available on the Company's website at the weblink [https://krblrice.com/wp-content/uploads/2024/07/KRBL\\_Insider\\_Trading\\_Policy.pdf](https://krblrice.com/wp-content/uploads/2024/07/KRBL_Insider_Trading_Policy.pdf)

#### 46. MAJOR AWARDS AND CERTIFICATIONS

We are pleased to inform you of the significant awards and certifications received by your company this year. These accolades underscore our commitment to excellence and industry leadership. These achievements not only enhance our brand reputation but also validate our strategic initiatives and operational efficiency. For details please refer page 39 of the Annual Report.

#### 47. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- i) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.
- iii) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- iv) No application has been made or proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year.
- v) There are no details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

#### 48. APPRECIATION

The Directors wish to convey their deep appreciation to all the Employees, Customers, Vendors, Investors and Consultants/Advisors of the Company for their sincere and dedicated services as well as their collective contribution to the Company's performance.

The Directors thank the Government of India, Governments of various States in India, Governments of various Countries and concerned Government departments for their co-operation.

The Directors appreciate and value the contribution made by every member, employee and their family.

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

Sd/-

**Anil Kumar Mittal**

Chairman & Managing Director

Place: Noida

Date: July 31, 2024

DIN: 00030100



## ANNEXURE-1

### FORM AOC-1

#### STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries (₹ in lacs except as stated)

S. No.	Particulars	Name of the Subsidiaries			
		KRBL DMCC		K B Exports Private Limited	
		As on March 31, 2024	As on March 31, 2023	As on March 31, 2024	As on March 31, 2023
1.	Date since when subsidiary was acquired	October 08, 2006		June 02, 2010	
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	NA	NA	NA	NA
3.	Reporting currency	AED	AED	₹	₹
4.	Exchange rate to ₹ as on the last date of the relevant Financial Year in the case of foreign subsidiaries	23	22	NA	NA
5.	Share Capital	217	217	300	300
6.	Reserves & Surplus	853	702	-4	-5
7.	Total Assets	1,173	1,373	298	297
8.	Total Liabilities*	103	343	3	2
9.	Total Investments	-	-	-	-
10.	Turnover*	645	466	1	1
11.	Profit/(Loss) before taxation*	39	31	0	0
12.	Provision for taxation*	-	-	-	-
13.	Profit/(Loss) after taxation*	39	31	0	0
14.	Proposed Dividend	-	-	-	-
15.	Percentage (%) of Shareholding	100%	100%	70%	70%

\*Amounts are below rounding off thresholds adopted by the Company.

1. There are no subsidiaries of the Company, which are yet to commence operations.

2. There are no subsidiaries of the Company, which have been liquidated or sold during the year.

Part B of the Annexure is not applicable as there are no Associate Companies/ Joint Ventures of the Company as on March 31, 2024.

#### For and on behalf of the Board of Directors

Sd/-  
**Anil Kumar Mittal**  
Chairman & Managing Director  
DIN-00030100

Sd/-  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/-  
**Piyush Asija**  
Company Secretary  
M. No. 21328

Sd/-  
**Ashish Jain**  
Chief Financial Officer

Place: Noida  
Date: July 31, 2024

## ANNEXURE-2

### A CONSERVATION OF ENERGY

#### (a) Energy Conservation Measures Taken:

##### 1. Reusing Rice Husk for Energy Independence:

The Company engages circular practices by utilizing rice husk, a byproduct of its operations, to generate electricity through a turbine system. This not only minimizes reliance on external power & grid electricity but also diverts waste into a valuable energy source. In fiscal year 2023-24, this innovative approach has helped us generate an impressive 17,82,203.44 GJ of electricity.

##### 2. Solar Power: Our Commitment to Clean Energy:

KRBL is committed to a sustainable future. We've invested in solar installations to generate clean electricity, reducing our dependence on the grid. By harnessing the power of the sun, we've been able to generate 9124.54 GJ of solar power in fiscal year 2023-24, contributing to a significant reduction in greenhouse gas emissions.

##### 3. Optimizing for Efficiency & Sustainability:

KRBL has effectively implemented in-house projects to enhance efficiency across various aspects of our

operations. These projects focus on optimizing loading and power consumption, introducing high-efficiency equipment and lighting, and maximizing the use of renewable energy sources.

#### Impact:

Through these combined initiatives, KRBL ensures that approx. 90% of its consumed power comes from renewable sources. This significantly reduces greenhouse gas emissions compared to traditional methods, making us a leader in sustainable practices. Additionally, these efforts contribute to India's Nationally Determined Contributions (NDCs) for climate action, fostering a more sustainable future for all.

**(b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:** Nil

**(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:** Energy conservation measures have helped the Company in its drive towards achieving cost reduction.

Disclosure of Particulars with Respect to Conservation of Energy: 2023-24

Parameter	FY (2023-24) GJ
Total electricity consumption (A)	9,124.54
Total fuel consumption (B)	-
Energy consumption through other sources (C)	17,82,203.44
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>17,91,327.98</b>
Total electricity consumption (D)	89,770.55
Total fuel consumption (E)	37,681.60
Energy consumption through other sources (F)	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>1,27,452.15</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>19,18,780.14</b>
Energy intensity per rupee of turnover (KJ/INR)	35.63
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (KJ/INR adjusted for PPP)	815.26
Energy intensity in terms of physical output (KJ/Kg)	3,016.67

### B RESEARCH AND DEVELOPMENT (R&D)

#### DISCLOSURE OF PARTICULARS WITH RESPECT TO RESEARCH AND DEVELOPMENT (R&D): 2023-24

##### (a) The Company continues to pursue innovation and applied research as a means to sustain its global leadership in a competitive environment:

KRBL prioritizes innovation and applied research to maintain its global leadership in a competitive environment. This past fiscal year (FY2023-24), our R&D focused on developing sustainable solutions within our core operations, specifically in these areas:

##### 1. Waste Minimization and Circularity

Rice Husk Upcycling: KRBL developed and implemented a system to utilize rice husk, a major waste product, for in-house energy generation. This not only reduces reliance on external energy sources but also represents a significant step towards a circular economy.

Waste-to-Resource Partnerships: Residual ash remaining after husk-based energy generation is sent to partners for landfilling in construction projects and as a resource for cement



production. This maximizes husk utilization and minimizes landfill waste.

Wastewater Sludge Repurposing: R&D efforts led to the development of a process that incorporates wastewater treatment sludge into power generation at the Ghaziabad facility. This not only reduces waste but also enhances energy self-sufficiency.

**2. Carbon Reduction and Biodiversity Conservation**

Strategic Plantations: KRBL established a large Eucalyptus plantation at one of its unit, utilizing treated wastewater to minimize additional water consumption. We have implemented extensive on-site plantation programs at our two units. These initiatives contribute to carbon sequestration and support biodiversity conservation.

Sludge-Enhanced Plantations: Research identified opportunities to utilize sludge residue in plantation activities, further reducing waste and promoting a holistic approach to sustainability.

This focus on R&D has yielded significant progress towards KRBL's sustainability goals.

**b) Expenditure on R&D (₹in lacs):**

The Company has incurred the following expenditure on R&D in the Financial Year 2023-24 as compared to the previous year:

	2023-24	2022-23
i) Capital	Nil	Nil
ii) Recurring	663	598
iii) Total	663	598
iv) Total R&D expenditure as a percentage of total turnover	0.12%	0.11%

**c) Certifications:**

The Company is certified by FSSC 22000 Version 5.1 issued by Eurofins, a globally recognized certification. The certification confirms that the organizations food safety management system is in conformance with the scheme requirements. It also showcases how the Company has been successful in maintaining compliance with international standards. Thus, ensuring top-notch product quality and safety attributes.

The Company also has Halal Certification, issued by Halal Certification Services India Pvt. Ltd. It confirms that the food product manufactured by KRBL is deemed safe for consumption.

Further, the Company is also certified with SQF Food Safety Code for Manufacturing Edition 9, issued by Eurofins. Safe Quality Food (SQF) Program is a rigorous and credible food safety and quality program, recognized by retailers, brand owners, and food service providers

across the globe. This stringent farm to-fork food safety and quality certification helps food producers assure the buyers that the food products meet the highest possible global food safety standards.

The Company is also USFDA registered.

The Company also has BRC Global Standard for Food Safety Issue 9 Certification issued by Eurofins. BRCGS is a leading brand and consumer protection organization, recognised by over 29,000 certificated suppliers in more than 130 countries, with certification issued through a global network of accredited certification bodies. BRCGS' Standards certifies the standardization of quality, safety and operational criteria. The certification also ensures that the manufacturers fulfil their legal obligations and provide protection for the end consumer. It promotes building a more coherent food safety culture within the organization and a food safety ecosystem as a whole.

One of the Company's Plant is SEDEX registered and is also certified with BRCGS ETRS (Ethical Trade and Responsible Sourcing) with a score of 5/5.

All these above-mentioned certifications represent a clear endorsement of its strong quality thrust.

**C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

Disclosure of particulars with respect to Technology Absorption, Adaptation and Innovation: 2023-24

**a) Efforts, in brief, made towards technology absorption, adaptation and innovation:**

Technologies were successfully absorbed, resulting in attaining the desired production level and in meeting the existing and new customer requirements. Technology innovations were successfully implemented to achieve the desired production while ensuring the efficient use of raw materials, energy and utilities.

**b) Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development and import substitution etc.:**

Reduction in manufacturing cost despite an increase in the input costs. Launch of new product variants in addition to existing product portfolio.

a) Imported Technology (imported during the last three year reckoned from the beginning of the Financial Year):

I) Technology Imported (during the Financial Year 2023-24):

i) During the Financial Year 2023-24, the Company has imported Machinery, Accessories and Spare parts from China, Germany, Thailand, Switzerland and Malaysia.

- ii) Has technology been fully absorbed: Yes, Technology imported was fully absorbed.
- iii) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N.A.
- II) Technology Imported (during the Financial Year 2022-23):
  - i) During the Financial Year 2022-23, the Company imported some spare parts and accessories from China, Hopsten-Germany and USA.
  - ii) Has technology been fully absorbed: Yes, Technology imported was fully absorbed.
  - iii) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N.A.
- III) Technology Imported (during the Financial Year 2021-22):
  - i) During the Financial Year 2021-22, the Company imported some spare parts and accessories from Austria.
  - ii) Has technology been fully absorbed: Yes, Technology imported was fully absorbed.
  - iii) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N.A.

**D. FOREIGN EXCHANGE EARNINGS AND OUTGO**

**DISCLOSURE OF PARTICULARS WITH RESPECT TO FOREIGN EXCHANGE INITIATIVES TAKEN, EARNINGS AND OUTGO: 2023-24**

**i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products, services and export plans:**

The Company is present in all major markets across the globe spanning 6 continents. The Company is engaged in marketing initiative to expand its reach that is increasing consumer base in existing market and expanding to new territories. The Company's brands continue to command a significant premium over most other brands in the global industry. The Company is taking steps to strengthen its distribution channels in selected territories to maintain the majority market share.

**ii) Total Foreign Exchange used and Earned:**

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows:

	(in ₹ Crore)	
	2023-24	2022-23
Foreign exchange earned	₹ 1,324	₹ 1,903
Outgo of Foreign Exchange	₹ 71	₹ 155

For and on behalf of the Board of Directors

Sd/-  
**Anil Kumar Mittal**  
Chairman & Managing Director  
DIN-00030100

## ANNEXURE-3

Disclosure pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

### PARTICULARS OF REMUNERATION

#### A. THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2023-24:

S. No.	Nature of Directorships Held & Name of Directors	Ratio of Median Remuneration
1	Executive Directors	
a)	Mr. Anil Kumar Mittal	101.43:1
b)	Mr. Arun Kumar Gupta	113.67:1
c)	Mr. Anoop Kumar Gupta	101.43:1
d)	Ms. Priyanka Mittal	78.28:1
2	Non-Executive Directors <sup>1</sup>	
a)	Mr. Devendra Kumar Agarwal	1.45:1
b)	Ms. Priyanka Sardana	1.45:1
c)	Mr. Shyam Arora	1.45:1
d)	Mr. Vinod Ahuja	1.45:1
e)	Mr. Surinder Singh <sup>2</sup>	1.09:1

Notes:

1. Non-Executive Directors are paid the sitting fees for attending the Board Meetings.
2. Mr. Surinder Singh was appointed as Independent Non-Executive Director of the Company w.e.f. 10<sup>th</sup> August 2023.

#### B. THE PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR, CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY IN THE FINANCIAL YEAR 2023-24:

S. No.	Name	% Increase in remuneration
1.	Mr. Anil Kumar Mittal <sup>#</sup>	29.63%
2.	Mr. Arun Kumar Gupta <sup>#</sup>	29.63%
3.	Mr. Anoop Kumar Gupta <sup>#</sup>	29.63%
4.	Ms. Priyanka Mittal <sup>#</sup>	30%
5.	Mr. Devendra Kumar Agarwal <sup>*</sup>	Nil
6.	Ms. Priyanka Sardana <sup>*</sup>	Nil
7.	Mr. Shyam Arora <sup>*</sup>	Nil
8.	Mr. Vinod Ahuja <sup>*</sup>	Nil
9.	Mr. Surinder Singh <sup>*</sup>	Nil
10.	Mr. Ashish Jain, Chief Financial Officer	9%
11.	Mr. Piyush Asija, Company Secretary <sup>§</sup>	NA

Notes:

<sup>#</sup> Excluding other benefits, perquisites, allowances, amenities and facilities as provided (as approved by the Board and Shareholders) respectively from time to time as per the policy of the Company.

<sup>\*</sup> Non-Executive Directors are paid sitting fees for attending the Board Meetings.

<sup>§</sup> Mr. Piyush Asija was appointed as the Company Secretary w.e.f. February 13, 2024 and Ms. Jyoti Verma resigned from the position of Company Secretary w.e.f. closure of business hours on November 20, 2023.

#### C. THE PERCENTAGE INCREASE IN THE MEDIAN REMUNERATION OF EMPLOYEES IN THE FINANCIAL YEAR 2023-24:

There was an increase of 9.06 % in the Median Remuneration of Employees in the Financial Year 2023-24.

#### D. THE NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF THE COMPANY: 2,768

#### E. AVERAGE PERCENTILE INCREASE ALREADY MADE IN THE SALARIES OF EMPLOYEES OTHER THAN THE MANAGERIAL PERSONNEL IN THE LAST FINANCIAL YEAR AND ITS COMPARISON WITH THE PERCENTILE INCREASE IN THE MANAGERIAL REMUNERATION:

The average increase in salary of employees other than Managerial Personnel in 2023-24 was 9.36%, the average percentage increase in the Managerial Remuneration for the year was 25.60%.

#### F. AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY:

The success of the Company's remuneration policy is derived from committed performance of the individual employees and the Company. The Company intends to attract, retain, develop and motivate high-performing employees. Individual performance pay is determined by the overall business performance. The performance of the individuals is measured through the annual appraisal process. During the year, no Managing Director / Whole Time Director of the Company received any remuneration or commission from any of its subsidiaries. The Company affirms that the remuneration are approved as per the Nomination, Remuneration and Board Diversity Policy of the Company.

#### G. EMPLOYEES EMPLOYED THROUGHOUT THE FINANCIAL YEAR ENDED ON MARCH 31, 2024 AND WAS IN RECEIPT OF REMUNERATION FOR THAT FINANCIAL YEAR, IN THE AGGREGATE NOT LESS THAN RUPEES ONE CRORE TWO LACS ONLY OR FOR A PART OF THE FINANCIAL YEAR, WAS IN RECEIPT OF REMUNERATION FOR ANY PART FOR THAT FINANCIAL YEAR, IN THE AGGREGATE, NOT LESS THAN RUPEES EIGHT LAKH AND FIFTY THOUSAND ONLY PER MONTH:-

Name	Designation	Remuneration (includes salary and other perquisites) (in ₹)	Age (In years)	Date of Commencement of Employment	Qualifications	Experience (In Years)	Name of Previous Employer	Nature of Employment
Mr. Anil Kumar Mittal	Chairman & Managing Director	2,80,39,608	73	March 30, 1993	Graduate in Arts stream from University of Delhi	48	-	Permanent
Mr. Arun Kumar Gupta	Joint Managing Director	3,14,22,942	67	March 30, 1993	Graduate in Commerce stream from University of Delhi	42	-	Permanent
Mr. Anoop Kumar Gupta	Joint Managing Director	2,80,39,608	65	March 30, 1993	Graduate in Science stream from University of Delhi	38	-	Permanent
Ms. Priyanka Mittal	Whole Time Director	2,16,40,725	47	November 28, 2000	Graduate from Harvard Business School's OPM programme, BS in Business Management from University of Southern California	27	-	Permanent
Mr. Ashish Jain	Chief Financial Officer	1,66,33,404	50	September 13, 2021	Bachelors in BA-Economic Honors, MBA-Finance, CFO program from The Wharton School	27	Delightful Gourmet Pvt Ltd.	Permanent
Mr. Brijesh Sud	Vice President - Sales & Marketing	1,13,22,480	58	August 14, 2004	Graduate	36	REI Agro Limited	Permanent
Mr. Kunal Sharma	AVP - Marketing	1,18,54,392	42	May 20, 2022	MBA from IIT Kharagpur B.E. Mechanical Engineering from Visvesvaraya Technological University	16	Dabur Limited	Permanent

\*Remuneration of the Directors is within the limit as prescribed under Section 197 read with Schedule V of the Act.

For and on behalf of the Board of Directors

Sd/-

Anil Kumar Mittal

Chairman & Managing Director

DIN-00030100

Place: Noida, Uttar Pradesh

Date: July 31, 2024

## ANNEXURE-4

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2024**

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KRBL Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms 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, we hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31 March 2024 ("**Audit Period**") 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 along with **Annexure-A** attached to this report.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31 March 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 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 Foreign Direct Investment("FDI"), Overseas Direct Investments ("ODI") and External Commercial Borrowings("ECB"); **(No FDI and ECB was taken and no fresh ODI was made by the Company during the Audit Period);**
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") as amended from time to time:-
  - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, to the extent applicable;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (hereinafter "**SEBI Buyback Regulations**")
- f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- g. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;**(Not applicable to the Company during the Audit Period) and**
- h. The Securities and Exchange Board of India(Issue and Listing of Non-Convertible Shares) Regulations, 2021**(Not applicable to the Company during the Audit Period)**

**(vi) OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT**

As per the information provided and confirmed by the management, following specific sector law applicable on the Company are as follows:

- (i) Foods Safety & Standards Act, 2006 & Foods Safety & Standards (Licensing & Registration of Food Business), Regulations, 2011;
- (ii) The Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964 and rules made thereunder;
- (iii) Legal Metrology Act, 2009 and Rules & Regulations made there under;
- (iv) The Punjab Agricultural Produce Market Act, 1961 and rules made thereunder;
- (v) Electricity Act, 2003 and the respective State Government Policy/ Guidelines for the Wind and Solar Power Projects.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2).
- (ii) The Listing Agreements entered into by the Company with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following.

- i) It is observed that the Company's unit located at Alipur, Delhi which is engaged in only sorting / grading / packing of finished product have not adhered to certain requirements under general laws applicable on it.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice of atleast seven days was given to all the directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 in compliance of the Act.
3. All decisions at Board and Committee Meetings are carried out with requisite majority of the members of the Board and committees, as the case may be. Further, as informed and verified from minutes, dissent given by the directors in respect of resolutions passed in the Board & Committee Meetings, wherever applicable were duly recorded in the minutes.

Based on the compliance mechanism established by the Company and on the basis of the Compliance Certificate (s) issued by Officers of the Company and taken on record by the Board of Directors at their meeting(s), we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has undertaken the following event /action which may be construed as major in pursuance of above referred laws, rules, regulations; guidelines, standards etc.:

- a) The Board of Directors vide their Board Resolution dated August 10, 2023 has made buyback of 65,00,000 fully paid up equity shares of the Company having face value of ₹ 1/- (Rupee One) each, at a price of ₹ 500/- (Rupees Five hundred) per equity share ("Buyback Price") for an aggregate amount of ₹ 3,25,00,00,000/- (Rupees Three Hundred Twenty Five Crore Only) in accordance with the provisions of Section 68 of the Act and SEBI Buyback Regulations.

**FOR DMK ASSOCIATES  
COMPANY SECRETARIES**

Sd/-  
**(DEEPAK KUKREJA)**  
FCS, LLB., ACIS (UK), IP.  
PARTNER

**Date :** July 31, 2024

**Place:** New Delhi

**UDIN :** F004140F000863812

CP No.8265  
FCS No. 4140  
Peer Review No. 779/2020

**ANNEXURE-A**

To,  
The Members,  
**M/s KRBL Limited**  
CIN: L01111DL1993PLC052845  
5190, Lahori Gate,  
New Delhi – 110006

**SUB: OUR REPORT FOR THE AUDIT PERIOD IS TO BE READ ALONG WITH THIS LETTER.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. 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.
7. As per the information provided by the Company, there are certain disputes / cases filed by or against the Company, which are currently lying pending with the various Courts/ authorities inter-alia including:
  - (i) A portion of land parcels and building thereupon, situated at Dhuri, Punjab was attached by the Directorate of Enforcement ('ED') to the extent of value of ₹ 1,532 lakh in connection with a money laundering investigation which is currently pending before the Special Judge, CBI Court. The Appellate Tribunal, PMLA, New Delhi, ("Appellate Tribunal") had restored

the possession of the attached land on interim basis in favour of the Company. However, aforesaid attachment would continue till conclusion of the matter. Against the order of the Appellate Tribunal, ED had filed an appeal before the Hon'ble High Court of Delhi, which is pending for hearing. The Company filed an application before the Hon'ble High Court of Delhi for restoration of possession of the land in favour of the Company and High court allowed the Company to take physical possession of the said land parcels and building thereupon for specified purpose against the deposit of ₹ 1,113 lakh, (deposited on 5 November 2020), as an interim relief until conclusion of the aforesaid matter, without prejudice to the rights and contentions of the parties to be decided in the appeal. The management based upon the legal assessments, is confident that it has a favourable case and the said attachment shall be vacated.

- (ii) Enforcement Directorate ('ED') registered an Enforcement Case Information Report ('ECIR') in 2014 and subsequently filed a criminal complaint in the year 2021 alleging commission of an offence under Section 3 of the PMLA, 2002 against the Company, KRBL DMCC (a subsidiary of KRBL Limited) and Mr. Anoop Kumar Gupta, the Joint Managing Director (JMD) of the Company for certain transactions assumed to be undertaken in the prior years. As per criminal complaint filed by the ED, it was alleged that M/s Rawasi Al Khaleej General Trading LLC ('RAKGT') had received proceeds of crime of USD 24.62 million in AgustaWestland case during the period 2008-2010 which in turn had been transferred to the Company through KRBL DMCC. Based on the affidavit filed by Balsharaf Group (one of the Customer of the Company) in the Hon'ble High Court of Delhi, the amount of USD 24.62 million had been received by RAKGT in the account of Balsharaf Group. However, ED attached 14,333,221 shares of Balsharaf Group held in KRBL Limited.

The Company had appointed an independent professional firm ('IP') to review the aforesaid allegations and to assess the impact, if any, on the financial statements and control environment of the Company during the financial year ended 31 March 2022. During the financial year ended 31 March 2023, the IP had issued a report to the Board of Directors which was discussed and approved in their previously held

meeting, wherein the Board of Directors had responded to the observations contained therein and basis that no further action was proposed.

The said case is pending before the Special Court and is listed on the given dates in its regular course. The next date of hearing is on 20 August 2024.

**FOR DMK ASSOCIATES  
COMPANY SECRETARIES**

Sd/-  
**(DEEPAK KUKREJA)**  
FCS, LLB., ACIS (UK), IP.  
PARTNER  
CP No.8265  
FCS No. 4140  
Peer Review No. 779/2020

**Date :** July 31, 2024  
**Place:** New Delhi  
**UDIN :** F004140F000863812

## ANNEXURE-5

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

In accordance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules"), as amended and modified from time to time, Board of Directors of the Company on recommendation of the CSR and ESG Committee of the Company framed Corporate Social Responsibility (CSR) Policy for objectives as approved. The CSR Policy of the Company specifies the broad areas under which the projects and programs can be undertaken by the Company, directly or indirectly (through implementing agencies), the modalities of execution and the monitoring thereof. The

CSR Policy is available on the website of the Company at <https://krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf>

#### OUR CSR VISION:

The Company has been focusing predominantly in the area of education and building infrastructure for the students for higher technical education. The Company endeavours to children's continued access to wholesome mid-day meals at schools resulting in better academic performance.

#### COMPOSITION OF CSR COMMITTEE AND ATTENDANCE RECORD:

The Composition of CSR Committee of the Company along with the attendance details of CSR Committee members for the Financial Year 2023-24 are as follows:

S. No.	Name	Designation/Nature of Directorship	Number of meetings of CSR Committee held during year	Number of meetings of CSR Committee attended during year
1.	Mr. Anil Kumar Mittal	Chairperson - Executive & Chairman & Managing Director	5	5
2.	Mr. Anoop Kumar Gupta	Member - Executive & Joint Managing Director	5	5
3.	Mr. Vinod Ahuja	Member - Independent Non-Executive Director	5	5

#### 1. 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:

##### CSR COMMITTEE

<https://krblrice.com/committees-of-board-of-directors/>

##### CSR POLICY

<https://krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf>

##### CSR PROJECT/PROGRAMS

<https://krblrice.com/wp-content/uploads/2024/06/1.-2023-24.pdf>

#### 2. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEBLINK(S) 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:

The Company during the FY 2021-22 has contributed towards a project under sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, through implementing agency, Maharaja Agrasen

Technical Educational Society (MAETS), has been running Maharaja Agrasen Institute of Technology, an educational institution imparting higher education with the motive of providing quality and value based education.

The CSR initiative of Maharaja Agrasen Technical Education Society has given a new look to the Maharaja Agrasen Institute of Technology with good campus, new classrooms equipped with all facilities like hygienic civil structure, new furniture and laboratories catering to the needs of more than 1500 Engineering students.

The Impact Assessment Report can be assessed at <https://krblrice.com/wp-content/uploads/2024/06/Impact-Assessment-Maharaja-Agrasen.pdf>

Further, the Company at present is not required to carry out impact assessment of its existing and ongoing CSR Projects as the projects are under progress.

3. (a) Average Net Profit of the Company as per Section 135(5): ₹ 76,562 Lacs
- (b) Two percent of average net profit of the Company as per Section 135(5) : ₹ 1,531.24 Lacs
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : NIL

- (d) Amount required to be set-off for the Financial Year, if any: NIL
- (e) Total CSR obligation for the Financial Year [(b)+(c)-(d)]: ₹ 1531.24 Lacs

4. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 8.59 Lacs
- (b) Amount spent in Administrative Overheads: ₹ NIL
- (c) Amount spent on Impact Assessment, if applicable: ₹ 0.1 Lacs
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 8.69 Lacs
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year.	Amount Unspent ( in lacs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135.		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 8.69 Lacs	1522.65	April 25 <sup>th</sup> 2024	-	-	-

- (f) Excess amount for set off, if any:

S.No. (1)	Particular (2)	Amount (in ₹ Lacs) (3)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	1,531.24
(ii)	Total amount spent for the Financial Year	8.69
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.00

#### 5. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in Unspent CSR Account under section 135 (6)	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII to subsection (6) of section 135, if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of Transfer		
					1	FY-1 (2022-23)		
2	FY-2 (2021-22)	1,314	1,248	1,248	0.00	-	-	-
3	FY-3 (2020-21)	1,271	555	555	0.00	-	-	-

**6. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR:**

If yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount Spent	Details of entity/ authority/ beneficiary of the registered owner
1	2	3	4	5	6
			CSR Registration Number, if applicable	Name	Registered address

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

Sd/-

**Anil Kumar Mittal**

Chairperson & Managing Director and  
Chairperson – CSR and ESG Committee

DIN-00030100

**Place:** Noida, Uttar Pradesh

**Date:** May 20, 2024

## ANNEXURE-6

### FORM AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014]

**FORM FOR 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 PROVISIO THERETO:**

**1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: NONE, DURING THE REPORTING PERIOD, ALL TRANSACTIONS WERE AT ARM'S LENGTH BASIS.**

- (a) Name(s) of the related party and nature of relationship: N.A.
- (b) Nature of contracts/ arrangements/ transactions: N.A.
- (c) Duration of the contracts/ arrangements/ transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- (e) Justification for entering into such contracts or arrangements or transactions: N.A.
- (f) Date(s) of approval by the Board: N.A.
- (g) Amount paid as advances, if any: N.A.
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: N.A.

**2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:**

**None: during the reporting period, there was no material contract or arrangement.**

- (a) Name(s) of the related party and nature of relationship: N.A.
- (b) Nature of contracts/ arrangements/ transactions: N.A.
- (c) Duration of the contracts/ arrangements/ transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- (e) Date(s) of approval by the Board, if any: N.A.
- (f) Amount paid as advances, if any: N.A.

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

Sd/-

**Anil Kumar Mittal**

Chairman & Managing Director

DIN-00030100

**Place:** Noida, Uttar Pradesh

**Date:** July 31, 2024

## ANNEXURE-7

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

FY 2023-24

### SECTION A: GENERAL DISCLOSURES

#### I. DETAILS OF THE LISTED ENTITY

1. Corporate Identity Number (CIN) of the Company	LO1111DL1993PLC052845
2. Name of the Company	KRBL Limited
3. Year of Incorporation	1993
4. Registered office address	5190, Lahori Gate, Delhi – 110006
5. Corporate office address	C-32, 5 <sup>th</sup> & 6 <sup>th</sup> Floor Sector-62 Noida – 201301 (UP), India
6. E-mail ID	investor@krblindia.com
7. Telephone	0120-4060300
8. Website	http://www.krblrice.com/
9. Financial year for which reporting is being done	FY 2023-24
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
11. Paid-up capital	₹ 22,88,89,892
12. Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Piyush Asija, Company Secretary and Compliance Officer Email: cs@krblindia.com Telephone: +91-120-4060300
13. Reporting Boundary	The disclosures made under this report are on a standalone basis.
14. Name of assurance provider	-
15. Type of assurance obtained	-

#### II. PRODUCTS/SERVICES

##### 16. Details of business activities (accounting for 90% of the turnover):

S. No	Description of main activity	Description of business activity	% of turnover
1	Manufacturing	Manufacture of Food Products	97.73
2	Electricity Supply	Electric Power Generation	1.90

##### 17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Manufacture of Food Products (Rice, Chia Seeds, Flax Seeds, Quinoa, Glucose etc.)	106	97.73
2	Electric Power Generation (Solar Energy and other non-conventional sources)	351	1.90

#### III. OPERATIONS

##### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5	2	7
International	-	-	-

##### 19. Markets served by the entity

###### a. Number of locations

Locations	Number
National (Number of states)	Pan India (28 States and 8 Union Territories)
International (Number of countries)	90+

The Company has a strong distributor network spread across India. The Company's products are exported to more than 90 countries.

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Approx. 25%

##### c. A brief on types of customers

KRBL has a robust customer base that spans across the globe, catering to three categories of consumers: end consumers, channel partners, and institutional buyers. End-consumers currently purchase company's products through retail and e-tail. Channel partners include distributors, dealers (wholesalers) and retailers. Institutional buyers include modern trade, hotels, restaurants, caterers, and e-commerce partners. Many of our customers have been with the company for over 25 years now, which demonstrates long-term and strong relationships the Company has with them.

#### IV. EMPLOYEES

##### 20. Details as at end of Financial Year:

###### a. Employees and workers (including differently abled)\*:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1	Permanent (D)	1,974	1,933	97.92%	41	2.08%
2	Other than Permanent (E)	205	205	100.00%	0	0.00%
3	<b>Total employees (D+E)</b>	<b>2,179</b>	<b>2,138</b>	<b>98.12%</b>	<b>41</b>	<b>1.88%</b>
<b>WORKERS</b>						
4	Permanent (F)	794	748	94.21%	46	5.79%
5	Other than Permanent (G)	336	283	84.23%	53	15.77%
6	<b>Total workers (F+G)</b>	<b>1,130</b>	<b>1,031</b>	<b>91.24%</b>	<b>99</b>	<b>8.76%</b>

###### b. Differently abled employees and workers\*:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	<b>Total differently abled employees (D+E)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	<b>Total differently abled workers (F+G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*KRBL believes in fostering a workplace culture that values diversity, promotes inclusivity, and upholds the principles of equality and respect for all individuals. Our Anti-Discrimination and Equal Opportunity Policy serves as a cornerstone of our commitment towards providing a safe, supportive, and fair environment for every employee and prospective employee. It is a reflection of our core values and a testament to our dedication to creating a workplace where differences are celebrated, and every individual has the opportunity to thrive based on their skills, abilities, and contribution.

##### 21. Participation/inclusion/representation of women:

	Total (A)	Number. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	9	2	22.22
Key Management Personnel*	6	1	16.67

\* Includes Executive Directors, Chief Financial Officer and Company Secretary.

##### 22. Turnover rate for permanent employees and workers:

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.19%	23.38%	13.40%	12.26%	22.95%	12.48%	11.96%	30.77%	12.36%
Permanent Workers	17.98%	4.17%	17.19%	13.69%	5.88%	13.27%	15.97%	5.83%	15.50%



## V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

### 23 (a) Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of Holding/Subsidiary/Associate Companies/Joint Venture (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of listed entity? (Yes/No)
1	KRBL DMCC	Subsidiary	100%	Yes
2	K B Exports Private Limited	Subsidiary	70%	Yes
3	KRBL LLC	Step Down Subsidiary	100%	Yes

## VI. CSR DETAILS

- 24 i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- ii) Turnover for the Financial Year ended March 31, 2024: ₹5,385 Cr
- iii) Net worth as on March 31, 2024: ₹4,849 Cr

## VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

### 25. Complaints/grievances on any of the Principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

A stakeholder is any individual, group, or organization that can affect or be affected by the actions, objectives, and policies of a business or organization. Stakeholders have a vested interest in the company's activities and outcomes. Employees, customers, suppliers, investors, community members, and government bodies are key to company's decision-making and strategy. Stakeholder engagement brings a multitude of benefits to a business, it boosts the company's reputation, helps it make better decisions and builds trust with communities and prevent conflicts. Stakeholder engagement and grievance redressal management is an integral part of our operations. We have a stakeholder engagement and grievance redressal policy, establishing a framework for effective communication and establishing a responsive, fair, expeditious and stakeholder-centric, query/complaint or grievance management procedures across all our operations and ensuring all stakeholders are always treated fairly and without biasness, and issues raised by various stakeholders are dealt and resolved in a time bound manner.

Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in place(Yes/No)	FY2023-24 No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	FY 2022-23 No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes. The Company has a stakeholder engagement and grievance redressal policy addressing the concerns of all the stakeholders.	-	-	-	-	-	-
Investors (other than shareholders)	Yes. We have a dedicated email ID investor@krblindia.com where investors/shareholders can raise their grievances and queries. Further, the Registrar and Share Transfer Agent (RTA) is principally responsible for addressing the shareholders' grievances.	-	-	-	-	-	-
Shareholders		5	-	-	-	-	-



Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in place(Yes/No)	FY2023-24 No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	FY 2022-23 No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Employees and workers	The website of the Company has a separate section which provides the contact details for point of contacts for resolving specific grievances of Investors <a href="https://krblrice.com/investor-support/">https://krblrice.com/investor-support/</a> Yes, the Company maintains a Human Resources Management System (HRMS) portal for its employees. The portal provides a helpdesk to employees for resolving any complaints. The Company has Works Committee, Grievance Handling Committee and Safety Committee which looks into the grievances of the workers.	4	-	-	6	-	-
Customers	Yes, the Company has a well-established consumer and customer complaint handling mechanism managed by Customer Care team, We maintain an accessible system through dual contact channel i.e. our Toll free number - +91-8448893199 and Customer Care email ID - customercare@krblindia.com enabling customers and end consumers to register their queries and complaints in a convenient manner. Resolution is provided through strict adherence to our guidelines, in a time-bound manner.	551	-	-	304	-	-
Value Chain Partners	Yes	25	-	-	16	-	-
Other (please specify)	-	-	-	-	-	-	-

If yes, then provide web-link for grievance redress policy

The Company has a stakeholders' engagement and grievance redressal policy approved by Board of Directors to redress the grievances of all its stakeholders which can be accessed on the link: <https://krblrice.com/wp-content/uploads/2024/08/SEGR-Policy-31.07.2024-Adopted.pdf>

**26. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	<b>Product Quality and Safety</b>	R	<p>KRBL operates in the food and agriculture sector. Product quality and safety are critical material ESG (Environmental, Social, and Governance) risks that the Company addresses regularly because of the following reasons:</p> <p><b>Consumer Health and Safety:</b> Consumer health and safety are core ethical values for our business. The Company's products are consumed by individuals worldwide, and it remains steadfast in its dedication to delivering products that consistently uphold rigorous standards of quality and safety. KRBL is diligently advancing its operational standards within its Units, While Hazard Analysis and Critical Control Points (HACCP) practices are already integral to our systems, we are now augmenting our protocols with the implementation of Vulnerability Assessment and Critical Control Points (VACCP) and Threat Assessment and Critical Control Points (TACCP). These initiatives concentrate specifically on mitigating risks associated with food fraud and fortifying food defense measures. These strategies entail rigorous risk assessments that meticulously evaluate potential threats and vulnerabilities across the entirety of our supply chain.</p> <p><b>Supply Chain Risks:</b> KRBL procures paddy from the APMC Mandis, and any issues related to the quality of the paddy/ rice procured can impact the quality of the final product. Thus ensuring that the Company continues to source rice from suppliers based on superior grain quality is important. KRBL maintains a sophisticated Transport Management System (TMS) as part of its supply chain management framework. This software-driven system enables real-time tracking of vehicles, ensuring seamless planning, execution, and optimization of the physical transportation of goods, both inbound and outbound. Through the TMS, KRBL ensures compliance with regulations and the availability of accurate documentation throughout the shipment process.</p>	<p>In order to meet product quality and safety requirements, the company has ensured compliance with various certifications standards:</p> <ul style="list-style-type: none"> <li>FSSC 22000 Version 5.1 issued by Eurofins</li> <li>SQF Food Safety Code for Manufacturing Edition 9 issued by Eurofins</li> <li>BRC Global Standard for Food Safety Issue 9 Certification issued by Eurofins</li> <li>Halal Certification issued by M/s. Halal Certification Services India Pvt Ltd.</li> <li>KRBL's Unit is SEDEX registered.</li> <li>One of the Unit has completed BRCGS ETRS (Ethical Trade and Responsible Sourcing) assessment with a score of 5/5.</li> </ul>	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	<b>Ethics and Governance</b>	O	<p><b>Reputation:</b> KRBL 's reputation is critical to its success, and any adverse news related to the quality and safety of its products can affect its brand reputation, which can have long-term negative effects on the business. As a company that exports its products worldwide, KRBL ensures that it meets international quality and safety standards to maintain its reputation as a premium Basmati rice-brand. At KRBL, we benefit from strategic alliances with prominent industry bodies such as PHD, which provide invaluable support and advocacy in addressing issues related to industry.</p> <p>Good ethics and governance practices improve overall company performance and boost consumer confidence. This has been categorized as an opportunity because of the following reasons:</p> <p><b>Reputation and Brand Value:</b> By ensuring that its business practices are transparent, ethical and compliant with local and international laws and regulations, KRBL is able to enhance its reputation and brand value, which would lead to increased customer loyalty and trust.</p> <p><b>Competitive Advantage:</b> Companies that prioritize ethics and governance in their business practices are more likely to gain a competitive advantage, as they are better positioned to attract investors, customers and employees who prioritize ethical and sustainable business practices.</p> <p><b>Risk Mitigation:</b> By implementing robust governance structures and policies, KRBL mitigates risks related to unethical practices, such as corruption and conflicts of interest, which can lead to legal, financial and reputational damage. KRBL has implemented the AMS (Artwork Management System), this system implements a streamlined workflow for the approval of artwork designs. The system facilitates collaboration and ensure that all necessary approvals are obtained before artwork is finalized. It also serves as a centralized repository for all approved artwork files. This makes it easy to access and retrieve artwork designs when needed for compliance audits or regulatory inquiries.</p>	NA	Positive



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			<p><b>Improved Stakeholder Engagement:</b> By prioritizing ethics and governance, KRBL improves stakeholder engagement and builds stronger relationships with investors, customers, and other stakeholders, which would lead to increased collaboration, innovation and growth. KRBL has also implemented the DataKart system for the management and generation of barcodes and QR codes. The software acts as a medium to directly share product information with consumers through mobile application. Furthermore, it serves as a comprehensive repository for all barcodes and master data.</p> <p><b>Long-term Sustainability:</b> By focusing on ethics and governance, KRBL ensures long-term sustainability of its business by reducing risks, enhancing reputation and building a culture of trust and transparency.</p>		
3.	Responsible Marketing and Communication	O	<p>KRBL ships products across the world and brand communication influences consumer decisions. Hence, has been categorized as an opportunity because of the following reasons</p> <p><b>Consumer Trust:</b> By adopting responsible marketing and communication practices, KRBL is able to build trust with consumers, leading to increased loyalty and repeat purchases. Consumers are increasingly conscious of the impact of their purchasing decisions on the environment and society, and companies that prioritize responsible marketing and communication can attract and retain these consumers.</p> <p><b>Reputation and Brand Value:</b> By communicating transparently and responsibly about its products and business practices, KRBL enhances its reputation and brand value, leading to increased customer loyalty, investor confidence, and stakeholder trust.</p> <p><b>Social and Environmental Impact:</b> Responsible marketing and communication help KRBL showcase its positive impact on society and the environment, such as its efforts to promote sustainable agriculture practices and support local farmers. This can enhance its social license to operate and attract socially responsible investors.</p> <p><b>Legal and Regulatory Compliance:</b> By adopting responsible marketing and communication practices, KRBL ensures compliance with local and international laws and regulations related to advertising, labelling and product claims, reducing the risk of legal and financial liabilities.</p>	NA	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Health, Safety and Well-Being	R	<p>KRBL ensures highest level of health and safety through its production process by identifying Health, Safety and Well-Being as a key material risk for the following reasons:</p> <p><b>Employee Well-being:</b> KRBL's employees are its most valuable asset, and their well-being is crucial to the company's success. A safe and healthy work environment will lead to decreased employee turnover, increased productivity and enhanced brand reputation.</p> <p><b>Occupational Health and Safety:</b> KRBL's operations involve various risks such as machinery hazards, chemical exposure and physical strain.</p> <p><b>Supply Chain Risks:</b> KRBL sources its raw materials from various suppliers, and proper health and safety practices across their operations would lead to decreased risks of supply chain disruptions, product recalls and legal liabilities.</p> <p><b>Community Health and Safety:</b> KRBL's production processes can also have an impact on the health and safety of the surrounding communities.</p> <p><b>Regulatory Compliance:</b> Non-compliance with health and safety regulations can result in legal and financial liabilities for KRBL, leading to reputational damage and financial losses.</p> <p>In conclusion, health, safety, and well-being can be seen as a material ESG risk for KRBL, leading to potential risks such as occupational hazards, community health risks, supply chain risks, and legal and financial liabilities. By prioritizing health, safety and well-being in its operations and supply chain, KRBL mitigates these risks and ensures the sustainability of its business.</p>	<p>We have undertaken the following risk mitigation measures:</p> <ul style="list-style-type: none"> <li>KRBL has in place a Standard Operating Procedure for Operational Rescue Measure to ensure business continuity and the safety of employees. KRBL has also conducted risk assessments in manufacturing units pertaining to building risks, changes in building, transmittable diseases and risks related to pregnant women.</li> <li>First aid room available with trained first aiders.</li> <li>Proper PPE kits have been provided to workers</li> <li>Relevant safety equipment such as gloves, safety shoes, ear plugs, helmets etc. have been provided to workers</li> <li>Trainings and mock drills on emergency preparedness and use of fire extinguisher are provided on a periodic basis</li> <li>For safe disposal of waste (used oils) generated through milling, machine repair and maintenance, used oils are discarded through an external waste management agency.</li> <li>For lifts, Annual Maintenance Contract with Original Equipment Manufacturer (OEM) has been processed and periodic meetings for the same are conducted.</li> <li>We conduct annual health check-ups and vaccination drives within our manufacturing units for employee well-being.</li> </ul>	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Climate Change	R	<p>Climate Change have been categorized as a risk since KRBL's operations involve various emissions such as greenhouse gases, particulate matter, and volatile organic compounds, which can have adverse effects on the environment and public health. The company also relies on fossil fuels for energy generation, which can contribute to climate change. Failure to address emissions can lead to adverse living conditions for society and accelerated climate-change. Addressing emission concerns timely helps us stay ahead of increased regulatory scrutiny, reputational damage and financial losses.</p> <p>Water has also been categorised as a risk since KRBL's operations are highly dependent on water which can adversely affect the fresh water consumption. As a prominent rice manufacturer, KRBL's cultivation of paddy requires considerable water usage, contributing to environmental water scarcity concerns. The company's dependence on water resources highlights the urgent need to adopt sustainable water management strategies.</p>	<ul style="list-style-type: none"> <li>At KRBL Dhuri and GB Nagar, our manufacturing processes are powered primarily by rice husk, serving as a sustainable alternative to traditional fossil fuels thus, reducing the overall dependency on grid electricity. This strategic utilization significantly mitigates our reliance on non-renewable energy sources, while concurrently reducing our carbon footprint, owing to the superior energy-to-emission ratio of rice husk compared to conventional options.</li> <li>We are also currently undertaking the commissioning of an additional turbine at one of our units at Ghaziabad with the objective of eliminating reliance on grid electricity.</li> <li>The power factor (PF) serves as a crucial metric for assessing energy efficiency. KRBL consistently achieves a commendable power factor ranging from 0.98 to 0.99 in both the manufacturing units to enhance energy efficiency.</li> <li>The plants are strategically located near the paddy producing markets thus optimising transportation related emissions.</li> <li>Our Gujarat plant which caters to the overseas markets is strategically located close to the port further optimizing our downstream emissions.</li> <li>Highly efficient ESP chimneys are installed across manufacturing units and are cleaned properly by trained staff.</li> <li>Regular stack emission testing is conducted for the DG stack.</li> <li>KRBL has successfully transitioned 90% of its lighting infrastructure to LED technology, demonstrating a commitment to energy efficiency and sustainability. Moving forward, our aim is to exclusively adopt LED lighting for all future replacements, further enhancing our environmental stewardship efforts.</li> </ul>	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Water	R	<p>Water is a critical resource for KRBL's operations, particularly for rice cultivation and processing. Climate change and increasing water scarcity pose significant risks to our operations. The company is committed to sustainable water management practices, including rainwater harvesting, water recycling, and efficient irrigation systems. We are also exploring advanced water treatment technologies to ensure water quality and availability for our operations.</p>	<ul style="list-style-type: none"> <li>In furtherance of commitment to expanding its climate change portfolio through Miyawaki plantation, KRBL has increased the land allocation from 2000 sq. m to 3000 sq. m. This strategic endeavour is underpinned by the acknowledgment of the multifaceted advantages offered by such plantations. They are instrumental in ameliorating the detrimental impacts of urban heat islands by diminishing temperatures, mitigating air and noise pollution, promoting biodiversity through the attraction of indigenous avifauna and insects, and serving as pivotal carbon sinks.</li> <li>KRBL has introduced soft starters and VFDs in manufacturing units to enhance energy efficiency and reducing energy consumption.</li> <li>KRBL is actively pursuing its goal of becoming a water-positive organization, aiming that water extraction remains lower than the volume of water available for reuse and replenishment.</li> <li>At one of our Unit in Uttar Pradesh the total daily water extraction stands at approximately annually 65475 Kilolitres (KL). This is juxtaposed with the net potential capacity of water replenishment from recharge wells, amounting to *137,210 KL annually.</li> <li>*Recharge rates are impacted by the amount and intensity of precipitation, soil and vegetation types, geology and topography.</li> <li>100% Re-use of water from RO and ETP Operations at Ghaziabad Unit resulting in reduced extractions</li> </ul>	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Waste Management	O	Waste management is categorised as an opportunity since the company's operations generate various forms of waste, such as agricultural waste, packaging waste and wastewater, which can have adverse environmental impacts. By adopting sustainable waste management practices, KRBL reduces its environmental footprint, conserves resources, and minimizes waste disposal costs. Sustainable waste management can also enhance KRBL's reputation as a responsible and environmentally conscious company, leading to increased stakeholder trust and support. By prioritizing waste management, KRBL is able to align its business operations with sustainable development goals, drive long-term growth and contribute to a more sustainable future.	<ul style="list-style-type: none"> <li>At one of the plant at Dhuri, Punjab, we engage in Effluent Treatment Plant (ETP) operations, treating 1450 kilolitres of water per day. This treated water is responsibly discharged across a 30-acre expanse, which hosts a thriving ecosystem of 20,000 Eucalyptus trees. This strategic initiative serves to prevent groundwater seepage, leveraging the shallow root structure of the trees to facilitate natural discharge through transpiration.</li> <li>Through the implementation of Extended Producer Responsibility (EPR), the Company has undertaken conscientiously proactive measures to gather, recycle or safely dispose over 2600 tonnes of plastic waste during the fiscal year 2023-24. This achievement has been facilitated through collaborative efforts with waste pickers, collection centers and recycling/co-processing facilities, all operating synergistically. Given the primary focus of the Company on food grains, plastic serves as the predominant packaging material. Notably, since 2019, we have consistently upheld our commitment to being a "plastic-neutral brand, consistently meeting EPR guidelines annually.</li> <li>*This pertains to domestic market.</li> <li>At KRBL, we have overseen the generation of approximately 0.375 metric tons of electronic waste (e-waste), all of which has been conscientiously recycled and safely disposed through accredited e-waste processing facilities.</li> <li>KRBL has a commitment to sustainable practices ensuring solid and other waste are managed with utmost safety and efficiency.</li> </ul>	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Sustainable Packaging	O	Sustainable packaging can be seen as an opportunity since the company's packaging operations involve the use of various materials such as plastic, paper and cardboard, which can have adverse environmental impacts. By adopting sustainable packaging practices, such as using eco-friendly materials and reducing packaging waste, KRBL minimizes its environmental footprint, conserves resources and reduces its packaging costs. Sustainable packaging can also enhance KRBL's reputation as a responsible and environmentally conscious company, leading to increased stakeholder trust and support.	<ul style="list-style-type: none"> <li>KRBL has achieved a reduction in the weight of PET Jar 1 kg, resulting in a decrease in plastic consumption by approximately 4.8MT during the FY 2023-2024.</li> <li>Implemented a reduction in the size of IG Super 2kg pouch, leading to a decrease in plastic usage by approximately 0.6 MT.</li> <li>Related to IG Super 1.5kg SKU, previously comprising two primary packages (1kg pouch &amp; 500g pouch) packed in an outer pouch, a transition has been made to packing this SKU in a single pouch. This initiative has led to a reduction of approximately 3.3 MT of plastics.</li> <li>Successfully reduced the pack size in 1kg SKUs, such as IG Tibar 1 kg, resulting in a reduction of approximately 1.2 MT of plastics.</li> <li>We are committed to incorporate 30 % recycled plastics into Category 1 products specifically into PET jars, 10 % in Category 2 products (Flexible packaging material) by 2025-26.</li> </ul>	Positive
8.	Climate Resilient Agriculture	R	Climate resilient agriculture has been categorised as a risk since KRBL's operations are highly dependent on weather patterns and climate change can adversely affect the company's production and profitability. Climate resilient agriculture practices help KRBL mitigate the risks associated with climate change by adapting to changing weather patterns, conserving resources and reducing greenhouse gas emissions. Failure to adopt climate resilient agriculture practices can lead to decreased crop yields, increased production costs and reputational damage. By prioritizing climate resilient agriculture, KRBL aligns its business operations with sustainable development goals, improve its resilience to climate change, and contribute to a more sustainable future.	<ul style="list-style-type: none"> <li>KRBL has collaborated with the Indian Agricultural Research Institute (IARI), PUSA, to enhance the development and commercialization of new rice varieties. This partnership aims to leverage IARI's research capabilities and KRBL's industry expertise to innovate and improve rice strains. The collaboration focuses on breeding high-yield, disease-resistant and climate-resilient rice varieties, ensuring sustainable agricultural practices and enhancing productivity for farmers. By combining IARI's cutting-edge agricultural research with KRBL's extensive market reach, the initiative aims to deliver superior quality rice to consumers and support the agricultural economy.</li> </ul>	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	<b>Community Relations</b>	O	Community relations is categorised as an opportunity for KRBL as its operations have a significant impact on the surrounding communities, and by adopting sustainable community practices, the company can enhance its social impact, increase stakeholder engagement, and improve its reputation. Sustainable community operations can include initiatives such as supporting local farmers, investing in community development programs and engaging with stakeholders to address community concerns. By prioritizing sustainable community operations, KRBL aligns its business operations with sustainable development goals, fosters positive relationships with its stakeholders, and contributes to the social and economic development of the communities it operates in.	<p>KRBL has implemented a comprehensive contact farming initiative, where KRBL collaborates directly with farmers to cultivate high-quality rice varieties through provision of Integrated Pest Management (IPM) kits to the farmers. These kits are designed to promote sustainable farming practices by minimizing the reliance on chemical pesticides and encouraging the judicious use, as a mechanism of good agricultural practices. Additionally, it fosters a more sustainable and resilient agricultural system, contributing to the overall well-being of the farming communities involved.</p> <p>During the FY 2023-24 and up to the date in 2024-25, the Company has spent approx ₹24.75 Crores in its CSR initiative towards the establishment of an educational institute providing higher education.</p> <p>Further, the Company spent ₹5.76 Crores during the FY 2023-24 to operate a Centralized Kitchen mid-day meals. The amount spent by the company has been utilized in serving a total of 63 lacs meals to the under privileged schoolchildren as beneficiaries of this project alone in the FY 2023-24.</p> <p>Beyond these Ongoing Projects, a total of 800 additional beneficiaries were supported during the FY 2023-24 through various other CSR initiatives.</p>	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	<b>Sustainable Sourcing</b>	O	Sustainable sourcing has been identified as an opportunity since the company's supply chain involves various stakeholders, including farmers, suppliers, distributors and by adopting sustainable sourcing practices, KRBL minimizes its environmental footprint, improving the welfare of workers and farmers and enhancing its reputation. Sustainable sourcing practices can include initiatives such as promoting sustainable agriculture practices, reducing waste in the supply chain and ensuring fair labour practices.	<ul style="list-style-type: none"> <li>As a testament to our commitment to quality and ethical practices. One of the manufacturing unit is certified by SEDEX (Supplier Ethical Data Exchange) and conducts BRCGS ETRS (British Retail Consortium Global Standards) Ethical Trade Responsible assessment which makes KRBL, the first organization in rice industry to be ETRS assessed with a 5/5 score..</li> <li>We also monitoring the packaging material suppliers on social compliance parameters.</li> <li>Furthermore, KRBL has integrated the Paddy Purchase App into its system to monitor all procurement-related parameters of Mandi Purchase, including purchasing price, quantity, and quality specifications. This information is shared in real-time, effectively mitigating miscommunication and errors.</li> </ul>	Positive

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURE**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates 9 Principles referred as P1-P9 as given below:

- P1** Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable.
- P2** Businesses should provide goods and services in a manner that is sustainable and safe.
- P3** Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4** Businesses should respect the interests of and be responsive towards all its stakeholders.
- P5** Businesses should respect and promote human rights.
- P6** Businesses should respect, protect and make efforts to restore the environment.
- P7** Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P8** Businesses should promote inclusive growth and equitable development.
- P9** Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Question	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>POLICY AND MANAGEMENT PROCESSES</b>									
<b>1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>b. Has the policy been approved by the Board? (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>c. Web link of the policies, if available</b>	<b>REFER NOTE BELOW</b>								
<b>2. Whether the entity has translated the policy into procedures. (Yes / No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>3. Do the enlisted policies extend to your value chain partners? (Yes/No)</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>4. Name the national and international codes/certifications/ labels/ standards (e.g. Forest stewardship council, Fairtrade, Rainforest alliance, Trustee) adopted by your entity and mapped to each principle.</b>	<ul style="list-style-type: none"> <li>• Food Safety System Certification 22000 (FSSC Version 5.1)</li> <li>• Safe Quality Food (SQF) Food Safety Code for Food manufacturing, Edition 9</li> <li>• BRCGS Food Safety Certification Issue 9</li> <li>• Halal Product Certification</li> <li>• USFDA (U.S. Food and Drug Administration) Registered</li> </ul>		<ul style="list-style-type: none"> <li>BRCGS ETRS (Ethical Trade and Responsible Sourcing)</li> </ul>		<ul style="list-style-type: none"> <li>SEDEX Good Manufacturing Practice (GMP) Pillar 4</li> </ul>		<ul style="list-style-type: none"> <li>Advertising Standards Council of India (ASCI) - Code on Fair Advertising to Consumers</li> </ul>		

Disclosure Question	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>5. Specific commitments, goals and targets set by the entity with defined timelines, if any</b>	<p>The Company has set ESG targets encompassing various aspects of Water neutrality, Energy conservation, Plastic Neutrality etc.</p> <ul style="list-style-type: none"> <li>• We are focusing to incorporate 30% of recycled plastics into Category 1 products specifically into PET jars and 10% in Category 2 products (Flexible packaging material) by FY 2025-26.</li> <li>• We are currently undertaking the commissioning of a new turbine with the objective of eliminating reliance on grid electricity.</li> <li>• Strengthening sustainability in value chain by FY 2024-25.</li> <li>• We have planned to extend the BRCGS ETRS assessment for our Unit for the FY 2024-25, thereby reinforcing the commitment to ethical trade, responsible sourcing and sustainable business practices.</li> </ul>								
<b>6. Performance of the entity against specific commitments, goals and targets along with reasons in case of same are not met.</b>	<p>We endeavour to make consistent progress in ESG and track it by way of milestones &amp; metrics. (Refer to the ESG highlights section of the Annual Report on Page No. 40)</p>								

**GOVERNANCE, LEADERSHIP AND OVERSIGHT**

**7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements**

At KRBL Limited, sustainability forms the core of our business operations. We recognize our obligation to lead the way in sustainable progress, viewing it as more than just a social responsibility. Consistently aligning our business strategies with sustainability and circularity, we ensure that these principles permeate every facet of our operations. Our resolute mission is to minimise our ecological footprint and make a positive impact on the environment. Beyond environmental care, we invest in community wellbeing and social inclusion, empowering them to thrive. We are shaping a better, sustainable tomorrow, integrating social and environmental factors into our operations and decisions. We are committed to upholding the ESG Principles and are pleased with the progress we have achieved towards a sustainable and socially responsible future.

Our primary challenge is reducing our dependence on fossil fuels and grid electricity. Socially, we focus on ethical trade, responsible sourcing, ensuring employee safety and training, and maintaining high standards of customer satisfaction and governance standards.

We live today in a world of uncertainty. Unprecedented change is upon us given the mega threats of geopolitical dynamics, existential climate crisis and digital acceleration. The consequences are starkly visible be it in supply chain disruptions, structural inflation, the danger of food and livelihood security and indeed widening inequality. KRBL firmly believes that businesses exist to serve society. Enterprises with their immense and multi-dimensional resources can play a significant role in alleviating societal challenges.

KRBL's initiatives and action plan includes pursuing a low carbon growth strategy through extensive decarbonisation programmes across its operations and value chain, increasing the share of renewable energy, energy efficiency initiatives and use of technology for greening logistics. Accelerating adaptation efforts, KRBL is building climate resilience by promoting regenerative agriculture practices in agriculture. This will further strengthen efforts to combat climate change, enable the transition to a net zero economy, work towards ensuring water security for all, restore biodiversity through adoption of nature-based solutions, create an effective circular economy for post-consumer packaging waste and scale up programmes that support large-scale sustainable livelihoods.

We continue to strengthen our management approach, guided by a comprehensive set of sustainability policies. We are also building further on the mechanisms of engagement with key stakeholders, identifying material sustainability issues and progressively monitoring and mitigating the impact along our value chains. Focussed interventions have been strengthened in key areas of impact such as talent management, diversity & inclusion, employee relations and employee well-being. We will continue to update our systems and processes in line with evolving disclosure standards and Environmental, Social and Governance requirements.

The journey towards decarbonisation in KRBL includes increasing our footprint of renewable energy, green infrastructure and carbon sequestration amongst others. This includes reusing by-products like rice husk across operations and recycling waste, making the concept of circularity central to conducting business at KRBL Limited. During the year, around 90% of our total energy requirements for plant operations were met from renewable sources. Our energy portfolio includes 112.25 MW in wind power, 17 MW in solar projects, and 17.59 MW in biomass segments. We aim to further reduce energy consumption, water withdrawal and replenish 137,210 KL of water annually through recharge wells.



Recognising that it is critical to prevent waste from reaching landfills, KRBL has put in place comprehensive interventions for solid, plastic waste management. Through Extended Producer Responsibility (EPR), we collected, recycled, and safely disposed of over 2,600 tonnes of plastic waste in FY 2023-24 and reduced plastic usage by 10 metric tons in FY 2024. By FY 2025-26 we aim to use 30% of recycled plastics in Category 1 (PET jars) and 10% in Category 2 (Flexible packaging).

KRBL's biodiversity programme focusses on reviving ecosystem services provided to agriculture such as natural regulation of pests, pollination, nutrient cycling, soil health retention and genetic diversity, which have witnessed considerable erosion over the past few decades. We have designated 3000 sq. m for Miyawaki plantation to lower urban temperatures and reduce pollution. Eucalyptus Plantation: We have planted 20,000 Eucalyptus trees across 30 acres to mitigate groundwater seepage and promote natural discharge.

We firmly believe that there is no conflict between creation of shareholder value and generation of societal capital as we continue to make strides towards the sustainability.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy(ies).**

The CSR & ESG Committee of the Board, chaired by Mr. Anil Kumar Mittal, Chairman & Managing Director of the Company, reviews and oversees the implementation of the sustainability policies of the Company.

**9. Does the entity have a specified committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.**

Yes, the Board of Directors of the Company are responsible for implementation and oversight of the business responsibility policies. The Board has empowered the CSR & ESG Committee to provide direction to the management and exercise oversight on the implementation of ESG policies and sustainability measures. The CSR & ESG Committee's composition, terms of reference are mentioned in the 'Report on Corporate Governance' forming part of this Annual Report. Further, the Board of Directors periodically considers and review the progress in respect to ESG and Sustainability matters.

**10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies & follow up action	All the policies of the Company are approved by the Board and reviewed periodically or on a need basis by the Board and its respective Committees.									Ongoing basis								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all the applicable statutory requirements and rectifies non-compliance(s), if any.									Quarterly and as and when required.								

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

P1	P2	P3	P4	P5	P6	P7	P8	P9
As a part of the oversight of the internal financial controls in the Company, Board of Directors review the adherence to the stated policies in the Company. Further, independent assessment/evaluation is carried out periodically by external agencies for certain policies and principles.								

**12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/ No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					NA				
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**NOTE:**

Principle	Applicable Policies	Link
<b>Principle 1:</b> Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	<ul style="list-style-type: none"> <li>Code of Business Conduct and Ethics</li> <li>Insider Trading Policy</li> <li>Whistle Blower Policy (Vigil Mechanism)</li> <li>Anti-Bribery and Anti-Corruption Policy</li> <li>Anti-Fraud Policy</li> </ul>	The policies related to all the aforementioned 9 Principles are available on the company's website: <a href="https://krblrice.com/policies-codes-related-documents/">https://krblrice.com/policies-codes-related-documents/</a> under the head "Investor Relations." However, the internal policies of the company pertaining to employment, leave, and product quality are available on the company's intranet only.
<b>Principle 2:</b> Businesses should provide goods and services in a manner that is sustainable and safe	<ul style="list-style-type: none"> <li>Sustainable Procurement Policy</li> <li>Product Responsibility Policy</li> </ul>	
<b>Principle 3:</b> Businesses should respect and promote the well-being of all employees, including those in their value chains	<ul style="list-style-type: none"> <li>Human Rights Policy</li> <li>Other HR &amp; Employee Related Policies</li> <li>Policy on Sexual Harassment(POSH)</li> <li>Anti Discrimination and Equal Opportunity Policy</li> <li>Stakeholders Engagement and Grievance Redressal Policy</li> <li>Nomination, Remuneration and Board Diversity Policy</li> </ul>	
<b>Principle 4:</b> Businesses should respect the interests of and be responsive to all its stakeholders	<ul style="list-style-type: none"> <li>Stakeholders Engagement and Grievance Redressal Policy</li> <li>CSR Policy</li> </ul>	
<b>Principle 5:</b> Businesses should respect and promote human rights	<ul style="list-style-type: none"> <li>Human Rights Policy</li> <li>Policy on Sexual Harassment (POSH)</li> <li>Anti-Discrimination and Equal Opportunity Policy</li> </ul>	
<b>Principle 6:</b> Businesses should respect and make efforts to protect and restore the environment	<ul style="list-style-type: none"> <li>Environmental Protection Policy</li> </ul>	
<b>Principle 7:</b> Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	<ul style="list-style-type: none"> <li>Code of Business Conduct and Ethics</li> <li>Anti-Bribery and Anti-Corruption Policy</li> <li>Responsible Advocacy Policy</li> <li>Anti-Fraud Policy</li> </ul>	
<b>Principle 8:</b> Businesses should promote inclusive growth and equitable development	<ul style="list-style-type: none"> <li>Stakeholders Engagement and Grievance Redressal Policy</li> <li>Sustainable Procurement Policy</li> <li>CSR Policy</li> </ul>	
<b>Principle 9:</b> Businesses should engage with and provide value to their consumers in a responsible manner	<ul style="list-style-type: none"> <li>Stakeholders Engagement and Grievance Redressal Policy</li> <li>IT Cyber Security Policy</li> </ul>	



**SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1- BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE**



**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the Principles during the Financial Year:**

Segment	Total number of training and awareness programmes held*	Topics/ Principles covered under the training audits impact	% of persons in respective category covered by the awareness programmes
Board of Directors	5	Updates on regulatory changes, roles and responsibilities of Independent Directors, Code of Conduct and Insider Trading, Materiality guidelines, Managerial remuneration, Sustainability initiatives, Review of policies & procedures	100%
Key Managerial Personnel (KMP)	5	Updates on regulatory changes, roles and responsibilities of Independent Directors, Code of Conduct and Insider Trading, Materiality guidelines, Managerial remuneration, Sustainability initiatives, Review of policies & procedures	100%
Employees other than BoD and KMPs	198	Food safety management system, Fire safety, First aid, Regulatory affairs, Allergens management, Pest control, Anti-discrimination, Business ethics & Labour rights, Occupational health & safety, FOSTAC, Advance Excel, POSH, Impactful communication, Health and Nutrition, IT Training	83%
Workers	165	Personal hygiene, Fire safety, First aid, Machine operation(s), Allergen awareness, Anti-discrimination, POSH, Environmental policy and processes, Business ethics & Labour rights, Occupational health & safety	69%

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the Financial Year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred (Y/N)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-
Non-Monetary					
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institution
-	-

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has an Anti-bribery and Anti-corruption policy. The Company has a zero-tolerance approach towards bribery and corruption and is dedicated to conduct all its business dealings and relationships with professionalism, fairness, and integrity. The Company, its subsidiaries, their directors, officers, employees (including part-time and contractors) and suppliers, value chain partners and contractors while acting on behalf of the Company are required to strictly comply with this Anti Bribery and Anti Corruption Policy. Officials are prohibited from giving or receiving bribes to any third party, including any person or entity in the private or commercial sector.

Detailed Policy is available at: <https://krblrice.com/Anti%20Bribery%20and%20Anti%20Corruption%20Policy.pdf>

The employees (including Directors and KMPs) of the Company commit to adhering to the Code of Business Conduct and Ethics upon joining and reaffirm this commitment annually.

Furthermore, KRBL has established a Vigil Mechanism (Whistle Blower Policy) to report incidents of misconduct, such as unethical behaviour, malpractices and fraud. All directors and employees can directly report such incidents to the Chairman of the Audit Committee through the Vigil Mechanism.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2023-24	FY 2022-23
Directors		
KMPs		NIL
Employees		
Workers		

**6. Details of complaints about conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors				
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				NIL

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

NA

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	10	10.73

**9. Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameters	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	29.78%	34.61%
	b. Number of trading houses where purchases are made from	534	751
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	25.81%	17.42%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	77.80%	76.83%
	b. Number of dealers / distributors to whom sales are made	616	606
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	28.10%	36.08%
Share of RPTs in*	a. Purchases (Purchases with related parties / Total Purchases)	0.00%	0.00%
	b. Sales (Sales to related parties / Total Sales)	0.25%	0.20%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.00%	0.00%
	d. Investments ( Investments in related parties / Total Investments made)	3.58%	12.15%

\*Refer to Note 46 of the standalone Financial Statements forming part of the Annual Report.

**PRINCIPLE 2 - BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**



1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impact
R&D	100 %	100%	Enhancing seed quality, delivering educational sessions to farmers on Good Agricultural Practices (GAP), and supplying Integrated Pest Management (IPM) kits to agricultural practitioners.
Capex	-	-	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, KRBL actively engages in sustainable sourcing, upholding the principles outlined by the International Labour Organization on Business and Human Rights. One of the Manufacturing Unit of KRBL is certified by SEDEX (Supplier Ethical Data Exchange) and conducts BRCGS ETRS (British Retail Consortium Global Standards) Ethical Trade Responsible assessment which makes KRBL, the first organization in rice industry to be ETRS assessed with a 5/5 score. We support fair labour practices, safe working conditions and respect for human rights throughout our supply chain. We also monitor our raw material and packaging material suppliers on social compliance parameters. Further, we follow Ethical Trading Initiative Code in our manufacturing plants. The Company has a Sustainable Sourcing Policy in place and it endeavours to procure raw materials and packaging materials from the suppliers who are doing their respective businesses sustainably.

b. If yes, what percentage of inputs were sourced sustainably?

KRBL has an enhanced focus on sourcing goods in a responsible manner. Throughout the company's procurement process, products are sourced locally and from Micro Small and Medium Enterprises (MSMEs) and other small producers to the extent possible. Given our business operations, it is difficult to estimate the percentage of inputs sourced sustainably. However, the suppliers have made efforts to abide by all provisions relating to the impact on quality and food safety, sustainability, waste, and work environment which includes aspects of ethical labour practices and human rights.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Type of Waste	Name of Policy/ Process	Policy/ Process Description
Plastics (including packaging)	Extended Producer Responsibility	As part of our Extended Producer Responsibility (EPR), we collect plastic waste through our waste management agency and recycle or safely dispose it as appropriate. We comply with EPR regulations set by the Central Pollution Control Board (CPCB). Since 2019, we have been a plastic-neutral* organization and have successfully met EPR guidelines yearly.
E-Waste	Extended Producer Responsibility	At KRBL, we have managed generation of electronic waste (e-waste), ensuring that all such waste is conscientiously recycled and safely disposed of through accredited e-waste processing facilities.
Hazardous Waste	Safely Disposed	Toxic and hazardous wastes are managed in strict accordance with guidelines of Pollution Control Board (PCB). This ensures safe and environmentally friendly disposal, mitigating potential risks to ecosystems and public health.
Other Waste	Safely Disposed	The other waste of the company is safely disposed.

\*(This pertains to only domestic market)

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, KRBL is in compliance with the Extended Producer Responsibility (EPR) under the applicable Plastic Waste Management rules. Through EPR, the Company has made an attempt to collect, recycle or safely dispose more than 2600 tonnes of plastic waste. This has been made possible by efficient collaboration with collection centres and recycling/co-processing plants. The primary product of the Company is food grains, hence plastic is the predominant packaging material. Ensuring compliance with the Plastic Waste Management (PWM) Rules, 2016, the Company follows the 'Replace with EPR' approach to manage its downstream operations,

plastic packaging waste. Further, the Company has plans to increase the use of recycled plastic in a host of product packaging. Our EPR plan is implemented through our Waste Management Agency ("WMA"). WMA has collected the targeted plastic waste across India. In alignment with EPR compliance requirements, the Company has managed Category 1 Rigid Plastic (51 MT), Category 2 Flexible Plastic (2227 MT), and Category 3 MLP Plastic (347 MT) during the FY 2023-24. To facilitate credit transfers and ensure compliance across all three plastic categories, the Company has diligently fulfilled its annual return obligations via the EPR portal.

**PRINCIPLE 3- BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**



1 a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		No.(B)	% (B/A)	No.(C)	% (C/A)	No. (D)	% (D/A)	No.(E)	% (E/A)	No.(F)	% (F/A)
<b>PERMANENT EMPLOYEES</b>											
Male	1,933	1,933	100%	1,933	100%	-	-	189	10%	0	0%
Female	41	41	100%	41	100%	41	100%	0	0	0	0%
<b>Total</b>	<b>1,974</b>	<b>1,974</b>	<b>100%</b>	<b>1,974</b>	<b>100%</b>	<b>41</b>	<b>100%</b>	<b>189</b>	<b>10%</b>	<b>0</b>	<b>0%</b>
<b>OTHER THAN PERMANENT EMPLOYEES</b>											
Male	205	0	0%	0	0%	0	0%	0	0%	0	0%
Female	-	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>205</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>PERMANENT WORKERS</b>											
Male	748	748	100%	748	100%	0	0%	10	1%	0	0%
Female	46	46	100%	46	100%	46	100%	0	0%	0	0%
<b>Total</b>	<b>794</b>	<b>794</b>	<b>100%</b>	<b>794</b>	<b>100%</b>	<b>46</b>	<b>100%</b>	<b>10</b>	<b>1%</b>	<b>0</b>	<b>0%</b>
<b>OTHER THAN PERMANENT WORKERS</b>											
Male	283	0	0%	0	0%	0	0%	0	0%	0	0%
Female	53	0	0%	0	0%	53	100%	0	0%	0	0%
<b>Total</b>	<b>336</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>53</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.06%	0.02%



**2. Details of retirement benefits, for the current and previous Financial Year:**

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted & deposited with the authority (Yes/No/N.A)	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted and deposited with the authority (Yes/No/N.A.)
PF	88.04%	97.10%	Yes	86%	98%	Yes
Gratuity	100.00%	100.00%	Yes	100%	100%	Yes
ESI*	28.67%	98.74%	Yes	28%	100%	Yes
Others- Labour Welfare Fund (LWF).	42.10%	66.12%	Yes	40%	67%	Yes

This table covers only permanent employees.

\*As per the ESI Regulation, 100% of the eligible employees and workers have been covered under the benefits.

**3. Accessibility of workplaces**

Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes the workplaces are well equipped with ramps, lifts and handrails for staircases to facilitate the movement of differently abled individuals following the requirements of the Rights of Persons with Disabilities Act, 2016.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, KRBL follows ethical and competitive practices across its business dealings. The Company is an Equal Opportunity employer and aims to maintain inclusivity for all. It believes in treating every employee with respect and stands for the elimination of discrimination in respect of employment and occupation. The Company believes in fostering a workplace culture that values diversity, promotes inclusivity, and upholds the principles of equality and respect for all individuals. The Company has in place a dedicated Anti-Discrimination and Equal Opportunity Policy that serves as a cornerstone of our commitment towards providing a safe, supportive, and fair environment for every employee of our organisation.

The policy can be accessed at: <https://krblrice.com/policies-codes-related-documents/>

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA <sup>#</sup>	NA	NA <sup>#</sup>	NA <sup>#</sup>
Female	100%	100%	NA <sup>#</sup>	NA <sup>#</sup>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>NA<sup>#</sup></b>	<b>NA<sup>#</sup></b>

<sup>#</sup>No paternity leaves were availed during the financial year.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
<b>Permanent Employees</b>	KRBL maintains a Human Resources Management System (HRMS) portal for its employees. The portal provides a helpdesk to employees for resolving any grievance. Additionally, the company has provided suggestion boxes for employees to submit their feedback and suggestions.
<b>Other than Permanent Employees</b>	The HR department is available to address any queries or concerns from the employees. The Company aims to provide prompt and efficient resolution of all queries through both email communication and direct interaction.
<b>Permanent Workers</b>	The Company has Works Committee, Grievance Handling Committee and Safety Committee, all of which look into any grievances associated with the working conditions and safety of the workers. Grievances received from workers are duly recorded in the appropriate registers at the plant premises.
<b>Other than Permanent Workers</b>	

KRBL has implemented multiple policies to ensure that its employees and workers can get redressal of their grievances in an appropriate manner. The Company's Stakeholder Engagement and Grievance Redressal Policy is applicable to all stakeholders who are either affected by or affect the company's operations.

The Company's Whistle Blower Mechanism enables its Directors and employees, to report any concerns or grievances related to potential or actual breach of the Company's Code of Business Conduct and Ethics, unethical behaviour. To enhance awareness, the organisation employs various communication methods, including email correspondence, training programmes, presentations and sessions, encouraging individuals to promptly report genuine, ethical and legal concerns or suspected fraudulent behaviour.

Moreover, the Company has a designated POSH Committee at all establishments, to ensure that all have a platform to raise and address their concerns effectively

The policies can be assessed on the link: <https://krblrice.com/policies-codes-related-documents/>

**7. Membership of employees in association(s) or unions recognised by the listed entity:**

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	<b>1,974</b>	-	-	<b>1,636</b>	-	-
-Male	1,933	-	-	1,602	-	-
-Female	41	-	-	34	-	-
<b>Total Permanent Workers</b>	<b>794</b>	-	-	<b>878</b>	-	-
-Male	748	-	-	828	-	-
-Female	46	-	-	50	-	-

**8. Details of training given to employees and workers:**

Category	FY 2023-24				FY 2022-23					
	Total (A)	On health & safety/ wellness measures		On skill upgradation	Total (D)	On health and safety measures/ wellness		On skill upgradation		
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)		
<b>EMPLOYEES</b>										
Male	2,138	1,540	72.03%	1,517	70.95%	1,810	117	6.46%	156	8.62%
Female	41	36	87.80%	29	70.73%	34	3	8.82%	14	41.18%
<b>Total</b>	<b>2,179</b>	<b>1,576</b>	<b>72.33%</b>	<b>1,546</b>	<b>70.95%</b>	<b>1,844</b>	<b>120</b>	<b>6.51%</b>	<b>170</b>	<b>9.22%</b>
<b>WORKERS</b>										
Male	1,031	694	67.31%	719	69.74%	1,094	114	10.42%	107	9.78%
Female	99	46	46.46%	46	46.46%	104	6	5.77%	1	0.96%
<b>Total</b>	<b>1,130</b>	<b>740</b>	<b>65.49%</b>	<b>765</b>	<b>67.70%</b>	<b>1,198</b>	<b>120</b>	<b>10.02%</b>	<b>108</b>	<b>9.02%</b>

Note: Permanent and other than permanent employees and workers were considered.



9. Details of performance and career development reviews of employees and workers

Category	FY24 Current Financial Year			FY23 Previous Financial Year		
	Total (A)	No. (B)	% (B/ A)	Total (C)	No. (D)	% (D/ C)
<b>EMPLOYEES</b>						
Male	2,138	2,138	100%	1,810	1,370	75.69%
Female	41	41	100%	34	25	73.53%
<b>Total</b>	<b>2,179</b>	<b>2,179</b>	<b>100%</b>	<b>1,844</b>	<b>1,395</b>	<b>75.65%</b>
<b>WORKERS</b>						
Male	1,031	1,031	100%	1,094	687	62.80%
Female	99	99	100%	104	49	47.12%
<b>Total</b>	<b>1,130</b>	<b>1,130</b>	<b>100%</b>	<b>1,198</b>	<b>736</b>	<b>61.44%</b>

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, the Company has an Operational Health and Safety (OH&S) management system implemented in our premises which include trainings, Hazard Identification and Risk Assessment (HIRA), Incident reporting mechanisms, Emergency preparedness drills and Internal monitoring processes. OH&S practices are followed to effectively address health & safety needs of all employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Hazards Identification and Risk Assessment (HIRA) are conducted periodically across all our production sites to identify hazards and their associated risks. The Company has also conducted risk assessments in manufacturing units pertaining to building risks, changes in building, transmittable diseases and risks related to pregnant women. Internal audits are conducted to assess any non-compliances, which can affect health and safety of our employees and workers. In the event of accidents, detailed root cause analysis is undertaken and corrective actions are performed immediately. Awareness trainings are provided to all employees including but not limited to mock drills on emergency preparedness, use of fire extinguishers, emergency fire and noise alarms, PPE kits and relevant safety equipment to all workers. Permit-to-work process is used for assessing risks related to non-routine tasks. The process involves identifying the hazards associated with the facilities and the work involved and outlining the controls to eliminate and reduce hazards. Job safety assessments are conducted regularly.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/ No)

Yes, the Company is committed towards keeping its workers safe at all locations. For this, the Company has established necessary processes for all its workers to report the work-related hazards and to protect themselves from such risks. We have constituted Works Committee, Grievance Handling Committee and Safety Committee in all our manufacturing units which investigates all grievances of the workers. Periodic trainings and mock drills with active participation of the entire workforce on emergency preparedness and use of fire extinguishers, fire alarms are also conducted. PPE kits and relevant safety equipments are also provided to all workers as per the job requirements.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, all the employees and workers have access to non-occupational medical and healthcare services. KRBL provides company funded medical support, medical insurance, and statutory benefits under ESIC, wherever applicable.

11. Details of safety related incidents in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	3.20
	Workers	1.80	4.50
Total recordable work-related injuries	Employees	1	3
	Workers	6	5
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company prioritizes safety which is achieved by incorporating strong protective measures to ensure a safe and healthy workplace - Employee well-being is very crucial to the company's success and KRBL ensures it by taking steps, institution of POSH Committee, Works committee, Grievance Handling Committee and Safety Committee which investigates all Employees' and Workers' grievances.

We have an OH&S management system implemented in our premises. The Company also provides training to all employees enhancing skill upgradation and personal safety. These trainings are on Personal Hygiene, Fire Safety, First-Aid, Machine operation, site security, Pest control, Problem solving. Trainings on POSH and mock drills for emergency preparedness are also conducted periodically. Workers in production areas are provided with proper PPE kits and relevant safety equipment such as gloves, ear plugs etc. The plants have primary health centres and restrooms. At all our manufacturing plants, we conduct annual medical check-ups and vaccination drives through medical professionals. Health and welfare camps on Yoga, Meditation, Women's health and nutrition are regularly conducted.

13. Number of complaints on the following made by employees and workers

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	4	NIL	Security/Admin/ Housekeeping	6	Nil	Minor issues related to Canteen/ Drinking Water
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

There were no significant risk or concern arising from assessments of health & safety practices and working conditions, however we have undertaken following preventive measures:

- a) We have established a comprehensive process for hazard identification and risk assessment by which all potential hazards related to health and safety are identified and appropriate control measures are implemented.
- b) In the event of accidents, detailed root cause analysis is conducted, and corrective actions are performed immediately.
- c) Internal and external audits are carried out at the manufacturing and corporate level periodically.
- d) Regular training and awareness programs are conducted to ensure that all employees are well-informed and capable of adhering to the updated safety protocols.
- e) Periodic check of equipment and machinery is conducted.

**PRINCIPLE 4- BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

UN SDGs



Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.  
Refer Stakeholder Engagement section forming part of this Annual Report on page no. 44-45

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of Engagement (Annually/ Half Yearly/ Quarterly/ Others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Consumers	No	Emails, Telephonic, Advertisements, Social media, Website, Pamphlets, Newspapers, TV, Magazines	Ongoing Basis	<p><b>Product Feedback:</b> We consider product feedback extremely pertinent and engagement with consumers, through different media.</p> <p><b>Transparency and Communication:</b> We provide accurate and easily understandable information about the products, processes, and sustainability efforts through clear labelling, product information, QR Codes and public disclosures, enabling consumers to make informed choices.</p> <p><b>Product Innovation and Responsiveness:</b> Consumer input is important for us to create more sustainable and environment-friendly products, packaging, and processes. This demonstrates commitment towards meeting consumer demands and aligning with their values.</p>
Communities	Yes	On site community meetings	Need basis	<p><b>CSR Engagement:</b> Engagement with beneficiaries are undertaken as per the company's designated CSR initiatives and programs.</p> <p><b>Collaboration with Local Businesses:</b> KRBL collaborates with local businesses and farmers to support the growth and development of the community during product sourcing, promoting local entrepreneurship and supporting initiatives that enhance the local economy.</p> <p><b>Environmental Initiatives:</b> The Company implements environmental friendly practices within its operations and supports initiatives such as promoting awareness about conservation and climate change.</p>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of Engagement (Annually/ Half Yearly/ Quarterly/ Others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	General Meetings, Investor Presentation, Earnings Conference Calls, Stock Exchange Intimations, Newspaper Publications, Annual Report, Emails, Calls, Website	Ongoing Basis	<p><b>General Meetings:</b> General Meetings allow shareholders to receive updates on the company's performance, financial statements, strategic plans, and any proposed resolutions. It is also a platform where shareholders can ask questions, voice concerns, and provide feedback.</p> <p><b>Shareholder Feedback Mechanisms:</b> The Company has established an effective mechanisms for shareholders to provide feedback, ask questions, and express their opinions. This includes dedicated email addresses specifically designated for shareholders. Responding promptly and addressing shareholder queries or concerns demonstrates the company's commitment to shareholder engagement.</p> <p><b>Shareholder Communication:</b> KRBL provides timely updates and reports on financial performance, significant events, and any other relevant information through emails including, investor presentations, press releases, reports etc.</p> <p><b>Investor Presentations and Conference Calls:</b> KRBL organises investor presentations and conference calls to provide updates on the company's performance, financial results, strategic initiatives, and market outlook. These events offer investors an opportunity to directly interact with management, ask questions and gain insights into the company's operations.</p> <p><b>Quarterly and Annual Reports:</b> KRBL publishes comprehensive quarterly and annual reports that include financial statements, management discussions and analysis of the business.</p>
Investors	No	General Meetings, Investor Presentation, Earnings Conference Calls, Stock Exchange Intimations, Newspaper Publications, Annual Report, Emails, Calls, Website	Ongoing basis	<p>Development and Learning, Trainings on Health and safety</p> <p>Press Releases, Media Interviews, Advertisements, Campaigns</p> <p>Compliance of laws</p> <p>Timely regulatory filings with appropriate authorities</p>
Employees/ Workers	No	Email, Calls, HRMS Portal	Regular	Development and Learning, Trainings on Health and safety
Media	No	Press Releases, Interviews	Event based	Press Releases, Media Interviews, Advertisements, Campaigns
Regulatory Authorities	No	Disclosures, Newspapers publications, Emails, Website, Statutory Filings	Regular	Compliance of laws Timely regulatory filings with appropriate authorities

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company has undertaken a materiality survey to identify the key issues that are material to its business. The Company has taken an interactive and data-driven approach to the evaluation, drawing on best industry practises and engaging with internal and external stakeholders.

The materiality matrix developed by KRBL reflects the primary areas of focus across Environmental, Social and Governance parameters, based on two dimensions — 'Importance to Stakeholders' and 'Importance to the Company'. The Company has established a CSR & ESG Committee, which includes members of the Board. The Committee is regularly informed about the Company's ongoing initiatives.

2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder participation and ideas are critical in identifying material subjects, contributing significantly to the organisation's complete and inclusive approach to sustainability. By consulting stakeholders, organisation can effectively identify and manage environmental and social topics that hold significance.

This collaborative process enables the Company to benefit from diverse perspectives, ensuring a well-rounded understanding of sustainability issues and their impacts. By valuing stakeholder consultation, the Company fosters transparency, accountability and informed decision-making, leading to more robust sustainability strategy and outcomes.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company identifies the need of communities including vulnerable and marginalised groups and accordingly takes up various programs through Corporate Social Responsibility initiatives. The initiatives undertaken by the Company under the thrust areas of Corporate Social Responsibility is after assessing the need of the communities including the vulnerable/marginalised stakeholder groups and other members of the community. In this regard, the Company has contributed towards serving 63 lac meals through the Akshaya Patra Foundation to under privileged school going children.

### PRINCIPLE 5 – BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS



1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (A)	No. of employees/workers covered (D)	% (D/C)
<b>EMPLOYEES</b>						
Permanent	1,974	1,589	80.50%	1,636		
Other than Permanent	205	190	92.68%	208	Refer Note Below	
<b>Total employees</b>	<b>2,179</b>	<b>1,779</b>	<b>81.64%</b>	<b>1,844</b>		
<b>WORKERS</b>						
Permanent	794	737	92.80%	878		
Other than Permanent	336	45	13.39%	320	Refer Note Below	
<b>Total workers</b>	<b>1,130</b>	<b>782</b>	<b>69.20%</b>	<b>1,198</b>		

Note: All employees and workers are made aware of human rights and the Company's Code of Conduct. No official record maintained during FY 2022-23.

2. Details of minimum wages paid to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	Equal to minimum wages		More than minimum wages		Total (D)	Equal to minimum wages		More than minimum wages	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	1,933	0	0%	1,933	100%	1,602	5	0.31%	1,597	99.69%
Female	41	0	0%	41	100%	34	-	-	34	100.00%
<b>Other than Permanent</b>										
Male	205	0	0%	205	100%	208	-	-	208	100.00%
Female	0	0	0%	0	0%	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>										
Male	748	80	10.70%	668	89.30%	828	60	7.26%	768	92.74%
Female	46	5	10.87%	41	89.13%	50	8	16.00%	42	84.00%
<b>Other than Permanent</b>										
Male	283	283	100%	0	0%	266	266	100.0%	-	-
Female	53	53	100%	0	0%	54	54	100.0%	-	-

3. Details of remuneration/salary/wages, in the following format:

- a. Median remuneration / wages:

(Amount in ₹ Lacs)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
<b>Board of Directors (BoD)</b>	7	280.39	2	216.41
<b>KMP</b>	2	115.66	0	-
<b>Employees other than BoD &amp; KMP</b>	1,928	3.24	40	6.11
<b>Workers</b>	748	1.85	46	1.84

Notes:

- This table includes information for only permanent employees and workers.
- We have four Executive Directors who are paid remuneration by way of salary, the Independent Non-Executive Directors are paid sitting fees only.
- KMP here includes CFO and Company Secretary
- Remuneration of the Directors is within the limit as prescribed under Section 197 read with Schedule V of the Act and other applicable laws.

- b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Gross wages paid to females as % of total wages	4.63%	5.00%
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\*Only Permanent employees covered

4. 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)

Yes, the Human Resources department of the company has been designated as the focal point for resolving any issues pertaining to Human Rights at KRBL. The Company has Internal Complaints Committee as per POSH to address the human rights issues of the Employees.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues?

KRBL has a Human Rights Policy that aims to promote human rights both at the level of the workplace (to employees, workers, suppliers, etc.) as well as the community (in and around which the company operates). All issues pertaining to human rights are dealt with by the Human Resources department of the Company. Through this policy, KRBL reaffirms its commitment towards dignified and respectful treatment of all individuals as well as eliminate discrimination in employment and involuntary forms of labour. Further, the Company provides access to an Employee Self-Service (ESS) Portal, facilitating employees to address their

grievances directly to the relevant department. KRBL has adopted Vigil Mechanism (Whistle-Blower Policy), Code of Business Conduct and Ethics, Nomination, Remuneration and Board Diversity Policy, Policy on Prevention of Sexual Harassment (POSH), Corporate Social Responsibility Policy, Anti-Fraud Policy, Anti Bribery and Anti Corruption Policy and Stakeholder Engagement and Grievance Redressal Policy to ensure that business operations are carried out in a fair and ethical manner and that a human-rights oriented approach is followed throughout its business activities.

**6. Number of complaints on the following made by employees and workers:**

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced /Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights issues	-	-	-	-	-	-

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

We conduct regular training sessions for employees and workers on Prevention of Sexual Harassment (POSH). Displaying informative posters regarding workplace conduct and the prevention of discrimination on notice boards. Incorporating comprehensive guidance for mitigation of discrimination and harassment at workplace environments into employee induction programs.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the principles and guidelines stated in the Code of Business Conduct and Ethics highlight the importance of the various human rights aspects and ensures that those principles are adhered to by all the stakeholders to ensure adherence towards human rights. All the matters related to human rights are addressed effectively by the concerned departments

**10. Assessments for the year:**

We have not received any complaints pertaining to Human Rights issues for the current and previous Financial Year. However, we are yet to conduct a formal Human Rights assessment of our offices in this regard.

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child labour	-
Forced/ involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-
Others – please specify	-

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

The Board has approved Equal Opportunity and Anti-Discrimination Policy, Anti -Fraud Policy and Stakeholder Engagement and Grievance Redressal Policy consisting of standard operating procedures w.r.t to handling and addressing of human rights issues.

**PRINCIPLE 6- BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**



Essential Indicators

**1. Details of total energy consumption in Giga Joules (GJ) and energy intensity:**

Parameter	FY (2023-24) GJ	FY (2022-23) GJ
<b>From renewable sources</b>		
Total electricity consumption (A)	9,124.54	7,746.89
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	17,82,203.44	20,86,418.99
<b>Total energy consumed from renewable sources (A+B+C)</b>	17,91,327.98	20,94,165.88
<b>From non-renewable sources</b>		
Total electricity consumption (D)	89,770.55	57,783.25
Total fuel consumption (E)	37,681.60	43,736.98
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	1,27,452.15	1,01,520.23
<b>Total energy consumed (A+B+C+D+E+F)</b>	19,18,780.14	21,95,686.11
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations) (KJ/INR)	35.63	40.94
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity</b> (Total energy consumed / Revenue from operations adjusted for PPP) (KJ/INR adjusted for PPP)	815.26	936.70
<b>Energy intensity in terms of physical output (KJ/Kg)</b>	3,016.67	3,066.86

\*Approx. 90% of energy utilized in operations is derived from renewable sources reducing reliance on fossil fuels and grid electricity.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the entity doesn't have any sites/facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY (2023-24)	FY (2022-23)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	13,500.00	5,34,057.20
(ii) Groundwater	2,73,588.00	2,02,682.00
(iii) Third party water	7,487.18	230.00
(iv) Seawater / desalinated water	-	-
(v) Others	-	71.36
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	2,94,575.18	7,37,040.56
<b>Total volume of water consumption (in kilolitres)</b>	2,94,538.18	3,92,092.56
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations) (mL/INR)	5.47	7.31
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity</b> (Total water consumption / Revenue from operations adjusted for PPP)(mL/INR adjusted for PPP)	125.14	167.25
<b>Water intensity in terms of physical output (mL/Kg)</b>	463.07	547.66



Note:

At KRBL, all wastewater undergoes stringent treatment before being reused within our premises for gardening and cleaning. This proactive approach has led to reduced water withdrawal from the source during the FY 2023-24 thus, minimizing environmental impact and promoting responsible resource utilization.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

4. Provide the following details related to water discharged:

Parameter	FY (2023-24)	FY (2022-23)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	-	3,44,682.00
- No treatment	-	-
- With treatment	-	3,44,682.00
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment	-	-
(iv) Sent to third-parties	37.00	266.00
- No treatment	37.00	266.00
- With treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>37.00</b>	<b>3,44,948.00</b>

Note:

The water discharged is within permissible limits and is carefully monitored through onsite meters. The information is readily accessible online via governing regulatory platforms. In the year 2022-23 the details related to discharge was inadvertently captured incorrect. The value presented was related to the amount of water re-used within our premises for gardening and cleaning. The total discharge accounted for 266 KL of water which was captured as send to third parties within the report

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

KRBL prioritizes water conservation through robust water efficiency practices mentioned below. While we haven't yet implemented Zero Liquid Discharge (ZLD) systems at our facilities, we actively aim to minimize freshwater consumption.

- **Judicious Water Use:** We promote responsible water usage throughout our operations.
- **Wastewater Recycling:** We treat wastewater through Effluent Treatment Plants (ETPs) and maximize its reuse for landscaping.
- **Minimized Freshwater Reliance:** By treating and reusing wastewater for landscaping, we significantly reduce the need for fresh water.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY (2023-24)	FY (2022-23)
<b>NOx</b>	-	-	-
<b>SOx</b>	-	-	-
<b>Particulate matter (PM)</b>	µg/m3	55.98	81.00*
<b>Persistent organic pollutants (POP)</b>	-	-	-
<b>Volatile organic compounds (VOC)</b>	-	-	-
<b>Hazardous air pollutants (HAP)</b>	-	-	-
<b>Others please specify</b>	-	-	-

Note: KRBL rigorously monitors stack emissions through periodic testing at all facilities, ensuring compliance. This includes internal testing and site testing by the State Government/Appropriate authorities.

\*This value has been recalculated and corrected.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY (2023-24)	FY (2022-23)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	TCo2e	12,107.63 <sup>#</sup>	11,168.01
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	TCo2e	17,854.36*	11,396.14
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	mgCo2e/₹	556.40	420.72
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	mgCo2e/₹ adjusted for PPP	12,730.37	9,626.07
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	mgCo2e/Kg	47,105.69	31,516.81

Note:

<sup>#</sup>Emission factor for (Scope 1 emissions) fuels and fugitive emissions were taken from IPCC 2006 Guidelines for National Greenhouse Gas Inventories, DEFRA (UK Government GHG Conversion Factors for Company Reporting - 2023)

\*Emission factor for (Scope 2 emissions) electricity was taken from CO<sub>2</sub> Baseline Database for the Indian Power Sector User Guide Version 19.0 published in December 2023

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

KRBL actively implements projects that demonstrably reduce greenhouse gas (GHG) emissions. Our commitment to sustainability is evident through a multi-pronged approach to renewable energy:

- **Solar Plants:** KRBL has invested in solar installations to generate clean electricity, reducing reliance on grid electricity.
- **Residual Rice Husk Utilisation:** Residual rice husk, a by-product of our operations, is effectively utilised as a fuel source. This process displaces traditional fossil fuels like coal, minimising GHG emissions associated with power generation.

By implementing these initiatives, KRBL ensures that over 90% of its consumed power originates from renewable sources. This significantly contributes to a reduction in greenhouse gas emissions compared to conventional power generation methods.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY (2023-24)	FY (2022-23)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	2,625.00	2,330.47
e-Waste (B)	0.375	0.38
Bio-medical waste (C)	0.36	-
Construction and demolition waste (D)	-	5.40
Battery waste (E)	2.11	1.30
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	0.45	1.4
Other Non-hazardous waste generated (H). (Rice Husk Ash, Metal scrap and Wood)	28,110.90	17.07
<b>Total (A+B + C + D + E + F + G +H)</b>	<b>30,739.19</b>	<b>2,356.02</b>
<b>Waste intensity per rupee of turnover (mg/INR)</b>	<b>570.83</b>	<b>43.93</b>
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (mg/ INR adjusted for PPP)</b>	<b>13,060.59</b>	<b>1,005.14</b>
<b>Waste intensity in terms of physical output (mg/Kg)</b>	<b>48,327.57</b>	<b>3,290.81</b>



Parameter	FY (2023-24)	FY (2022-23)
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of Waste</b>		
(i) Recycled	364.65	1,084
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	<b>364.65</b>	<b>1,084</b>
<b>For each category of waste generated, total waste disposed off by nature of disposal method (in metric tonnes)</b>		
<b>Category of Waste</b>		
(i) Incineration	0.36	-
(ii) Landfilling	27654.88	5.74
(iii) Other disposal operations	2,719.29	570.24
<b>Total</b>	<b>30374.53</b>	<b>575.98</b>

Note: KRBL prioritizes environmental responsibility. We've revised our non-hazardous waste reporting to include rice husk ash, a by-product of our renewable biomass power generation. This change may show an increase compared to previous reports, but it provides a more accurate picture. Additionally, we want to clarify an assumption: while loading rice husk ash onto trucks for landfill, water is sprayed to keep the ash settled during transportation. This practice can result in inaccurate data records due to the added weight of the absorbed water. Therefore, we now calculate rice husk ash based on the residual ash approx (18%) of the total rice husk generated in our operations and utilized in generation of electricity

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

**10. Briefly describe the waste management practices adopted in your establishments. 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.**

KRBL prioritizes environmental stewardship through a comprehensive waste management strategy. This strategy integrates best practices across all waste categories, aligning with our commitment to sustainability.

- a. **Extended Producer Responsibility:** We acknowledge our Extended Producer Responsibility (EPR) for plastic and electronic waste (e-waste). Robust mechanisms ensure their proper disposal and recycling, adhering strictly to all EPR compliance regulations.
- b. **Hazardous Waste Management:** Toxic and hazardous wastes are managed in strict accordance with Pollution Control Board (PCB) guidelines. This ensures safe and environmentally friendly disposal, mitigating potential risks to ecosystems and public health.
- c. **Resource Efficiency and Circularity:** Non-hazardous waste is managed through authorized partners, while residual rice husk is utilized for power generation, maximizing resource efficiency.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

KRBL does not have any operations/offices in/around ecologically sensitive areas.

S.No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
-	-	-	-

Yes, KRBL upholds biodiversity, a pillar of sustainability. We recognize environmental complexities and adhere to strict environmental guidelines, minimizing our impact. While our operations may not be in ecologically sensitive areas, our commitment extends beyond. We continuously evaluate practices and explore partnerships to support broader biodiversity conservation efforts.

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.**

KRBL prioritizes strict adherence to environmental regulations. While Environmental Impact Assessments (EIAs) weren't required for our FY 2023-24 operations, we remain committed to conducting them when necessary. We actively engage with relevant authorities to ensure our activities align with best practices.

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.**

S. No.	Specify the law/ regulation/ guidelines which were not complied with	Provide details of the non-compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
				Not applicable

Yes, KRBL goes beyond mere compliance. We aim towards establishing a robust environmental management system that adheres to all applicable Indian environmental laws and regulations, including the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, and the Environment (Protection) Act and the rules made thereunder.

**PRINCIPLE 7- BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**



**1 a. Number of affiliations with trade and industry chambers/ associations.**  
The Company is committed towards carrying out business in a manner where the authorities in the areas where it operates are kept in constant engagement.

To ensure that the Company's advocacy position is consistent with its values, KRBL aims to consistently engage with its stakeholders to ensure that policy advocacy is conducted ethically and in the interest of the Company's stakeholders.

KRBL has affiliations with 5 trade and industry chambers/associations.

**b. List of trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/National)
1	AIREA (All India Rice Exporters Association).	National
2	Federation of Indian Export Organisations (FIEO)	National
3	The PHD Chamber of Commerce and Industry (PHDCCI)	National
4	Bureau of Indian Standard (BIS)- Food grains, allied products and other agricultural produce sectional committee	National
5	Bureau of Indian Standard (BIS)- Consultative group on sustainability	National

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

No anti-competitive behaviour related adverse orders from any regulatory authority.

**PRINCIPLE 8-BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

UN SDGs



Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
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Social Impact Assessments (SIAs) have not been conducted by KRBL limited during FY 2023-24

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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No R&R projects have been undertaken by KRBL in FY 2023-24 as the same was not applicable

3. Describe the mechanisms to receive and redress grievances of the community.

KRBL's operations has a significant impact on the surrounding communities and any person or entity which is affected by our business operations is considered a stakeholder by the company. Timely resolution of all our stakeholder's grievances is of utmost significance to the Company. We have a dedicated Stakeholders Engagement and Grievance Redressal policy which has a detailed procedure for addressing grievances with a single point of contact specified. The main objective is to discover any gaps and to ensure that the community's needs and concerns are addressed and resolved in a time bound manner.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	9.03%	8.25%
Directly from within India	100%	100%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24 Current Financial Year	FY 2022-2023 Previous Financial Year
Rural	5.84%	6.01%
Semi-urban (Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)	46.86%	49.11%
Urban	45.82%	43.25%
Metropolitan	1.49%	1.63%

\*This covers only permanent employees

**PRINCIPLE 9- BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

UN SDGs



Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

KRBL has a well-established Consumer Complaint Cell which has established and detailed Standard Operating Procedure to ensure all the customer complaints and queries received are handled fairly, efficiently, and effectively in a time bound manner. We have dual point of connection for resolving customer complaints. Our contact number - +91-8448893199 and our Customer Care e-mail - customercare@krblindia.com which is also printed at the back of all our product packaging, helps the customers to register their respective queries and complaints in a more convenient manner. Every complaint is resolved through proper investigation and technical expert consultation and proper documentation in a time-bound manner. We appreciate our customers' input on our product offerings and endeavour to provide high-quality products that satisfy our customers' requirements and fulfil their expectations.

The Company has in place a policy on stakeholder's engagement and grievance policy which can be assessed on the link: <https://krblrice.com/wp-content/uploads/2024/08/SEGR-Policy-31.07.2024-Adopted.pdf>

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	45	-	Cases notified by customers wherein they were targeted through WhatsApp messages from unknown senders/ fake websites/links providing lucrative offers using our brand name.	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

**4. Details of instances of product recalls on accounts of safety issues.**

KRBL has not recorded any product recalls during the current financial year.

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

KRBL has developed various comprehensive security policies that outline access control, security, incident management procedures etc. Our policy on cyber security and risks related to data privacy is available on our website [https://krblrice.com/Cyber%20Security%20Guideline\\_Policy.pdf](https://krblrice.com/Cyber%20Security%20Guideline_Policy.pdf). Training is delivered to all employees on cybersecurity best practices. We have a dedicated IT team which ensures role-based access controls with proper encryption are in place ensuring employees have access to the necessary data required for their job responsibilities. All software are regularly updated and antivirus software are installed for protection against external threats. Internal audits and mock drills are also regularly conducted.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No such instance

**7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches – No such instances
- b. Percentage of data breaches involving personally identifiable information of customers – 0%
- c. Impact, if any, of the data breaches- Not Applicable

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

- a. KRBL's official website i.e. <https://krblrice.com/> and <https://www.indiagatefoods.com/> serves as a hub for providing detailed product descriptions, recipes and cooking tips.
- b. Through television and print advertising, we feature our brand across renowned Hindi general entertainment channels, movies channels and children's channels. We have also partnered with renowned publications to feature our products.
- c. Digital platforms such Instagram, Facebook, X and Smart Consumer App.
- d. Through e-Commerce platforms such Reliance, Spencer's, Flipkart, Amazon etc.
- e. Online and Offline Large format Stores such D mart and Vishal Mega Mart

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

- a. Digital Presence and Social Media Engagement - We have a strong digital presence to connect with our target audience effectively. Our website serves as a hub of information, providing detailed product descriptions, recipes and cooking tips. We also engage with our customers through various social media platforms like Facebook, Instagram, X etc.
- b. Television and Print Advertising - We strategically utilise television and print advertising to reach to a wider audience to feature our products, highlight their qualities and educating consumers about safe and responsible usage of our products.
- c. Consumer Outreach Programmes - Establishing a strong connection with our customers is of strong importance to KRBL. This is carried out through various consumer outreach programmes, such as cooking demonstrations, recipe contests, food festivals, various campaigns etc. to actively engage with our target audience. KRBL together with the Eat Right India initiative under the aegis of the Food Safety and Standards Authority of India (FSSAI), flagged off the nationwide 'Basmati Rice No Compromise' public interest education and awareness initiative. It was to spread awareness of the recently released FSSAI regulations on identity standards for basmati rice across 10 cities.

- d. All our products have accurate and easily understandable information about the product, instructions for use, mfg. date, use by date etc. through clear labelling which enables the consumer to make informed choices and safe usage. They can also reach out to us on our toll-free number +91-8448893199 and our email ID [customercare@krblindia.com](mailto:customercare@krblindia.com), these details are printed on all our product packaging. We also have a dedicated section "Contact Us" on our website which includes necessary details and helps in making an enquiry. There is also another section named "Our Brands" which has all the information related to all our products and their ingredients for consumer ease and knowledge.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

At KRBL, we do not deal with any essential services, however, in case of any disruption, we can disseminate information through our website, various mass media platforms, social media platforms, distribution network, sales representatives, emails, etc. In addition, consumers can reach out to us on +91-8448893199 and email ID [customercare@krblindia.com](mailto:customercare@krblindia.com), printed on each product.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, all mandatory disclosures required under Legal Metrology Act, 2009, Food Safety Standards Act, 2006 and other applicable laws are made on products, further we display product information on the product over and above what is mandated as per local laws. This includes QR codes which pertains the information about the product facts. We also display the information about product quality aspects, description about product, ageing of rice etc.

Yes, with an objective to gain insight of customer experience, preferences, likes, or dislikes related to product & services, a feedback call is being performed after complaint resolution. The maximum timeline for performing the feedback call is within 30 days of receiving the complaint. In addition to calls, we also share a customer satisfaction assessment form through email with the complainant seeking their feedback on overall experience.

# REPORT ON CORPORATE GOVERNANCE

## CORPORATE GOVERNANCE OVERVIEW

At KRBL Limited, we recognize that effective corporate governance is crucial for operational efficiency and stakeholder interests. Our governance is based on clear roles and responsibilities among the Board of Directors and Senior Management, emphasizing transparency, equity, and integrity in all interactions, including with employees, communities, and government entities.

We prioritize innovation, continuous improvement, and value creation, underpinned by principles of integrity and ethical conduct. Our robust governance framework ensures trust, transparency, accountability, effective oversight, risk management, and responsible decision-making. This commitment enhances stakeholder confidence and drives sustainable growth.

## COMPANY'S PHILOSOPHY ON GOVERNANCE

Our philosophy is to uphold the highest standards of corporate governance, fostering trust and accountability. We focus on

compliance, sustainable growth and long-term value creation for all stakeholders. The Board of Directors ensures effective management oversight, financial reporting and strategic guidance, reflecting our core values and commitment to ethical standards. Corporate governance at KRBL is a core value, integral to our operations and business success.

## 1. BOARD OF DIRECTORS

### A. SIZE AND COMPOSITION OF BOARD

#### Board Composition and Governance

A well-composed Board of Directors is essential for strategic direction and ethical governance. Our Board's composition complies with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") and Section 149 of the Companies Act, 2013 ("the Act"). Independent Directors constitute over 50% of our Board, ensuring diverse and balanced oversight.

#### Composition of Board of Directors as on March 31, 2024

S. No.	Name	DIN	Category
<b>A. Executive Directors</b>			<b>04</b>
1.	Mr. Anil Kumar Mittal	00030100	Chairperson & Managing Director
2.	Mr. Arun Kumar Gupta	00030127	Joint Managing Director
3.	Mr. Anoop Kumar Gupta	00030160	Joint Managing Director
4.	Ms. Priyanka Mittal	00030479	Whole Time Director
<b>B. Independent Non-Executive Directors</b>			<b>05</b>
5.	Mr. Vinod Ahuja	00030390	Independent Non-Executive Director
6.	Mr. Shyam Arora	00742924	Independent Non-Executive Director
7.	Mr. Devendra Kumar Agarwal	06754542	Independent Non-Executive Director
8.	Ms. Priyanka Sardana	00049811	Independent Non-Executive Director
9.	Mr. Surinder Singh	08200756	Independent Non-Executive Director
<b>Total (A+B)</b>			<b>09</b>

## BOARD APPOINTMENTS AND RE-APPOINTMENTS

Based on the Nomination & Remuneration Committee's ("NRC") recommendation, the Board appointed Mr. Surinder Singh (DIN: 08200756) as an Independent Non-Executive Director for a period of five years starting August 10, 2023, approved by shareholders at the 30<sup>th</sup> Annual General Meeting ("AGM") held on September 28, 2023.

On NRC's recommendation, the Board has approved the appointment of Mr. Ashok Pai (DIN: 06874699) as Additional Independent Non-Executive Director for a five-year term, subject to approval of the shareholders.

## DIRECTOR ROTATION AND RE-APPOINTMENT

As per Section 152 of the Act, two-third of the Board of Directors (other than Independent Directors) shall be liable to retire by rotation of which at least one-third shall retire at each AGM.

Accordingly, Mr. Anil Kumar Mittal, Chairperson and Managing Director being the longest serving Director, will retire at the 31<sup>st</sup> AGM and being eligible offers himself for re-appointment without constituting a break in his term as Chairperson and Managing Director.

The terms of Executive Directors including the Managing Directors' as per Section 196 of the Act, are capped at five years. The term of Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta, and Mr. Anoop Kumar Gupta will end on December 01, 2024.

Independent Directors can serve up to five consecutive years as per Section 149(10) of the Act and are eligible for re-appointment upon passing a Special Resolution. Ms. Priyanka Sardana's first term ends on September 24, 2024.

The Board, on recommendation of the NRC and considering their experience and contributions, has approved the re-appointment

of aforementioned Directors for further term of five years subject to approval by the shareholders.

## DIRECTOR COMPLIANCE AND ATTENDANCE

Under Section 165 of the Act, a Director cannot hold directorship in more than 20 companies, with a maximum of 10 public companies. Regulation 17A of SEBI Listing Regulations restricts directorships to 7 (seven) listed entities, and an Independent Director cannot hold more than 7 (seven) such positions. If

serving as a Whole Time Director/Managing Director, the limit is 3 (three) Independent Director Positions.

As per Regulation 26(1) of SEBI Listing Regulations, a Director can be a member of up to 10 (ten) committees and chairperson of up to 5 (five) committees across all listed entities.

Our Directors comply with these regulations. Their attendance at Board Meetings and the AGM during the financial year, along with their other Directorships and Committee Memberships/Chairpersonships, is detailed below:

#### Attendance Record, Directorships and Committee Membership/Chairpersonship for the Financial Year 2023-24:

Brief Information about Directors	Attendance record FY 2023-24		Directorship/Memberships / Chairpersonship		Name of the Listed Entities where Director is on Board Position			
	Number of Board Meeting(s) held and attended	Attendance at the last AGM held on 28.09.2023	Board Position in Other Companies*	Committee Positions**				
Name of the Directors	Held	Attended	Chairperson	Member				
<b>Executive Directors</b>								
Mr. Anil Kumar Mittal	00030100	4	3	✓	04	--	--	--
Mr. Arun Kumar Gupta	00030127	4	3	✓	04	--	--	--
Mr. Anoop Kumar Gupta	00030160	4	4	✓	04	--	--	--
Ms. Priyanka Mittal	00030479	4	3	✓	--	--	--	--
<b>Independent Non-Executive Directors</b>								
Mr. Vinod Ahuja	00030390	4	4	✓	02	--	--	--
Mr. Shyam Arora	00742924	4	4	✓	01	--	--	--
Mr. Devendra Kumar Agarwal	06754542	4	4	✓	--	--	--	--
Ms. Priyanka Sardana	00049811	4	4	✓	--	--	--	--
Mr. Surinder Singh	08200756	3	3	✓	--	--	--	--

\*Excluding Private Limited Companies, Foreign Companies, and Companies under Section 8 of the Act and Directorship held in KRBL Limited.

\*\* Includes committee positions held in Audit Committee and Stakeholders Relationship Committee and excludes committee positions held in Private Limited Companies, Foreign Companies, Section 8 companies and KRBL Limited.

## B. MAXIMUM TENURE OF INDEPENDENT DIRECTORS

In accordance with Section 149(10) & 149(11) of the Act, the tenure of Independent Directors is as under:

Name of Independent Director	Date of Appointment	Term	Date of Re-appointment (w.e.f)	Date of Expiry of Current Term
Mr. Vinod Ahuja	September 09, 2014	Second	September 14, 2019	September 13, 2024
Mr. Shyam Arora	September 09, 2014	Second	September 14, 2019	September 13, 2024
Mr. Devendra Kumar Agarwal	September 09, 2014	Second	September 14, 2019	September 13, 2024
Ms. Priyanka Sardana	September 25, 2019	Second*	September 25, 2024*	September 24, 2029*
Mr. Surinder Singh	August 10, 2023	First	NA	August 09, 2028
Mr. Ashok Pai	July 31, 2024*	First	NA	July 30, 2029

\*Subject to approval of the Shareholders.

### Inter-Director Relationships

Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta, and Mr. Anoop Kumar Gupta are siblings. Ms. Priyanka Mittal is Mr. Anil Kumar Mittal's daughter. As on March 31, 2024, no other directors are related as per the Act's definition of "relative."

### Shareholding of Non-Executive Directors

Non-Executive Directors do not hold any equity shares or convertible instruments in the Company.

### Familiarization Programme for Independent Directors

Independent Directors are familiarized with the industry, business model, and their roles through comprehensive orientation programs, including plant visits and interactive sessions with senior management. Regular updates on regulatory changes and other relevant information are also provided. The details of these programs are available on our website. <https://krblrice.com/wp-content/uploads/2022/06/Familiarization.pdf>

**Board Membership Criteria and Skills**

As on date of the report, our Board consists of 10 (Ten) members, blending expertise, experience, diversity, and independence. It includes 4 (four) Executive Directors (one female) and 6 (Six) Independent Directors (one female) with varied industry backgrounds. The Board meets regularly to set high standards and business targets.

The NRC identifies and recommends candidates based on criteria such as:

- Board composition appropriate to company size and status
- Desired age and diversity
- Balance of skills and experience
- Professional qualifications and relevant expertise
- Avoidance of conflicts of interest
- Availability and commitment
- Alignment with company values like integrity, honesty and transparency

The Board has identified the following core skills/expertise/competencies for effective functioning:

**Executive Directors**

Skills	Mr. Anil Kumar Mittal	Mr. Arun Kumar Gupta	Mr. Anoop Kumar Gupta	Ms. Priyanka Mittal
Strategy	✓	✓	✓	✓
Industry Exposure	✓	✓	✓	✓
Market Understanding	✓	✓	✓	✓
Technology/Digital/R&D	✓	✓	✓	✓
Sustainability	✓	✓	✓	✓
Stakeholder Orientation	✓	✓	✓	✓
Financial & Accounting	✓	✓	✓	✓
Supply Chain Management	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓

**Independent Non-Executive Directors**

Skills	Mr. Vinod Ahuja	Mr. Shyam Arora	Mr. Devendra Kumar Agarwal	Ms. Priyanka Sardana	Mr. Surinder Singh	Mr. Ashok Pai
Strategy	✓	✓	✓	✓	✓	✓
Industry Exposure	✓			✓	✓	
Market Understanding	✓	✓			✓	✓
Technology/Digital/R&D	✓	✓			✓	
Sustainability	✓			✓	✓	✓
Stakeholder Orientation	✓	✓	✓	✓		✓
Financial & Accounting	✓		✓		✓	✓
Supply Chain Management	✓				✓	✓
Risk Management	✓	✓	✓	✓	✓	✓

**Strategy:** Experience in leading strategic or business management positions, with the ability to identify and assess strategic opportunities and threats.

**Industry Exposure:** Deep understanding of the sector, including trends, emerging issues, and opportunities.

**Market Understanding:** Knowledge of the macro-economic environment, consumers and trade in the organization's operational geography.

**Technology/Digital/R&D:** Expertise in business-specific technologies, R&D and operations, with insight into future-ready skills.

**Sustainability:** Ability to integrate sustainable practices, ethical standards and responsible governance into business strategies, managing environmental impacts and fostering social responsibility.

**Stakeholder Orientation:** Provides diverse perspectives valuable for managing customers, consumers, employees, key stakeholders, and shareholders.

**Financial & Accounting:** Expertise in managing organizational finances, with a strong understanding of accounting and financial statements.

**Supply Chain Management:** Ability to strategize and oversee supply chain processes, ensuring efficiency, cost-effectiveness,

**Risk Management :** Ability to identify key risks for the business in a wide range of areas including financial, legal, regulatory etc. and quality control.

**Independence of Directors**

Based on declarations under Section 149(6) of the Act and Regulation 16(1) (b) of SEBI Listing Regulations, the Board confirms that all Independent Directors meet the specified conditions and are independent of management. They have also confirmed, as per Regulation 25(8) of the said regulations, that there are no circumstances that could affect their independent judgment.

**Letter of Appointment for Independent Directors**

The terms and conditions of appointment for Independent Directors are available on our website: at the <https://krblrice.com/Terms-&-Conditions-of-Appointment-of-Independent-Directors.pdf>

**Performance Evaluation and Meetings**

Independent Directors hold an annual separate meeting without the presence of Non-Independent Directors and management to review performance and discuss governance, strategy and risk management. The last meeting, chaired by Mr. Vinod Ahuja, was held at The Oberoi Hotel, New Delhi on February 22, 2024.

**Roles and Responsibilities of the Board**

The Board acts as custodian of stakeholder interests, providing strategic direction and oversight. Their responsibilities include:

- **Strategic Guidance and Oversight:**
  - Approval of corporate strategy, action plans, policies, budgets and business plans.
- Set performance objectives and monitor implementation.

- Oversee major capital expenditures, acquisitions and business expansion.

• **Financial Oversight and Integrity:**

- Ensure integrity of accounting and financial reporting systems.
- Implement robust controls and risk management.

• **Disclosure and Communication:**

Oversee disclosure processes to ensure transparency and compliance.

• **Governance and Compliance:**

Ensure effective governance practices and compliance with laws and regulations.

• **Executive Management:**

- Select, compensate, monitor and replace key executives as needed.
- Oversee succession planning and align remuneration with long-term interests.

• **Board Composition, Diversity, and Evaluation:**

- Ensure a transparent nomination process and promote diversity.
- Monitor and evaluate Board and its member's performance.
- Establish Board committees with clear mandates.

• **Conflict of Interest Management:**

- Monitor and manage potential conflicts of interest.
- Prevent misuse of corporate assets and address related party transactions.

**2. BOARD MEETINGS AND PROCEDURES**

**A. BOARD MEETINGS**

As required under Section 173(1) of the Act read with Secretarial Standards-1 (“SS-1”) issued by Institute of Company Secretaries of India (“ICSI”) & Regulation 17(2) of SEBI Listing Regulations, the Board shall meet 4 (four) times in a year with a maximum interval of 120 (one hundred and twenty) days between any 2 (two) consecutive meetings. In case of business exigencies or matters of urgency, the Board may also approve the resolutions by circulation as permitted under the Act.

**DETAILS OF BOARD MEETINGS HELD AND ATTENDED BY THE DIRECTORS DURING FINANCIAL YEAR 2023-24**

S. No.	Date of Board Meetings	Board Strength	No. of Directors Present	No. of Independent Directors Present	% of attendance
1.	Tuesday, May 30, 2023	8	8	4	100.00
2.	Thursday, August 10, 2023	9	8	5	88.89
3.	Thursday, November 09, 2023	9	8	5	88.89
4.	Tuesday, February 13, 2024	9	8	5	88.89

**B. BOARD PROCEDURE**

**Availability of information to Board members**

The Board has unrestricted access to all Company-related information, including that of our employees. At Board meetings, managers and representatives who can provide additional insights into the items being discussed are invited. Information is provided to the Board members on a continuous basis for their review, inputs and approval. Strategic and operational plans are presented to the Board in addition to the quarterly and annual financial statements. Specific cases of acquisitions, important managerial

decisions, material positive/negative developments and statutory matters are presented to the committees of the Board and later, with the recommendation of the committees, to the Board for its approval. As a process, information to Director is submitted along with the agenda well in advance of Board meetings. Inputs and feedback of Board members are taken and considered while preparing the agenda and documents for the Board meetings. At these meetings, Director can provide their inputs and suggestions on various strategic and operational matters.

**C. SHAREHOLDING OF DIRECTORS**

The Shareholding of Directors (in individual capacity) as on March 31, 2024 is given below:

Name	Designation	Number of Equity Shares Held
Mr. Anil Kumar Mittal	Chairperson & Managing Director	100
Mr. Arun Kumar Gupta	Joint Managing Director	100
Mr. Anoop Kumar Gupta	Joint Managing Director	100
Ms. Priyanka Mittal	Whole Time Director	100
Mr. Vinod Ahuja	Independent Non-Executive Director	NIL
Mr. Shyam Arora	Independent Non-Executive Director	NIL
Mr. Devendra Kumar Agarwal	Independent Non-Executive Director	NIL
Ms. Priyanka Sardana	Independent Non-Executive Director	NIL
Mr. Surinder Singh	Independent Non-Executive Director	NIL

**COMMITTEES OF THE BOARD**



**DETAILS ON OBJECTIVES, ROLE AND COMPOSITION OF COMMITTEES, NUMBER OF MEETINGS ATTENDANCE AND KEY HIGHLIGHTS DURING THE FINANCIAL YEAR**

**AUDIT COMMITTEE**

As on March 31, 2024, 75% of the Audit Committee comprises of Independent Directors, the Committee comprises of:

Name	Designation	Category of Directorship
Mr. Devendra Kumar Agarwal	- Chairperson	- Independent Non-Executive Director
Mr. Anoop Kumar Gupta	- Member	- Joint Managing Director
Mr. Shyam Arora	- Member	- Independent Non-Executive Director
Mr. Vinod Ahuja	- Member	- Independent Non-Executive Director

Mr. Piyush Asija, Company Secretary & Compliance Officer, acts as Secretary to the Audit Committee.

**Objective of the Audit Committee:**

The main goal of the Audit Committee is to oversee and provide diligent supervision of the Management's financial reporting procedures, ensuring precise and timely disclosures characterized by the utmost levels of transparency, integrity and quality in financial reporting.

**Powers, Role, Duties and Responsibilities of the Audit Committee:**

- To discuss with Statutory Auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern.
- To recommend to the Board, appointment, re-appointment, remuneration, fee and terms of appointment of Auditors of the Company.
- To review with the Management, performance of Statutory Auditors and Internal Auditors, the Auditor's independence, performance and effectiveness of the audit process.
- To approve related party transactions, grant omnibus approvals from time to time including approval or any subsequent modification of transactions of the Company with the related parties.
- To do scrutiny of Inter-Corporate Loans and Investments.
- To review valuation of undertakings or assets of the Company, wherever necessary.
- To evaluate Internal Financial Controls, Risk Management Systems, Compliance Framework.
- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To review with the Management, the Annual Financial Statements and Auditor's Report before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement and in the Board's Report in terms of Section 134(5) of the Act.
  - Changes, if any, in accounting policies, practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by Management.
  - Significant adjustments made in the Financial Statements arising out of Audit Findings.
  - Compliance with Listing and Other Legal requirements relating to Financial Statements.
  - Disclosure of Related Party Transactions.
  - Modified opinion(s) in the draft audit report.

- To review with the Management, the Quarterly Financial Results along with the Limited Review Report before submission to the Board for approval.
- To review the adequacy of Internal Audit and discuss with Internal Auditors any significant findings and follow up there on.
- To review the findings of any Internal Investigations into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board.
- To review the functioning of the Vigil Mechanism / Whistle Blower Policy.
- To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operating effectively.
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders if any.

**Key highlights of the activities of the Committee**

- Reviewed the Company's financial statements presented by the management, prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under the Act, read with the relevant rules thereunder.
  - Reviewed the effectiveness and functioning of the Vigil Mechanism of the Company.
  - Reviewed the financial condition and results of operations.
  - Reviewed the annual performance, recommended appointment of Statutory Auditors, Secretarial Auditors, Cost Auditors and Internal Auditors along with fixation of fees.
  - Reviewed the nature and scope of Audit to ascertain the adequacy and appropriateness.
  - Evaluated effectiveness of internal financial controls, enterprise risk management, and adequacy of internal audit process.
  - Reviewed the Financial Statements of the subsidiaries.
  - Reviewed and approved related party transactions, granted omnibus approvals from time to time, took note of half-yearly disclosures to the stock exchanges and recommended to the Board for approval as and when necessary.
  - Reviewed and recommended to the Board on various policies as part of annual policy review process along with the financial reporting process.
  - Reviewed the compliance structure on Prevention of Insider Trading.
  - Took note of disclosures by Promoters and Promoter group and Directors under applicable regulations.
- The minutes of the meetings of the Committee were placed before and noted by the Board. All the recommendations made by the Committee during the year under review were accepted by the Board.*

**DETAILS OF AUDIT COMMITTEE MEETINGS HELD AND ATTENDED BY THE COMMITTEE MEMBERS DURING FINANCIAL YEAR 2023-24**

Name	Designation	Attendance at the Meeting				% of attendance
		May- 30, 2023	Aug- 10, 2023	Nov-09, 2023	Feb-13, 2024	
Mr. Devendra Kumar Agarwal	Chairperson	✓	✓	✓	✓	100.00
Mr. Anoop Kumar Gupta	Member	✓	✓	✓	✓	100.00
Mr. Shyam Arora	Member	✓	✓	✓	✓	100.00
Mr. Vinod Ahuja	Member	✓	✓	✓	✓	100.00

Mr. Devendra Kumar Agarwal, Chairperson of the Audit Committee, was present at the last AGM held on September 28, 2023.

**NOMINATION AND REMUNERATION COMMITTEE**

As on March 31, 2024, 100% of the Nomination & Remuneration Committee comprises of Independent Directors, the Committee comprises of:

Name	Designation	Category of Directorship
Mr. Vinod Ahuja	- Chairperson	- Independent Non-Executive Director
Mr. Shyam Arora	- Member	- Independent Non-Executive Director
Ms. Priyanka Sardana	- Member	- Independent Non-Executive Director
Mr. Devendra Kumar Agarwal	- Member	- Independent Non-Executive Director

Mr. Piyush Asija, Company Secretary & Compliance Officer, acts as Secretary to the Nomination and Remuneration Committee.

**Objective of the Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee's main responsibility is to identify individuals possessing the necessary skills, experience, and diversity to serve as Directors on the Board and its Committees, as well as Key Managerial Personnel and Senior Managerial Personnel of the Company. The Committee recommends their appointment, re-appointment in the terms & conditions to the Board of Directors.

**Powers, Role, Duties and Responsibilities of the Nomination and Remuneration Committee:**

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and to determine the appropriate size, diversity, composition including Diversity of the Board and to identify the persons who are qualified to become the Directors.
- In relation to appointment of an Independent Director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.
- To formulate the criteria for evaluation of performance of the Independent Directors and the Board of Directors, its committees.
- To identify Key Managerial Personnel and Senior Managerial Personnel as per the criteria and recommend to the Board of Directors for their appointment and removal.
- To evaluate the performance of Senior Management and to approve and recommend to the Board for approval, all remuneration, in whatever form, payable to the Directors, Key Managerial Personnel and Senior Managerial Personnel and to maintain a balance between fixed and variable pay (if any), perks, other

benefits etc. reflecting short and long-term performance objectives appropriate to the working of the Company.

- To ensure that there is an appropriate induction & training programme in place for the Directors and members of the Senior Management and to review its effectiveness.
- To develop a succession plan for the Board members and Senior Management and to review the plan periodically.
- To approve policies, standard operating procedures etc. for benefit of the employees of the Company.

**Key highlights of the activities of the Committee:**

- Recommended the appointment of Mr. Surinder Singh, Independent Non-Executive Director and Mr. Piyush Asija, Company Secretary and Compliance Officer.
- Reviewed and recommended to the Board the revision and adoption of various policies for benefit of employees including Nomination Remuneration and Board Diversity Policy and Anti-Discrimination Policy.
- Annual performance evaluation of the Directors, Chairperson of the Company and its Committees.
- Reviewed the overall Board and Committee's composition.
- Reviewed and recommended to Board, the compensation paid to Executive Directors, KMPs and Senior Managerial Personnel.
- Reviewed various initiatives undertaken by the Company to ensure the safety, security and well-being of employee and overall development through learning programs and on the job training.

*The minutes of the meetings of the Committee were placed before and noted by the Board. All the recommendations made by the Committee during the year under review were accepted by the Board.*

**DETAILS OF NOMINATION AND REMUNERATION COMMITTEE MEETINGS HELD AND ATTENDED BY THE COMMITTEE MEMBERS DURING FINANCIAL YEAR 2023-24**

Name	Designation	Attendance at the Meeting				% of attendance
		May- 30, 2023	Aug- 10, 2023	Nov-09, 2023	Feb-13, 2024	
Mr. Vinod Ahuja	Chairperson	✓	✓	✓	✓	100.00
Mr. Shyam Arora	Member	✓	✓	✓	✓	100.00
Ms. Priyanka Sardana	Member	✓	✓	✓	✓	100.00
Mr. Devendra Kumar Agarwal	Member	✓	✓	✓	✓	100.00

Mr. Vinod Ahuja, the chairperson of the Nomination and Remuneration Committee was present at the last AGM held on September 28, 2023.

**Performance Evaluation Criteria for Independent Directors.**

The Nomination and Remuneration Committee of the Company, in its meeting held on February 13, 2024, cited the criteria for performance evaluation of Board of Directors, Committees of Board of Directors and the individual Board Members, including Independent Directors.

The performance evaluation of the Directors, Committees and the Board, was conducted and concluded as noted in Board Meeting dated May 20, 2024.

**Nomination, Remuneration and Board Diversity Policy**

Nomination, Remuneration and Board Diversity Policy of the Company aims to establish a framework that attracts, retains, and motivates talented individuals, while promoting long-term sustainable growth and value creation for Directors, Key Managerial Personnel, and Senior Managerial Personnel and other Employees.

**Remuneration of Directors**

**Remuneration to Non-Executive Directors**

The Independent Non-Executive Directors are paid sitting fees up to the limit as specified under the Act read with Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**DETAILS OF SITTING FEES PAID TO THE INDEPENDENT NON- EXECUTIVE DIRECTORS DURING THE FINANCIAL YEAR 2023-24 ARE AS FOLLOWS:**

(Amount in ₹ lacs)

Name of the Directors	Designation	Sitting Fees Paid in FY 2023-24*
Mr. Vinod Ahuja	Independent Non-Executive Director	4.00
Mr. Shyam Arora	Independent Non-Executive Director	4.00
Mr. Devendra Kumar Agarwal	Independent Non-Executive Director	4.00
Ms. Priyanka Sardana	Independent Non-Executive Director	4.00
Mr. Surinder Singh#	Independent Non-Executive Director	3.00

\* Excludes GST.

# Mr. Surinder Singh was appointed as an Independent Non-Executive Director of KRBL Limited w.e.f. August 10, 2023.

There is no pecuniary relationship or transactions with Non-Executive Directors except payment of sitting fees to them.

**Remuneration to Executive Directors**

The recommendation to the Board of Directors of the Company for the remuneration paid to the Executive Directors is carefully assessed by the Nomination and Remuneration Committee and subsequently approved by the Board and shareholders. The remuneration is based on various criteria including industry benchmarks, the Company's performance, the duties held by the Director, as well as the Director's individual performance.

The Company provides remuneration to its Executive Directors along with additional benefits, perquisites, allowances, amenities, and facilities in accordance with the Company's policy, within the approved limits as prescribed under the Act and as per policy of the Company.

**DETAILS OF REMUNERATION ON ACCOUNT OF SALARY AND PERQUISITES PAID TO THE EXECUTIVE DIRECTORS DURING THE FINANCIAL YEAR 2023-24 ARE AS FOLLOWS\*:** (Amount ₹ in lacs)

Name & Designation of Director	Salary	Perquisites and Other Benefits	Total
Mr. Anil Kumar Mittal, Chairperson & Managing Director	280.00	0.39	280.39
Mr. Arun Kumar Gupta, Joint Managing Director	280.00	34.23	314.23
Mr. Anoop Kumar Gupta, Joint Managing Director	280.00	0.39	280.39
Ms. Priyanka Mittal, Whole Time Director	175.50	40.91	216.41

\*Remuneration of the Directors is within the limit as prescribed under Section 197 read with Schedule V of the Act.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

As on March 31, 2024, 100% of the Stakeholders Relationship Committee comprises Independent Directors, the Committee comprises of:

Name	Designation	Category of Directorship
Ms. Priyanka Sardana	- Chairperson	- Independent Non-Executive Director
Mr. Shyam Arora	- Member	- Independent Non-Executive Director
Mr. Vinod Ahuja	- Member	- Independent Non-Executive Director

Mr. Piyush Asija, Company Secretary & Compliance Officer, acts as Secretary to the Stakeholders Relationship Committee.

**Objective of the Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee serves as a dedicated committee within the Board Structure for ensuring effective communication, engagement and alignment with the KRBL's diverse stakeholder base. Constituted with Independent Directors, the committee is entrusted with overseeing and enhancing stakeholder grievance mechanism. It ensures that the interest and concerns of stakeholders are adequately addressed and considered in the Company's decision making process.

**Powers, Role, Duties and Responsibilities of the Stakeholders Relationship Committee:**

- To consider and resolve the grievances of security holders of the Company within the stipulated time frames.
- To approve or deal with applications related to transmission, transposition and mutation of Share Certificates including duplicate, split, sub-division and consolidation of Share Certificates.
- To resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- To review matters related to transfer of shares and unclaimed dividend to IEPF.
- To review the measures undertaken for effective exercise of voting rights by the Shareholders.
- To review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review various measures and initiatives taken by Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**Key highlights of the activities of the Committee:**

- Reviewed the Company's performance in addressing Stakeholder grievances.
- Reviewed the unclaimed dividend and equity shares transferred to the Investor Education and Protection Fund (IEPF) pursuant to the IEPF rules.
- Reviewed various measures and initiatives taken for reducing the quantum of unclaimed dividends and timely receipt of dividend warrants / annual reports / notices by the shareholders of the Company.

- Reviewed the measures taken for effective and timely communication to shareholders and exercise of voting rights by small shareholders.
- Reviewed the adherence to service standards and security assessments adopted in respect of various services being rendered by the RTA

- Monitored the shareholding movement and share price fluctuations.

The minutes of the meetings of the Committee were placed before and noted by the Board. All the recommendations made by the Committee during the year under review were accepted by the Board.

**DETAILS OF STAKEHOLDERS RELATIONSHIP COMMITTEE MEETINGS HELD AND ATTENDED BY THE COMMITTEE MEMBERS DURING FINANCIAL YEAR 2023-24**

Name	Designation	Attendance at the Meeting				% of attendance
		May-30,2023	Aug-10, 2023	Nov-09, 2023	Feb-13, 2024	
Ms. Priyanka Sardana	Chairperson	✓	✓	✓	✓	100.00
Mr. Shyam Arora	Member	✓	✓	✓	✓	100.00
Mr. Vinod Ahuja	Member	✓	✓	✓	✓	100.00

Ms. Priyanka Sardana, the Chairperson of the Committee, was present at the last AGM held on September 28, 2023.

**COMPLIANCE OFFICER**

Name	Designation
Mr. Piyush Asija*	Company Secretary & Compliance Officer

\*During the year, Ms. Jyoti Verma resigned from the position of Company Secretary and Compliance Officer of the Company w.e.f. November 20, 2023 and subsequently Mr. Piyush Asija was appointed as Company Secretary and Compliance Officer of the Company w.e.f. February 13, 2024.

**INVESTORS GRIEVANCE REDRESSAL**

In compliance with Regulation 13 of SEBI Listing Regulations, the Company consistently submits a quarterly report to the recognized Stock Exchange(s) within 21 (twenty one) days from the end of each quarter. This report details the number of Investor Complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter, and those remaining unresolved at the end of the quarter.

The Registrar and Share Transfer Agent (RTA), M/s. Alankit Assignments Limited and the Company effectively addresses all grievances of the Shareholders and Investors received

directly through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies and other relevant entities. The Company maintains proactive communication with the RTA, taking necessary measures to resolve complaints/queries of the Shareholders/Investors and initiate actions to resolve critical issues.

Shareholders are kindly requested to update their telephone numbers and/or e-mail addresses to ensure efficient communication. For electronic registration of complaints, the Company has designated the e-mail ID: investor@krblindia.com. Additionally, all other investors' information is available on the Company's website at the weblink <https://www.krblrice.com/krbl-investors-information.pdf>.

**STATUS OF INVESTOR COMPLAINTS FOR THE FINANCIAL YEAR 2023-24**

Number of Complaints pending at the beginning of Financial Year	00
Number of Complaints received during the Financial Year	05
Number of Complaints resolved during the Financial Year	05
Number of Complaints pending at the end of Financial Year	00

**RISK MANAGEMENT COMMITTEE**

As on March 31, 2024, 25% of the Risk Management Committee comprises Independent Directors, the Committee Comprises of:

Name	Designation	Category of Directorship
Mr. Arun Kumar Gupta	- Chairperson	- Joint Managing Director
Mr. Anoop Kumar Gupta	- Member	- Joint Managing Director
Mr. Vinod Ahuja	- Member	- Independent Non-Executive Director
Mr. Ashish Jain	- Member	- Chief Financial Officer

Mr. Piyush Asija, Company Secretary & Compliance Officer, acts as Secretary to the Risk Management Committee.



**Objective of the Risk Management Committee:**

The Risk Management Committee plays a vital role in overseeing the identification, assessment and mitigation of risks inherent in the Company's operations. It works closely with management to review and evaluate the Company's risk profile including financial, operational, sectoral, sustainability (particularly ESG related risk), information, legal, cyber security, strategic and compliance risks and recommends appropriate risk mitigation strategies. The committee also periodically assess the effectiveness of the Company's risk management framework.

**Powers, Role, Duties and Responsibilities of the Risk Management Committee:**

- To identify the risks inherent to the business operations of the Company and provides guidelines to define, measure, report, control and mitigate the identified risks.
- To formulate the detailed risk management policy which shall include:
  - Establishment of a framework for identification of internal and external risks specifically faced by the Company. The risks identified should include but not limited to financial risks, operational risks, sectoral risks, sustainability risks (particularly, ESG related risks), information risks, legal risks, cyber security risks or any other risk as may be determined by the Risk Management Committee for the company's risk management process and to ensure its implementation.
  - Measures for risk mitigation measures including the systems & processes for Internal Control of identified risks.
  - An effective Business Continuity Plan.

- To ensure that appropriate methodology, processes and systems are in place to identify, evaluate and monitor the risks associated with the business of the Company.
  - To monitor and oversee implementation of the risk mitigation plans.
  - To periodically review the risk management policy and ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk.
  - To ensure compliance with good corporate governance guidelines practices and applicable laws & regulations.
- Key highlights of the activities of the Committee:**
- Developed Risk Management Process.
  - Identified and evaluated of the following risks:
    - Industry Risk Regulatory Framework in which the Company operates, macro economic and geo-political scenarios in markets we operate.
    - Raw material Procurement and Product Concentration.
    - Competition and Foreign Currency Risk.
    - Human Capital Risk and Cybersecurity-related Risk.
    - ESG and Sustainability Issues.
  - Approved mitigation plans and budgets required for implementing the measures.
  - Identified of key risk owner and constant monitoring of the risk management framework.

*The minutes of the meetings of the Committee were placed before and noted by the Board. All the recommendations made by the Committee during the year under review were accepted by the Board.*

**DETAILS OF RISK MANAGEMENT COMMITTEE MEETINGS HELD AND ATTENDED BY THE COMMITTEE MEMBERS DURING FINANCIAL YEAR 2023-24**

Name	Designation	Attendance at the Meeting		% of attendance
		June-01, 2023	Nov-09, 2023	
Mr. Arun Kumar Gupta	Chairperson	✓	✓	100.00
Mr. Anoop Kumar Gupta	Member	✓	✓	100.00
Mr. Vinod Ahuja	Member	✓	✓	100.00
Mr. Ashish Jain	Member	✓	✓	100.00

Mr. Arun Kumar Gupta, Chairperson of the Committee, was present at the last AGM held on September 28, 2023.

**CSR & ESG COMMITTEE**

As on March 31, 2024, 33% of the CSR & ESG Committee comprises Independent Directors, the Committee Comprises of:

Name	Designation	Category of Directorship
Mr. Anil Kumar Mittal	- Chairperson	- Chairman & Managing Director
Mr. Anoop Kumar Gupta	- Member	- Joint Managing Director
Mr. Vinod Ahuja	- Member	- Independent Non-Executive Director

Mr. Piyush Asija, Company Secretary & Compliance Officer, acts as Secretary to the CSR & ESG Committee.

**Objective of the CSR & ESG Committee:**

The CSR & ESG Committee serves as a dedicated body to supervise & implement the Company's efforts in the areas of Corporate Social Responsibility and Environmental Social Governance practices and sustainability. With a commitment to sustainability and responsible business practices, the CSR & ESG Committee is tasked with ensuring that the CSR initiatives contribute positively to the communities in which the company operates, in accordance with Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014. Through its oversight and guidance, the CSR & ESG Committee aims to integrate sustainability principals into the company's CSR activities, thereby fostering a positive societal impact.

**Powers, Role, Duties and Responsibilities of the CSR & ESG Committee:**

- To formulate, modify and recommend to the Board the CSR Policy along with the Annual Action Plan as per the requirements under the Act.
- To identify and recommend the list of CSR projects/programmes or activities, that are approved to be undertaken as specified under Schedule VII of the Act.
- To recommend budget allocation, modalities of utilization of funds.
- To conduct impact assessment, if required.
- To ensure that any surplus arising out of the CSR projects/programmes or activities will not form part of the business profit of the Company and will be dealt with in accordance with the Act.
- To regularly monitor the implementation of the CSR projects/programmes or activities undertaken by the Company.

- To provide advice and direction to the Company's management on implementation of the Company's ESG Strategy.
- To oversee key policies and programmes required to implement the ESG Strategy.
- To review the ESG performance of the company as per the principles of National Guidelines on Responsible Business Conduct (NGRBC).
- To oversee the methods of internal and external communication on sustainability performance, including approving the Sustainability Reporting, ESG, and BRSR.

**Key highlights of the activities of the Committee:**

- Reviewed and Approved the Annual Report on the CSR of the Company.
- Reviewed and Approved the CSR Annual Action Plan.
- Reviewed and Approved the CSR Budget and CSR initiatives/projects.
- Monitored the implementation of CSR projects (Ongoing and Non Ongoing).
- Review and recommended modification of projects to the Board.
- Reviewed and monitored the allocation of funds and Expenditure towards CSR Projects.
- Impact Assessment of eligible projects.
- Reviewed and recommended to Board, the Business Responsibility and Sustainability Report of the Company.

*The minutes of the meetings of the Committee were placed before and noted by the Board. All the recommendations made by the Committee during the year under review were accepted by the Board.*

**DETAILS OF CSR & ESG COMMITTEE MEETINGS HELD AND ATTENDED BY THE MEMBERS DURING FINANCIAL YEAR 2023-24**

Name	Designation	Attendance at the Meeting					% of attendance
		Jun- 01, 2023	Aug- 23, 2023	Sept-04, 2023	Dec-26, 2023	Mar-14, 2024	
Mr. Anil Kumar Mittal	Chairperson	✓	✓	✓	✓	✓	100.00
Mr. Anoop Kumar Gupta	Member	✓	✓	✓	✓	✓	100.00
Mr. Vinod Ahuja	Member	✓	✓	✓	✓	✓	100.00

Mr. Anil Kumar Mittal, Chairperson of the Committee, was present at the last AGM held on September 28, 2023.

**BORROWING AND INVESTMENT COMMITTEE**

As on March 31, 2024, the Borrowing & Investment Committee comprises of:

Name	Designation	Category of Directorship
Mr. Anil Kumar Mittal	- Chairperson	- Chairman & Managing Director
Mr. Arun Kumar Gupta	- Member	- Joint Managing Director
Mr. Anoop Kumar Gupta	- Member	- Joint Managing Director
Mr. Ashish Jain	- Member	- Chief Financial Officer

Mr. Piyush Asija, Company Secretary & Compliance Officer, acts as Secretary to the Borrowing and Investment Committee.

**Objective of the Borrowing and Investment Committee:**

The Board of Directors of the Company constituted a non-mandatory committee namely "Borrowing and Investment Committee", to consider & approve, timely and effective decisions related to availing of Borrowings and Investments of the Company. The Committee approves and looks into matters related to banking, treasury, investment, loans and borrowings.

The Committee is entrusted to oversee the company's investment activities and to optimize the company's financial resources.

**Powers, Role, Duties and Responsibilities of the Borrowing and Investment Committee:**

- To approve and recommend to the Board, wherever necessary, all investment and borrowings proposals and execution of instruments in relation thereto.

- To approve and recommend to the Board, wherever necessary, any significant disposition of any investment that would have strategic implication for an asset or a class of asset when deemed appropriate.
- To identify and assess the risks associated with taking the decisions of investments and borrowings and to introduce the measures to mitigate such risks.
- To ensure that the Company is taking appropriate measures to achieve prudent balance between investments and borrowings.
- To obtain advice and assistance from internal or external legal, accounting or other advisors, if required.

*The minutes of the meetings of the Committee were placed before and noted by the Board. All the recommendations made by the Committee during the year under review were accepted by the Board.*

**DETAILS OF BORROWING AND INVESTMENT COMMITTEE MEETINGS HELD AND ATTENDED BY THE COMMITTEE MEMBERS DURING FINANCIAL YEAR 2023-24:**

Name	Designation	Attendance at the Meeting held on November 23, 2023	% of attendance
Mr. Anil Kumar Mittal	Chairperson	✓	100.00
Mr. Arun Kumar Gupta	Member	✓	100.00
Mr. Anoop Kumar Gupta	Member	✓	100.00
Mr. Ashish Jain	Member	✓	100.00

Mr. Anil Kumar Mittal, Chairperson of the Committee, was present at the last AGM held on September 28, 2023.

**3. SUBSIDIARY COMPANIES**

The Company has no Material Subsidiary company as defined under Regulation 16(1) (c) of the SEBI Listing Regulations in conjunction with the amended SEBI Listing Regulations hence the Company is not required to nominate an Independent Director of the Company on the Board of any subsidiary.

The Company has two subsidiary companies i.e. K B Exports Private Limited and KRBL DMCC (including a step-down subsidiary KRBL LLC), financial highlights of said subsidiaries are attached to the Directors Report in Form AOC-1, further details are available on the website of the Company at <https://krblrice.com/subsidiary-companies/>

The subsidiaries of the Company function with an adequately empowered board of directors and sufficient resources. For more effective governance, the Company monitors the

performance of its subsidiary companies, inter alia, by the following means:

- Financial statements, in particular investments made by subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- Minutes of subsidiary companies are placed before the Board of the Company regularly.
- A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board at its meetings.

The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at <https://krblrice.com/policy-guidelines/Policy-For-Determining-Material-Subsidiaries.pdf>

**4. SENIOR MANAGEMENT AND KMP(S)**

Particulars of Senior Management and KMPs are as follows:

S. No.	Name	Designation	Date of Appointment
01.	Anil Kumar Mittal	Chairman and Managing Director	30-Mar-1993
02.	Arun Kumar Gupta	Joint Managing Director	30-Mar-1993
03.	Anoop Kumar Gupta	Joint Managing Director	30-Mar-1993
04.	Priyanka Mittal	Whole Time Director	28-Nov-2000
05.	Ashish Jain	Chief Financial Officer	13-Sep-2021
06.	Piyush Asija	Company Secretary & Compliance Officer	13-Feb-2024

No change in Senior Management since the close of the Financial Year

**5. GENERAL BODY MEETINGS**

**A. GENERAL BODY MEETING HELD DURING LAST 3 YEARS**

Year	Time, Day, Date and Location	Summary of Special Resolutions passed in the AGM
30 <sup>th</sup> Annual General meeting – 2023	12.00 Noon Thursday, September 28, 2023 Through Video Conferencing 5190, Lahori Gate, Delhi -110006 was the deemed venue	Special Resolution for appointment of Mr. Surinder Singh as an Independent Non-Executive Director was passed in AGM
29 <sup>th</sup> Annual General meeting – 2022	12.00 Noon Monday, September 26, 2022 Through Video Conferencing 5190, Lahori Gate, Delhi -110006 was the deemed venue	No Special Resolution was passed in AGM
28 <sup>th</sup> Annual General meeting – 2021	01.00 P.M. Thursday, September 30, 2021 Through Video Conferencing 5190, Lahori Gate, Delhi -110006 was the deemed venue	No Special Resolution was passed in AGM

**B. SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT DURING THE FINANCIAL YEAR 2023-24**

During the Financial Year 2023-24, no Special Resolution was passed through Postal Ballot.

**6. DISCLOSURES**

**A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS**

All Related Party Transactions entered into by the Company were conducted in the ordinary course of business and at arm's length pricing. These transactions did not present any potential conflict with the interests of the Company. Additionally, there were no transactions with Related Parties that qualify as Material Related Party Transactions under the SEBI Listing Regulations.

The Company has disclosed the Related Party Transactions as per Indian Accounting Standard (Ind AS) 24 forming part of Note 46 and Note 45 to the Standalone and Consolidated Financial Statements, respectively.

The Company has also formulated a Policy on Related Party Transactions in accordance with the provisions of the Act read with SEBI Listing Regulations. The same is available on the Company's website at the weblink <https://krblrice.com/wp-content/uploads/2022/03/1.-Policy-on-Related-Party-Transactions..pdf>

**B. DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, STRICTURES IMPOSED ON THE LISTED ENTITY BY THE STOCK EXCHANGE(S) OR SEBI OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS DURING LAST 3 (THREE) YEARS**

Your Company has complied with all applicable provisions of the SEBI Listing Regulations and other applicable regulations and guidelines issued by the SEBI and Stock Exchanges. Further, no penalties or strictures were imposed by any Stock Exchange or SEBI or any other Statutory Authorities for any violation related to the capital market during the last 3 (three) years.

**C. VIGIL MECHANISM POLICY**

The Company is committed to promoting ethical behavior across all its business activities, in alignment with the highest international governance standards. To facilitate this, the Company has implemented a robust system that allows Directors and Employees to report any instances of unethical behavior, malpractices, wrongful conduct, fraud, or violations of the Company's code of conduct. Reports can be submitted via email or physical mode without any fear of reprisal.

Furthermore, the Company has established a Vigil Mechanism (Whistle Blower Policy) which grants all Directors and Employees direct access to the Chairperson of the Audit Committee. This policy underscores the

Company's dedication to transparency and accountability. Comprehensive details of the Vigil Mechanism are available on the Company's website at the following link: [https://krblrice.com/policy-guidelines/Vigil-Mechanism-\(Whistle-Blower%20Policy\).pdf](https://krblrice.com/policy-guidelines/Vigil-Mechanism-(Whistle-Blower%20Policy).pdf).

**D. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS**

The Company has adhered to the Indian Accounting Standards (Ind AS) as prescribed by the Institute of Chartered Accountants of India (ICAI) and as notified by the Ministry of Corporate Affairs in the preparation of its Financial Statements. The basis of preparation, measurement, and significant accounting policies are detailed in Note 2 of the Financial Statements.

**E. PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES, PREFERENTIAL ISSUES ETC.**

During the year, your Company has not raised any proceeds from public issue, rights issue, preferential issues etc. and hence, there are no unutilized issue proceeds.

**F. DISCLOSURE REGARDING APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS**

The disclosure regarding the appointment and re-appointment of Directors is given under the head Board of Directors, forming part of the Report on Corporate Governance. The relevant details are also forming part of Notice calling AGM of the Company.

**G. RISK MANAGEMENT**

The Board of Directors and its Committees periodically review the material risks and concerns, along with their respective mitigation plans. This practice ensures that the Board remains fully aware of potential challenges and opportunities related to the Company and the industry in which it operates.

To further strengthen our risk management framework, the Company has established comprehensive policies and procedures designed to identify, assess and manage and monitor both internal and external risks. These efforts are aimed at safeguarding the Company's assets, ensuring compliance with regulatory requirements and maintaining operational efficiency.

Our commitment to robust risk management is integral to our corporate governance and is essential for achieving long-term value creation for our shareholders and stakeholders.

**H. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

In the past year, your Company has actively prioritized the safety and well being of the employees of the company through comprehensive training and awareness programs on the Prevention of Sexual Harassment (POSH). We have established Unit Level Committee at each establishment dedicated to address complaints related to POSH, ensuring a prompt and fair resolution process. Furthermore, we have diligently complied with regulatory requirements by filing

annual return with relevant authorities demonstrating our commitment to maintain a respectful and secure workplace environment.

Your Company is committed to provide a protective environment at workplace for all its employees and to ensure that every employee is treated with dignity and respect. As mandated under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has also formulated policy on prevention of Sexual Harassment at the workplace (Policy on POSH). The same is available on the Company's website at the weblink <https://krblrice.com/policy-guidelines/SEXUAL%20HARASSMENT%20POLICY.pdf>

A statement giving details of sexual harassment complaints during the year is as below:

S. No.	Particulars	No. of Complaints
1.	No. of complaints received during the financial year	Nil
2.	No. of complaints disposed of during the financial year	Nil
3.	No. of complaints pending as on end of the financial year	Nil

**I. CEO/ CFO CERTIFICATION**

The CEO and CFO certification on the Financial Statements is attached as 'Annexure 1' and forming part of this report.

**7. MEANS OF COMMUNICATION**

**FINANCIAL RESULTS AND ANNUAL REPORTS**

The extracts of the Quarterly Unaudited Financial Results and the Annual Audited Financial Results as approved and took on record by the Board of Directors of the Company are published quarterly in leading National Newspapers, as per detail given below:

Name of Publication	Region	Language
Economic Times	Delhi, Mumbai	English
Navbharat Times	Delhi, Mumbai	Hindi
Business Standard	Delhi, Mumbai, Chennai	English
Nafa Nuksan	Rajasthan	Hindi
Financial Express	Chandigarh, Pune, Lucknow, Kolkata, Bangalore, Chennai, Kochi, Hyderabad, Ahmedabad, Mumbai, Delhi	English

The Quarterly Financial Results are promptly submitted to the Stock Exchanges where the Company's equity shares are listed. Investors can access the Quarterly and Annual Financial Statements, the Annual Report and additional

information through the Company's website at [www.krblrice.com](http://www.krblrice.com) under the Investor Relations section.

**INVESTOR RELEASES/ PRESENTATIONS**

Official press releases, presentations made to the Media, Analysts & Investors, Conference Call Transcripts, Audio recordings and all other information which is mandatorily required to be placed on the website as per SEBI Listing Regulations may be retrieved by Investors from the website of the Company [www.krblrice.com](http://www.krblrice.com) under the head - Investor Relations.

**8. GENERAL SHAREHOLDER INFORMATION**

**I. ANNUAL GENERAL MEETING**

Day, Date & Time : Friday, September 13, 2024 at 12:00 Noon (IST)  
 E-Voting Dates : Tuesday, September 10, 2024, 09:00 A.M. (IST) to Thursday, September 12, 2024 05:00 P.M. (IST)

**II. FINANCIAL REPORTING**

**Financial Year** April 01, 2023 to March 31, 2024

For the Financial Year 2023-24 results were announced on:

1<sup>st</sup> Quarter ended June 30, 2023 August 10, 2023  
 2<sup>nd</sup> Quarter and Half Year ended September 30, 2023 November 09, 2023  
 3<sup>rd</sup> Quarter ended December 31, 2023 February 13, 2024  
 4<sup>th</sup> Quarter and Year ended March 31, 2024 May 20, 2024

**For the Financial Year 2024-25, results are likely to be announced on: (Tentative and subject to change)**

1<sup>st</sup> Quarter ended June 30, 2024 By Mid of August 2024  
 2<sup>nd</sup> Quarter and Half Year ended September 30, 2024 By Mid of November 2024  
 3<sup>rd</sup> Quarter ended December 31, 2024 By Mid of February 2025  
 4<sup>th</sup> Quarter and Year ended March 31, 2025 By Mid of May 2025

**III. DIVIDEND**

Your Board of Directors in their meeting held on May 20, 2024, has recommend Final Dividend of ₹ 4.00/- per equity share of ₹1/- each aggregating to ₹915 Lacs for the financial year ended March 31, 2024. Final Dividend shall be paid to shareholders, whose name will be provided by the Depositories after the close of business hours on record date i.e. September 06, 2024. The said dividend, if approved by the shareholders in the ensuing AGM will be paid within stipulated timeline.

**IV. UNPAID DIVIDEND**

In terms of the provisions of Section 124 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), unclaimed dividend amounting to ₹5,92,828.50 and rounding off amount of ₹0.50 aggregating to ₹5,92,829.00 pertaining to Interim Dividend for Financial Year 2015-16, which was lying in the unpaid dividend account for 7 (seven) years from the date of its transfer to unpaid dividend account, have been transferred to the Investor Education and Protection Fund established by the Government.

Further, pursuant to the provisions of Section 124(6) of the Act read with Rule 6 of the IEPF Rules, during the financial year 2023-2024, the Company has transferred 1,656 equity shares whose Interim dividend for the Financial year 2015-16 has not been paid or claimed for 7 (seven) consecutive years or more as on the due date of transfer i.e. April 16, 2023, to the demat account of IEPF Authority.

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from IEPF Authority. Concerned Members are advised to visit the weblink <http://iepf.gov.in/IEPFA/refund.html>

The Time frame for transfer of Unclaimed Dividends, which are lying in the Unclaimed Dividends Accounts of the Company, to Investor Education and Protection Fund (IEPF) is as below:

Date of Declaration of Dividend	Dividend for the year	Due Date of transfer to IEPF
September 26, 2017	2016-17	November 02, 2024
August 20, 2018	2017-18	September 26, 2025
September 13, 2019	2018-19	October 20, 2026
February 27, 2020	2019-20 (Interim)	April 04, 2027
September 30, 2021	2020-21	November 06, 2028
September 26, 2022	2021-22	November 02, 2029
September 28, 2023	2022-23	November 04, 2030

**V. LISTING ON STOCK EXCHANGES**

Your Company's equity shares are listed and actively traded on the below mentioned Stock Exchanges:

**NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)**  
 "Exchange Plaza" C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai-400 051

Website: www.nseindia.com  
Symbol: KRBL, Series: Eq.

**BSE LIMITED (BSE)**

Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai-400 001  
Website: www.bseindia.com Stock Code: 530813

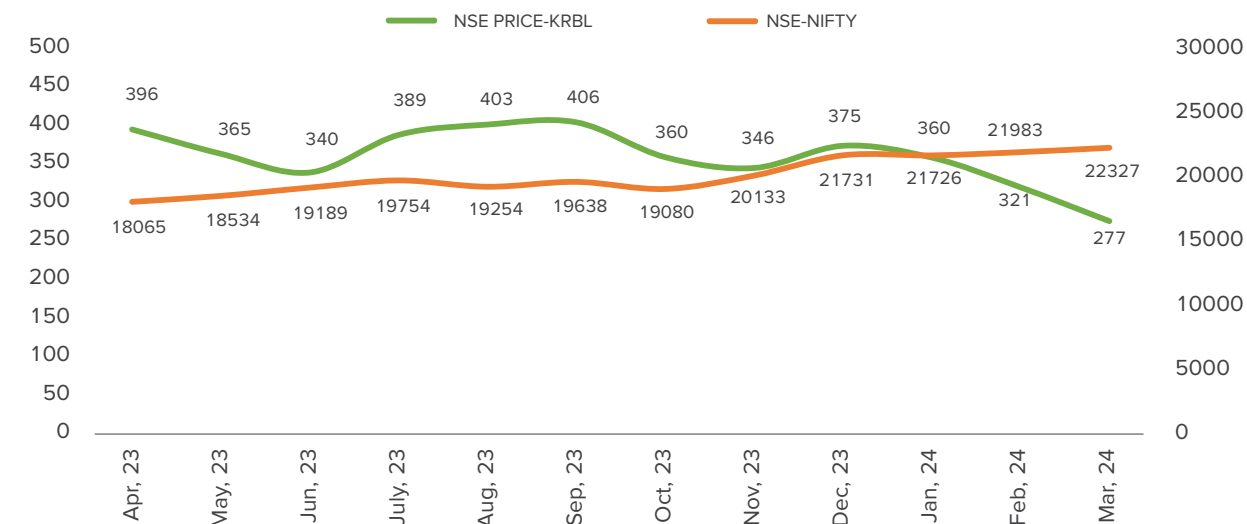
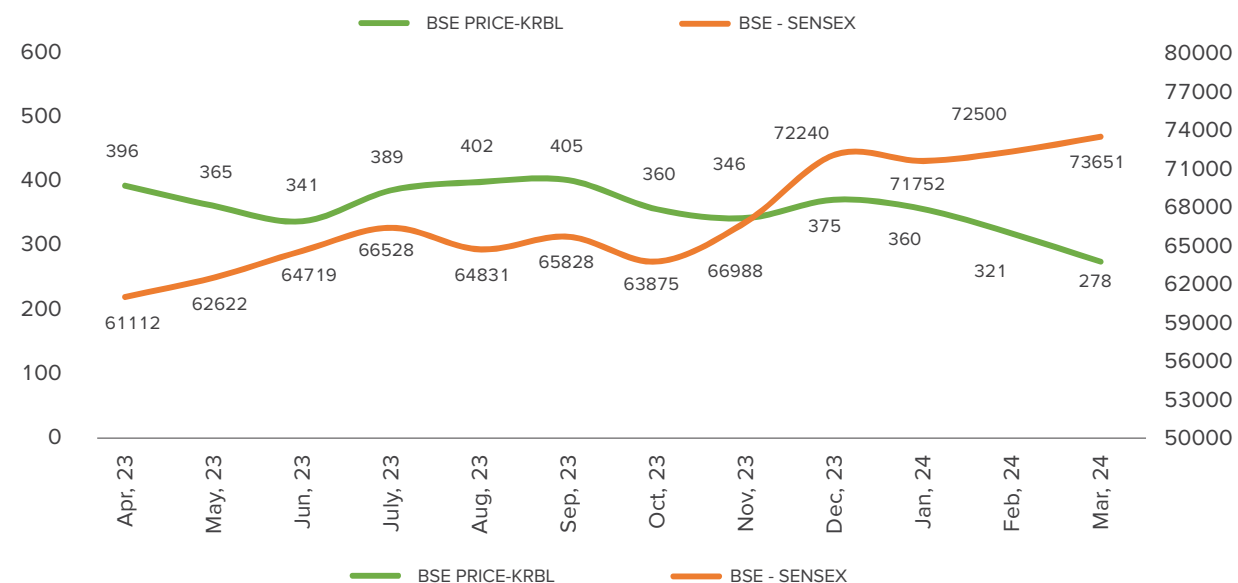
Your Company has paid the Annual Listing Fees to NSE and BSE for the Financial Year 2023-24.

**VI. MARKET PRICE DATA**

Monthly High and Low quotes and volume of shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE):

Month	National Stock Exchange of India Limited				BSE Limited			
	High (₹)	Low (₹)	Number of Shares Traded (in Lacs)	Turnover (₹ in lacs)	High (₹)	Low (₹)	Number of Shares Traded (in Lacs)	Turnover (₹ in lacs)
April, 2023	398.65	337.15	134.73	50,520.72	398.60	337.00	6.16	2306.73
May, 2023	421.00	362.55	110.58	43,731.58	420.35	362.90	8.47	3346.25
June, 2023	376.30	338.90	84.68	30,045.72	376.00	339.00	6.07	2164.85
July, 2023	390.50	335.45	154.73	56,695.83	390.00	335.65	6.91	2519.64
August, 2023	419.00	370.55	119.89	47,954.87	418.85	371.55	6.68	2668.80
September, 2023	470.90	397.50	167.50	72,279.68	471.00	397.05	8.33	3571.89
October, 2023	410.00	347.30	50.31	19,127.54	408.95	347.00	3.36	1273.96
November, 2023	392.50	342.90	99.38	35,695.05	392.25	342.95	7.26	2596.75
December, 2023	377.95	342.25	96.45	34,678.89	377.60	340.65	6.61	2363.32
January, 2024	386.20	352.00	65.34	24,339.79	386.50	352.20	4.38	1622.89
February, 2024	369.00	320.15	60.29	20,827.80	368.80	320.10	4.00	1386.70
March, 2024	323.90	275.55	110.06	32,250.85	323.55	275.75	8.67	2539.82

**VII. STOCK PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES:**



**VIII. REGISTRAR AND SHARE TRANSFER AGENT**

M/s. Alankit Assignments Limited, having its office at Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055, is the Registrar and Share Transfer Agent ("RTA") for transfer of shares via both the Depositories i.e. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

All requests for dematerialization of shares are processed and confirmed to the Depositories, NSDL and CDSL, within 15 days. The Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DP) regarding change of address, bank mandates and nomination.

**IX. SHARE TRANSFER SYSTEM**

All communications regarding share certificates, change of address, dividends, etc. should be addressed to RTA of the Company. The Company has delegated authority for approving transmission of shares and other related matters to the Stakeholders Relationship Committee of the Company. A summary of all transmissions etc. as approved is placed in the meetings of the Stakeholders Relationship Committee of the Company for information and noting. All share transmissions, if any, are completed within the statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects.

A certificate of compliance for share transfer/transmission formalities as required under Regulation 40(9) and 40(10) of SEBI Listing Regulations, is obtained from a Company Secretary in whole-time practice

**X. DISTRIBUTION OF SHAREHOLDING**

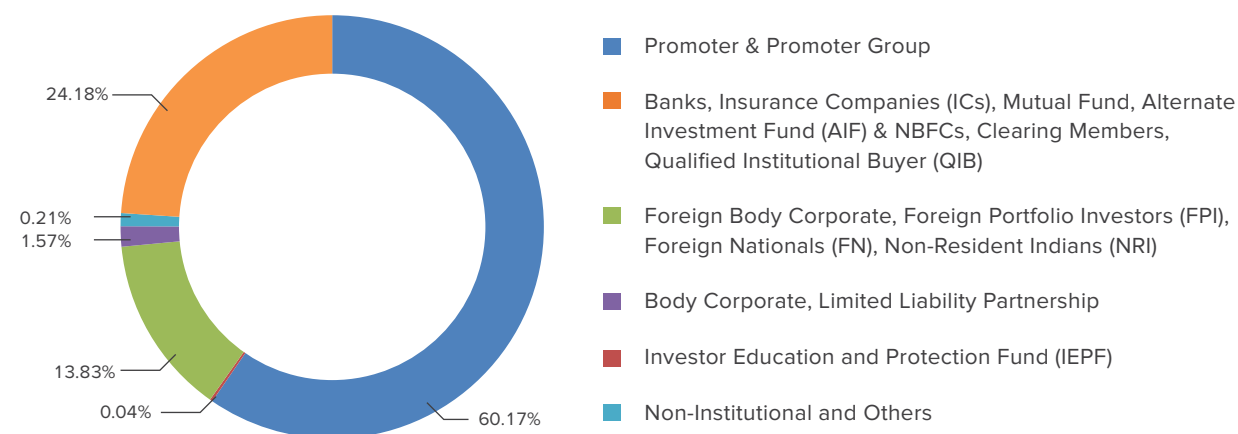
**A. DISTRIBUTION OF SHAREHOLDING BY NO. OF SHARES AS ON MARCH 31, 2024**

Number of Shares held (₹ 1 each Fully Paid-up)	Shareholders		Shares of ₹ 1 each Fully Paid-up	
	Numbers	%	Numbers	%
1 – 50	50,008	58.29%	8,95,341	0.39%
51 – 100	12,514	14.59%	10,25,583	0.45%
101 – 500	16,004	18.65%	38,99,791	1.70%
501 – 1,000	3,468	4.04%	27,00,622	1.18%
1,001 – 5,000	3,011	3.51%	64,87,113	2.83%
5,001 – 10,000	344	0.40%	25,39,912	1.11%
10,001 – 50,000	343	0.40%	71,45,825	3.12%
50,001 – 100,000	38	0.04%	27,21,578	1.19%
1,00,001 & above	67	0.08%	20,14,74,127	88.02%
<b>Total</b>	<b>85,797</b>		<b>22,88,89,892</b>	

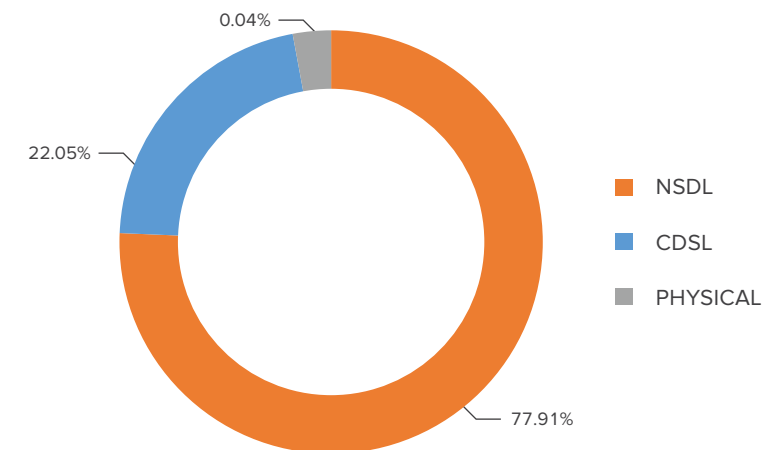
**B. CATEGORY OF SHAREHOLDING AS ON MARCH 31, 2024.**

Category	Number of Equity Shares held	%
Promoter & Promoter Group	13,77,19,838	60.17%
Banks, Insurance Companies (ICs), Mutual Fund, Alternate Investment Fund (AIF) & NBFCs, Clearing Members, Qualified Institutional Buyer (QIB)	4,73,902	0.21%
Foreign Body Corporate, Foreign Portfolio Investors (FPI), Foreign Nationals (FN), Non-Resident Indians (NRI)	3,16,55,012	13.83%
Body Corporate, Limited Liability Partnership	35,91,055	1.57%
Investor Education and Protection Fund (IEPF)	86,056	0.04%
Non-Institutional and Others	5,53,64,029	24.18%
<b>Total</b>	<b>22,88,89,892</b>	<b>100.00%</b>

**CATEGORY OF SHAREHOLDING AS ON MARCH 31, 2024**



**SHARES HELD IN DEMATERIALIZED AND PHYSICAL FORM AS ON MARCH 31, 2024**



For guidance on depository services, shareholders may write to the Company or to the respective Depositories:

**National Securities Depository Limited (NSDL)**

Trade World, A Wing 4<sup>th</sup> Floor, Kamala Mills Compound, Lower Parel, Mumbai-400 013  
 Telephone: 1800-1020-990  
 E-mail: info@nsdl.co.in  
 Website: www.nsdl.co.in

**Central Depository Services (India) Limited (CDSL)**

Marathon Futurex, A-Wing, 25<sup>th</sup> Floor, N.M. Joshi Marg, Lower Parel, Mumbai-400 013  
 Telephone: 1800-21-09911  
 E-mail: helpdesk@cdslindia.com  
 Website: www.cdslindia.com

- Village Bhasaur, (Dhuri), Distt. Sangrur, Punjab-148 024.
- Village Akbarpur Barota, Distt. Sonapat, Haryana-131 104.
- 29/15-29/16, Village Jindpur, G. T. Karnal Road and Plot Number 258-260, Extended Lal Dora, Alipur, Delhi-110 036.
- Survey No. 113, Varsamedi Village, Anjar Gandhidham, Kutch, Gujarat-370301

**XIV. REGISTERED OFFICE & ADDRESS FOR CORRESPONDENCE REGISTERED OFFICE:**

5190, Lahori Gate, Delhi-110 006  
 Telephone: +91-11-23968328  
 Fax: +91-11-23968327

**ADDRESS FOR CORRESPONDENCE CORPORATE OFFICE:**

C-32, 5<sup>th</sup> & 6<sup>th</sup> Floor, Sector 62, Noida, Gautam Budh Nagar, Uttar Pradesh - 201 301  
 Telephone: +91-120-4060300  
 Fax: +91-120-4060398

**XV. RATINGS**

During the Financial Year 2023-24, the Company is holding various ratings, which are as follows:

- **CARE:** In September 2023, "CARE" has reviewed and reaffirmed "[CARE] A1+" rating for Commercial Paper (CP) Limits of KRBL Limited.
- **ICRA:** In February 2024, "ICRA" has reviewed and reaffirmed "[ICRA]AA (Stable)" rating for Bank Limits on Long term scale and "[ICRA]A1+" rating for Bank Limits on Short term scale and Commercial Paper (CP) Limits of KRBL Limited.

**XII. FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

In accordance with Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations, the Company regularly presents to the Board of Directors quarterly details of Foreign Exchange Exposures, along with the management's strategies to mitigate the risks associated with adverse exchange rate movements, when deemed significant.

Throughout the financial year 2023-24, the Company effectively managed foreign exchange risks by implementing hedging strategies as necessary. Specifically, the Company utilized forward contracts to hedge exposures related to both exports and imports. Comprehensive information regarding financial risk management, including details of these instruments, is disclosed in Note 44 of the Financial Statements for the financial year 2023-24.

**XIII. PLANT LOCATIONS**

- 9<sup>th</sup> Milestone, Post-Dujana, Bulandshahr Road, Dist. Gautambudh Nagar, Uttar Pradesh-203 207.

**C. TOP TEN SHAREHOLDERS (OTHER THAN PROMOTERS AS ON MARCH 31, 2024)**

S. No.	Name	Number of Equity Shares	% of paid-up Capital
1.	RELIANCE COMMODITIES DMCC	2,04,73,692	8.94%
2.	JOINT DIRECTOR OF ENFORCEMENT,CENTRAL REGION	1,43,33,221	6.26%
3.	ANIL KUMAR GOEL	67,61,000	2.95%
4.	SOM NATH AGGARWAL	33,21,902	1.45%
5.	SEEMA GOEL	29,95,000	1.31%
6.	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	10,21,626	0.45%
7.	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	11,79,636	0.52%
8.	GOVERNMENT PENSION FUND GLOBAL	11,04,288	0.48%
9.	ZERODHA BROKING	10,76,220	0.47%
10.	HUSSAM ALI OBEID BALSHARAF	7,00,000	0.31%

**XI. DEMATERIALIZATION OF SHARES AND LIQUIDITY**

Pursuant to the provisions of Regulation 31 of the SEBI Listing Regulations, the Company's shares are required to be traded compulsorily in the dematerialized form and are available for trading under both the Depositories i.e. NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's Equity Shares under the depository system is INE001B01026. The Annual Custodial Fees for the Financial Year 2023-24 have been paid to both the Depositories.

During the year under review 19,104 equity shares of the Company covered in 11 requests were converted into dematerialized form and 1656 equity shares of the Company, (out of which 50 equity shares were in physical form), were transferred to the Demat account of IEPF Authority. As on March 31, 2024, 22,88,01,805 equity shares of the Company constituting 99.96% of the paid-up equity share capital are in Dematerialized form.



**9. CODE OF CONDUCT**

The Company has adopted a Code of Business Conduct and Ethics for the Board of Directors, Key Managerial Personnel, Senior Managerial Personnel and Other Employees. The same is available on the Company's website at the weblink <https://www.krblrice.com/codes/Code-of-Business-Conduct-and-Ethics.pdf>

The Company has also obtained affirmation for adherence to the Code.

The declaration from the Chairperson & Managing Director to that effect forms part of this report as per below:

**Declaration as required under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

All Board of Directors, Key Managerial Personnel, Senior Management personnel and Other employees of the Company have affirmed compliance with the KRBL's Code of Business Conduct and Ethics for the financial year ended March 31, 2024.

Sd/-  
**Anil Kumar Mittal**  
Chairman & Managing Director  
DIN: 00030100

**Place:** Noida, Uttar Pradesh  
**Date:** May 20, 2024

**10. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND CODE OF PRACTICE AND PROCEDURE FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

In compliance with Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has implemented a Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive information, as a part of Comprehensive Insider Trading Policy. This Code adheres to the principles outlined in Schedule A of the said Regulations and can be accessed on the Company's website at: [https://krblrice.com/wp-content/uploads/2024/07/KRBL\\_Insider\\_Trading\\_Policy.pdf](https://krblrice.com/wp-content/uploads/2024/07/KRBL_Insider_Trading_Policy.pdf)

Additionally, pursuant to Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has established a Code of Conduct to Regulate, Monitor and Report Trading by Insiders. This Code ensures compliance with regulatory requirements and promotes ethical conduct in insider trading matters. The Code is available for reference on the Company's website at: [https://krblrice.com/wp-content/uploads/2024/07/KRBL\\_Insider\\_Trading\\_Policy.pdf](https://krblrice.com/wp-content/uploads/2024/07/KRBL_Insider_Trading_Policy.pdf)

**11. RECONCILIATION OF SHARE CAPITAL AUDIT**

Mr. Deepak Kukreja, Proprietor of Deepak Kukreja & Associates and a Practicing Company Secretary (FCS Number 4140, CP Number 8265), conducts the Reconciliation of Share Capital Audit for the Company as mandated by SEBI. This audit includes verifying and issuing a report on the reconciliation of Total Issued and Listed Capital with that of

Total Share Capital held in Dematerialized form with NSDL and CDSL, as well as shares held in physical form.

The Reconciliation of Share Capital Audit is performed quarterly in accordance with Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002, issued by SEBI and Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018. The audit report is submitted to the Stock Exchanges on a quarterly basis and is also presented to the Members of the Stakeholders Relationship Committee and the Board of Directors for their review, comments and guidance.

**12. DETAILS OF DEMAT/ UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any share in the demat suspense account or unclaimed suspense account.

**13. CERTIFICATE PURSUANT TO THE REGULATION 34 AND SCHEDULE V (C)(10)(I) OF SEBI LISTING REGULATIONS READ WITH SECTION 164 OF COMPANIES ACT, 2013 REGARDING QUALIFICATION/DISQUALIFICATION TO ACT AS DIRECTOR**

The Company has received the certificate from Mr. Deepak Kukreja, Proprietor, Deepak Kukreja & Associates (FCS Number 4140, CP Number 8265), Practicing Company Secretaries, confirming 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 SEBI, Ministry of Corporate Affairs or any such Statutory Authority. The same is attached as 'Annexure 2' and forming part of this Report.

**14. CERTIFICATE PURSUANT TO THE REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF REGULATION 46(2) OF SEBI LISTING REGULATIONS**

The Company has received the certificate from Mr. Deepak Kukreja, Proprietor, Deepak Kukreja & Associates, FCS Number 4140, CP Number 8265, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations. The same is attached as 'Annexure 3' and forming part of this Report.

**15. AUDITORS' REMUNERATION**

The Company has appointed M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No.001076N/ N500013) as the Statutory Auditors. For details on remuneration of the Auditor, refer to Note 36 to the Standalone Financial Statements forming part of this annual report.

**16. DISCLOSURE ON LOANS AND ADVANCES**

The Company or its Subsidiaries have not extended any loan or advance to any firm or company, where the Directors of your company are interested.

**17. OTHER CORPORATE GOVERNANCE INITIATIVES**

- Your Company has a Board comprising of majority of Independent Directors. The Stakeholder Relationship Committee & Nomination and Remuneration Committee

consists of only Independent Directors, as on March 31, 2024. Your Company encourages use of technology for automation of compliances across its offices, units and reporting of the same to the Board on periodic basis.

- The Company has taken various initiatives such as formulating a shareholding manual to address the grievances of shareholders and handholding the shareholders proactively on dividend and IEPF matters.
- The agenda papers are circulated well in advance. Post meetings, the draft minutes are circulated within the stipulated time frames to the members. All related party transactions are approved by the Audit Committee and Board of Directors.
- The Company has in place a Structured Digital Database containing the list of persons having access to the UPSI with adequate internal controls. The database is encrypted and protected.
- Quarterly updates on the regulatory changes and amendments are presented in the Board Meeting along with the Action Taken Report from the last meetings
- The Company has well developed systems of internal control, risk management and financial reporting.

**18. COMPLIANCE OFFICER**

**Piyush Asija**  
Company Secretary  
**Add:** C-32, 5<sup>th</sup> & 6<sup>th</sup> Floor,  
Sector 62, Noida, Gautam Budh Nagar,

Uttar Pradesh - 201 301  
**Telephone:** +91-120-4060365  
**E-mail:** cs@krblindia.com

**19. ADDRESS OF REDRESSAL AGENCIES TO LODGE THE GRIEVANCES**

**General Correspondence:**

KRBL Limited  
C-32, 5<sup>th</sup> Floor, Sector-62,  
Noida, UP - 201301  
Telephone: 91-120-4060300  
Email ID: investor@krblindia.com  
Website: www.krblrice.com

**For Shareholding related queries:**

Registrar & Share Transfer Agent  
M/s. Alankit Assignments Limited  
Alankit House  
4E/2, Jhandewalan Extension  
New Delhi-110 055  
Telephone: +91-11-42541234 / 23541234  
Fax: +91-11-41541201  
Email ID: rta@alankit.com  
Website: www.alankit.com

<p>The Shareholders of the Company can access shareholders Manual on the link: <a href="https://krblrice.com/shareholder-services/">https://krblrice.com/shareholder-services/</a>. Any investor who is not satisfied with the resolution provided by the Company or its RTA may address his/her grievance by lodging his concern through SCORES or SMART ODR Portal</p>	
<p><b>SEBI COMPLAINTS REDRESS SYSTEM (SCORES)</b></p> <p>It's a platform that aims to provide a transparent and efficient mechanism for resolving investor grievances and ensuring investor protection in Indian Securities Market.</p> <p>On April 01, 2024, SEBI has launched a new version i.e. SCORES 2.0, the newer version aims at strengthening the investor complaint redress mechanism in the securities market by making the process more efficient through auto-routing, auto-escalation, monitoring by the Designated Bodies and reduction of timelines.</p> <p>The Circular w.r.t. to SCORES 2.0 can be accessed on the website of SEBI at the weblink: <a href="https://www.sebi.gov.in/media-and-notifications/press-releases/apr-2024/scores-2-0-new-technology-to-strengthen-sebi-complaint-redressal-system-for-investors_82618.html">https://www.sebi.gov.in/media-and-notifications/press-releases/apr-2024/scores-2-0-new-technology-to-strengthen-sebi-complaint-redressal-system-for-investors_82618.html</a></p> <p>The shareholders can access the new version of SCORES 2.0 at <a href="https://scores.sebi.gov.in">https://scores.sebi.gov.in</a>.</p>	<p><b>Online Dispute Resolution (ODR) Portal</b></p> <p>In order to strengthen Investor Protection SEBI on July 31, 2023 streamlined the existing dispute resolution mechanism in the Indian securities market under the aegis of Stock Exchanges and Depositories (MIs).</p> <p>The ODR uses technology to resolve disputes by utilizing processes such as mediation and arbitration. ODR Framework will enhance transparency, fairness, and impartiality while rendering decisions, fostering trust in the dispute resolution process.</p> <p>Circular regarding the launch of ODR Portal can be viewed at: <a href="https://www.sebi.gov.in/legal/circulars/jul-2023/online-resolution-of-disputes-in-the-indian-securities-market_74794.html">https://www.sebi.gov.in/legal/circulars/jul-2023/online-resolution-of-disputes-in-the-indian-securities-market_74794.html</a></p> <p>Further, the shareholders can access the ODR Portal at <a href="https://smartodr.in/login">https://smartodr.in/login</a>.</p>

For and on behalf of the Board of Directors

Sd/-  
**Anil Kumar Mittal**  
Chairman & Managing Director  
DIN-00030100

**Place:** Noida, Uttar Pradesh  
**Date:** July 31, 2024

**ANNEXURE 1**

## CEO AND CFO CERTIFICATION

We, Anil Kumar Mittal, Chairman & Managing Director and Ashish Jain, Chief Financial Officer, responsible for finance function certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2024 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (b) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on March 31, 2024 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. The Company's other certifying Officers and we have disclosed, based on our recent evaluation, wherever applicable, to the Company's Auditors and through them to the Audit Committee of the Company's Board of Directors:
  - i. Significant changes in internal control over financial reporting during the year 2023-24.
  - ii. Significant changes in accounting policies during the year 2023-24 and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having a significant role in the Company's internal control system over financial reporting.

**Place:** Noida, Uttar Pradesh  
**Date:** May 20, 2024

Sd/-  
**Anil Kumar Mittal**  
Chairman & Managing Director

Sd/-  
**Ashish Jain**  
Chief Financial Officer

**ANNEXURE 2**

## PRACTICING COMPANY SECRETARIES' CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members,**  
**M/s KRBL Limited**  
**CIN: L01111DL1993PLC052845**  
**5190, Lahori Gate,**  
**New Delhi – 110006**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s KRBL Limited** (hereinafter referred to as "the Company"), produced before us by the Company for the purpose for 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) Regulations, 2015.

In our opinion and to the best of our 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 / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2024 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.

Sr. No.	Name of Director	DIN	*Date of Appointment
1.	Mr. Anil Kumar Mittal	00030100	30.03.1993
2.	Mr. Arun Kumar Gupta	00030127	30.03.1993
3.	Mr. Anoop Kumar Gupta	00030160	30.03.1993
4.	Ms. Priyanka Mittal	00030479	28.11.2000
5.	Mr. Vinod Ahuja	00030390	05.08.2002
6.	Mr. Shyam Arora	00742924	09.06.2007
7.	Mr. Devendra Kumar Agarwal	06754542	16.01.2014
8.	Ms. Priyanka Sardana	00049811	25.09.2019
9.	Mr. Surinder Singh	08200756	10.08.2023

\* The date of appointment is the Original date of appointment as per the MCA portal.

Ensuring the eligibility 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 DEEPAK KUKREJA & ASSOCIATES**  
**COMPANY SECRETARIES**

**Date:** May 20, 2024  
**Place:** New Delhi  
**UDIN:** F004140F000515695

Sd/-  
**(DEEPAK KUKREJA)**  
FCS, LLB. ACIS (UK), IP.  
PROPRIETOR  
CP No.8265  
FCS No. 4140  
Peer Review No. 2667/2022

## ANNEXURE 3

## PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Paragraph E of Schedule V of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
M/s KRBL Limited  
CIN: L01111DL1993PLC052845  
5190, Lahori Gate,  
New Delhi – 110006

We have examined the compliance of the conditions of Corporate Governance by **KRBL Limited ('the Company')** for the financial year ended on 31 March 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and paragraph C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**").

The compliance of the conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31 March 2024.

We further state that such compliance 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 DEEPAK KUKREJA & ASSOCIATES  
COMPANY SECRETARIES**

**Date:** May 20, 2024  
**Place:** New Delhi  
**UDIN:** F004140F000515695

Sd/-  
**(DEEPAK KUKREJA)**  
FCS, LLB. ACIS (UK), IP.  
PROPRIETOR  
CP No.8265  
FCS No. 4140  
Peer Review No. 2667/2022

# STANDALONE FINANCIAL STATEMENTS



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF KRBL LIMITED

#### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

##### QUALIFIED OPINION

- We have audited the accompanying standalone financial statements of KRBL Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

##### BASIS FOR QUALIFIED OPINION

- As stated in Note 47(A)(3) to the accompanying standalone financial statements, the Enforcement Directorate ('ED') is investigating Company's Joint Managing Director ('JMD') under the Prevention of Money Laundering Act, 2002, for alleged involvement in Agusta Westland case. Further, the ED has filed criminal complaint and made certain allegations against the Company, KRBL DMCC (a subsidiary of the Company) and JMD. As further described in the said note, a review of the impact of the allegations was performed by an independent professional firm appointed by the Board of Directors and in our view, as per the report of the independent professional firm, there is no conclusive evidence to ascertain impact of the aforesaid matter on the Statement and control environment of the Company. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to comment on any adjustment that may be required to the accompanying standalone financial statements in this respect.
- We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are

independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

##### EMPHASIS OF MATTER

- We draw attention to Note 47(A)(2) to the accompanying standalone financial statements, wherein it is stated that a portion of land parcels and building thereupon owned by the Company as identified in the aforesaid note was attached by the Enforcement Directorate ('ED') under the Prevention of Money Laundering Act, 2002 ('PMLA'), in connection with a money laundering investigation which is currently pending before the Special Judge, CBI Court. The Appellate Tribunal, PMLA (Government of India), New Delhi ('Appellate Tribunal'), where the matter was first heard, vide its order dated 17 January 2020, restored the possession in favor of the Company while the aforesaid attachment would continue till the conclusion of the matter. The ED filed an appeal with the Hon'ble High Court of Delhi ('High Court') against granting of possession of the aforesaid land parcels and building. The High Court vide its order dated 23 October 2020 had restored the physical possession of the aforesaid land parcels and building thereupon for specified purposes against deposit of ₹ 1,113 lacs, as an interim relief until conclusion of the aforesaid matter. Based on the legal assessment of the outcome of the aforesaid matter, the management is of the view that no adjustment is required to the accompanying standalone financial statements.

Our opinion is not modified in respect of this matter.

##### KEY AUDIT MATTERS

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

#### INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)

Key audit matter	How our audit addressed the key audit matter
<b>Revenue recognition under IND AS 115, Revenue from Contract with Customers</b>  Refer Note 2 (iii) (e) of the notes to the standalone financial statements.  The Company recognised revenues amounting to ₹ 5,38,469 lacs for the year ended 31 March 2024, as disclosed in Note 28 to the standalone financial statements.  Revenue primarily comprises of revenue from sale of manufactured goods (rice) and by products which is recognized when control of such goods is transferred to the customers and there is no unfulfilled obligation in accordance with the requirements of Ind AS 115 - Revenue from Contracts with Customers ('Ind AS 115'). Revenue is measured at the amount of transaction price determined net of variable consideration pertaining to rebates and discounts given to the customers.  In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Accordingly, occurrence of revenue is a key focus area on account of the multiplicity of Company's products, multiple channels for sales, various categories of customers having varying terms of contracts and the volume of the sales made to them.  Due to the above factors, we have identified testing of revenue recognition as a key audit matter.	Our audit work included, but was not limited to, the following procedures: <ul style="list-style-type: none"> <li>Obtained an understanding of the management process for each revenue stream, particularly of sale of rice and by-products and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115;</li> <li>Obtained an understanding of the management process for each revenue stream, particularly of sale of rice and by-products and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115;</li> <li>Evaluated the design and tested the operating effectiveness of internal controls over revenue recognition including around quantity sold, pricing and accounting of revenue transactions;</li> <li>Performed substantive analytical procedures on revenue which includes ratio analysis, product mix analysis, region wise analysis;</li> <li>Evaluated the terms and conditions of the contracts, including incoterms, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the accounting standards;</li> <li>On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the period before and after year-end with supporting documents, such as invoices, agreements with customers, proof of deliveries, and subsequent collection of payment to ensure revenue is recorded in the correct period with correct amount</li> <li>Tested, on sample basis, the year end accruals made by the management with respect to rebates and discounts in accordance with the terms of approved schemes communicated to the customers of the Company;</li> <li>Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis, reviewed the subsequent collection of payment and proof of deliveries document of such selected debtors;</li> <li>Tested, on sample basis, manual journal entries recorded in revenue accounts, credit notes and claims, if any, to the relevant approvals and the supporting documents;</li> <li>Evaluated the adequacy of disclosures given in the standalone financial statements, including disclosure of revenue recognition from sale of goods for appropriateness in accordance with the accounting standards.</li> </ul>

**INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)**

Key audit matter	How our audit addressed the key audit matter
<p><b>Inventory existence and valuation of finished goods</b></p> <p>Refer Note 2 (iii) (d) of the notes to the standalone financial statements.</p> <p>Inventory of the Company consists primarily of variety of rice, paddy and their by-products, manufactured during the process of conversion of paddy into rice.</p> <p>The Company held inventories amounting to ₹ 4,45,071 lacs as at 31 March 2024. The inventory primarily comprises of Paddy as raw material and finished goods in the form of rice and by-products. Inventory holding is generally significant considering the finished goods are aged for 18-24 months and also due to seasonality of the purchase/produce. Such inventory is stored in plants, warehouses, silos, etc. High quantity of inventory makes inventory physical verification an extensive procedure for the management, at the year end.</p> <p>The valuation of finished rice and by products is a complex exercise and is carried out manually. The valuation process involves estimation around determination of –</p> <ul style="list-style-type: none"> <li>▪ Allocable overheads and their absorption rates;</li> <li>▪ Determination of net realisable value of by-products such as husk, bran, etc, and</li> <li>▪ Determination of net realisable value of the different variety of rice.</li> </ul> <p>Accordingly, existence and valuation of the year-end inventory balance, which is significant with respect to the total assets held by the Company, is considered to be one of the areas which required significant auditor attention owing to the complexity and judgements involved in the process of physical count and valuation.</p>	<p>Our audit work included, but was not limited to the following procedures:</p> <p><u>Existence:</u></p> <ul style="list-style-type: none"> <li>▪ Obtained an understanding of the management's process of inventory management and inventory physical verification performed subsequent to year-end;</li> <li>▪ Evaluated the design and tested the operating effectiveness of internal controls over inventory management process/ inventory physical verification;</li> <li>▪ Reviewed the instructions given by management to stock count teams, including ensuring proper segregation of stock, use of calibration scales/charts, identification of damaged inventory, if any, etc.;</li> <li>▪ Observed physical count carried out by the management at locations selected based on materiality and risk factors;</li> <li>▪ During the above said observation, noted whether the instructions given by management to stock count teams were followed;</li> <li>▪ Recounted inventory, on sample basis, to match with inventory records and results of management conducted count;</li> <li>▪ Obtained inventory records and results of management conducted count;</li> <li>▪ Reviewed reconciliation of differences, if any, between management physical count and inventory records, and tested the necessary adjustment made in the inventory records by the management;</li> </ul> <p><u>Valuation:</u></p> <ul style="list-style-type: none"> <li>▪ Obtained an understanding of management process of inventory valuation;</li> <li>▪ Evaluated design and tested the operating effectiveness of internal controls over inventory valuation process;</li> <li>▪ Tested the key inputs used in the valuation process from underlying source documents/ general ledger accounts;</li> <li>▪ Re-performed reconciliation of opening inventory, purchase/ production, sales and year-end inventory and on sample basis validated the amount of yield during the year and to identify any abnormal production loss;</li> <li>▪ Compared key estimates, including those involved in computation of allocable overheads and their absorption rate, to prior years and enquired reasons for any significant variations;</li> <li>▪ Verified net realisable value of rice and by-products from actual sale proceeds near to the year-end;</li> <li>▪ Tested arithmetical accuracy of valuation calculations;</li> <li>▪ Evaluated the adequacy of disclosure given in the standalone financial statements, including disclosure of inventory year-end balance in the standalone financial statements, in accordance with applicable accounting standards.</li> </ul>

**INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)**

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

8. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS**

9. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

10. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

11. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

12. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

13. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to



**INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)**

draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

14. 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.
15. 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.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
19. Further to our comments in Annexure 'A', as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

- a) we have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the possible effects of the matter described in the Basis for Qualified Opinion section and except for the matter stated in paragraph 19(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- c) the standalone financial statements dealt with by this report are in agreement with the books of accounts;
- d) except for the possible effect of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) the matter described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;
- f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 19(b) above on reporting under section 143(3)(b) of the Act and paragraph 19(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- h) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure 'B' wherein we have expressed a modified opinion; and
- i) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. except for the possible effect of the matter described in paragraph 3 of the Basis for Qualified Opinion section, the Company, as detailed in Note 47(A) to the standalone financial statements, has

**INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)**

disclosed the impact of pending litigations on its financial position as at 31 March 2024;

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
- iv. (a) the management has represented that, to the best of its knowledge and belief, as disclosed in Note 50(vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- (b) the management has represented that, to the best of its knowledge and belief, as disclosed in Note 50(viii) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to

our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The final dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 43(B) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 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.

- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software used for maintaining books of accounts as described in Note 52 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

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

**Sd/-**  
**Nitin Toshniwal**  
Partner

**Place:** New Delhi  
**Date:** 20 May 2024

Membership No.: 507568  
**UDIN:** 24507568BKEJUV8682

**ANNEXURE A REFERRED TO IN PARAGRAPH 18 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KRBL LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment property and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress, investment property and right-of-use

assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

- (c) The title deeds of all the immovable properties (including investment property) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 3 to the standalone financial statements, are held in the name of the Company, except for the following properties:

Description of property	Gross carrying value (₹ in lacs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Land	61	K B Overseas	Partnership Firm in which Directors were partners	Since Financial Year 1990-91 to 1994-95	Refer Note 3(H) to the Standalone Financial Statements
Land	195	Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta	Directors	Since Financial Year 2000-01 to 2002-03	Refer Note 3(H) to the Standalone Financial Statements
Land	63	Mr. Anil Kumar Mittal	Directors	Since Financial Year 2006-07	Refer Note 3(H) to the Standalone Financial Statements
Land	80	Mr. Arun Kumar Gupta	Directors	Since Financial Year 2003 – 04	Refer Note 3(H) to the Standalone Financial Statements
Land	160	Mr. Anoop Kumar Gupta	Directors	Since Financial Year 2003-04 and 2004-05	Refer Note 3(H) to the Standalone Financial Statements
Land	246	Mr. Ashish Mittal	Relative of Director	Since Financial Year 2001-02 and 2002-03	Refer Note 3(H) to the Standalone Financial Statements
Building	153	-	-	Since Financial Year 2015-16	Refer Note 3(H) to the Standalone Financial Statements

For title deeds of immovable properties in the nature of land gross carrying values of ₹10,181 lacs as at 31 March 2024, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to

**ANNEXURE A REFERRED TO IN PARAGRAPH 18 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KRBL LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

- (b) As disclosed in Note 23 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans granted, guarantees and security provided by it.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed

to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act only in respect of specified products (power generation) of the Company. For such products, we have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under the aforesaid section, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lacs)	Amount paid under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Punjab Value Added Tax, 2005	Penalty	1,811	-	Financial year 2009-10	Hon'ble Punjab and Haryana High Court, Chandigarh
Punjab Value Added Tax, 2005	Value Added Tax	1,708	641	Financial years 2010-2014	VAT Tribunal, Chandigarh
Punjab Value Added Tax, 2005	Value Added Tax	684	185	Financial years 2014-2017	Deputy Excise and Tax Commissioner, Patiala
Punjab Value Added Tax, 2005	Value Added Tax	39	39	Financial years 2014-15 and 2015-2016	Deputy Commissioner of Sales Tax (Appeal), Mumbai
Punjab Value Added Tax, 2005	Value Added Tax	2	2	Financial year 2013-2014	Additional Commissioner Grade-2 (Appeal), Noida
Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964	Mandi fees	391	1,867	Financial Year 2014-15 to 2018-19	Mandi Samiti

- viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

**ANNEXURE A REFERRED TO IN PARAGRAPH 18 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KRBL LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

**ANNEXURE A REFERRED TO IN PARAGRAPH 18 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KRBL LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.
- (xxi) The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.
- For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013
- Sd/-**  
**Nitin Toshniwal**  
Partner  
Membership No.: 507568  
**UDIN: 24507568BKEJVU8682**
- Place:** New Delhi  
**Date:** 20 May 2024

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')**

1. In conjunction with our audit of the standalone financial statements of KRBL Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

**MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**QUALIFIED OPINION**

8. According to the information and explanation given to us, the ED vide their criminal complaint has made certain allegations against the Company, KRBL DMCC (a subsidiary company) and Mr. Anoop Kumar Gupta ('JMD') as fully explained in Note 47(A)(3) of the accompanying standalone financial statements. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to obtain sufficient appropriate

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT') (CONT'D)**

audit evidence that adequate internal financial controls with reference to financial statements relevant to prevention and timely detection of management override of controls were established and maintained, and if such controls operated effectively in all material respects, which could potentially result in the Company not providing for adjustment, if any, that may be required to the accompanying standalone financial statements.

9. In our opinion, except for the possible effects of the matter described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

10. We have considered the matter identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2024, and the matter has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the statement financial statements.

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

Sd/-  
**Nitin Toshniwal**  
Partner  
Membership No.: 507568  
UDIN: 24507568BKEJUV8682

Place: New Delhi  
Date: 20 May 2024

## STANDALONE BALANCE SHEET

as at 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	84,533	82,690
Capital work-in-progress	3	1,289	1,590
Right of use assets	4	3,900	5,348
Investment property	5	294	312
Intangible assets	6	257	260
Intangible assets under development	6	3	8
<b>Financial assets</b>			
- Investments	7	427	427
- Loans	8	20	3
- Other financial assets	9	1,207	1,063
Other non-current assets	10	3,760	3,413
<b>Sub total non-current assets</b>		<b>95,690</b>	<b>95,114</b>
<b>Current assets</b>			
Inventories	11	4,45,071	4,18,627
<b>Financial assets</b>			
- Investments	12	11,500	3,088
- Trade receivables	13	30,308	28,506
- Cash and cash equivalents	14	2,369	2,816
- Other bank balances	15	526	1,868
- Loans	16	11	5
- Other financial assets	17	1,568	2,445
Other current assets	18	4,661	5,673
<b>Sub total current assets</b>		<b>4,96,014</b>	<b>4,63,028</b>
<b>TOTAL ASSETS</b>		<b>5,91,704</b>	<b>5,58,142</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19	2,289	2,354
Other equity	20	4,82,649	4,66,095
<b>Sub total equity</b>		<b>4,84,938</b>	<b>4,68,449</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
- Lease liabilities	4	2,420	3,678
Provisions	21	1,368	863
Deferred tax liabilities (net)	22	11,087	12,253
<b>Sub total non-current liabilities</b>		<b>14,875</b>	<b>16,794</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings	23	50,703	20,134
- Lease liabilities	4	1,332	1,186
- Trade payables	24		
- Total outstanding due of micro enterprises and small enterprises		1,405	1,814
- Total outstanding dues of creditors other than micro enterprises and small enterprises		9,568	10,155
- Other financial liabilities	25	24,979	28,440
Other current liabilities	26	3,474	10,769
Provisions	27	430	401
<b>Sub total current liabilities</b>		<b>91,891</b>	<b>72,899</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,91,704</b>	<b>5,58,142</b>

The accompanying notes form an integral part of these standalone financials statements.

This is the Standalone Balance Sheet referred to in our report of even date.

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

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Nitin Toshniwal**  
Partner  
Membership No. 507568

Sd/  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

Sd/  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/  
**Ashish Jain**  
Chief Financial Officer

Sd/  
**Piyush Asija**  
Company Secretary  
Membership No.A21328

Place : New Delhi  
Date : 20 May 2024

Place : Noida  
Date : 20 May 2024

## STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Income</b>			
Revenue from operations	28	5,38,469	5,36,474
Other income	29	9,666	9,250
<b>Total income</b>		<b>5,48,135</b>	<b>5,45,724</b>
<b>Expenses</b>			
Cost of materials consumed	30	4,53,853	4,36,776
Purchase of stock-in-trade	31	544	3,084
Changes in inventories of finished goods and stock-in-trade	32	(54,405)	(61,370)
Employee benefits expenses	33	14,575	11,477
Finance costs	34	2,410	1,473
Depreciation and amortisation expense	35	7,935	7,561
Other expenses	36	43,686	52,635
<b>Total expenses</b>		<b>4,68,598</b>	<b>4,51,636</b>
<b>Profit before tax</b>		<b>79,537</b>	<b>94,088</b>
<b>Tax expense</b>	39		
Current tax		21,066	24,890
Deferred tax credit		(1,074)	(870)
<b>Total tax expense</b>		<b>19,992</b>	<b>24,020</b>
<b>Profit for the year</b>		<b>59,545</b>	<b>70,068</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit plans		20	(28)
Tax on above		(5)	8
<b>Items that will be reclassified to profit or loss</b>			
Cash flow hedge reserve		(364)	428
Tax on above		92	(108)
<b>Other comprehensive (loss)/income for the year</b>		<b>(257)</b>	<b>300</b>
<b>Total comprehensive income for the year</b>		<b>59,288</b>	<b>70,368</b>
<b>Earnings per equity share (face value of ₹ 1 each)</b>	37		
- Basic (in ₹)		25.67	29.77
- Diluted (in ₹)		25.67	29.77

The accompanying notes form an integral part of these standalone financials statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

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

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Nitin Toshniwal**  
Partner  
Membership No. 507568

Sd/  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

Sd/  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/  
**Ashish Jain**  
Chief Financial Officer

Sd/  
**Piyush Asija**  
Company Secretary  
Membership No.A21328

Place : New Delhi  
Date : 20 May 2024

Place : Noida  
Date : 20 May 2024

## STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Cash flow from operating activities</b>		
Profit before tax	79,537	94,088
Adjustment for :		
Depreciation and amortisation expenses	7,935	7,561
Loss on sale and discard of property, plant and equipment	3	46
Unrealised foreign exchange (net)	(24)	18
Net gain on redemption and fair valuation of investments	(4,595)	(434)
Balances written off	192	-
Allowances for doubtful debts and advance	2,846	1,060
Liabilities/provisions no longer required, written back	(186)	(110)
Gain on modification/termination of lease	(1)	(530)
Finance costs	2,410	1,473
Interest income	(3,696)	(7,684)
Dividend income	(60)	(55)
<b>Operating profit before working capital changes</b>	<b>84,361</b>	<b>95,433</b>
Adjustments for working capital changes :		
Decrease in financial and other assets	1,284	18,223
Increase in inventories	(26,444)	(1,37,017)
Increase in trade receivables	(4,131)	(283)
Decrease in trade payables	(894)	(5,976)
Decrease/(increase) in liabilities and provisions	(10,391)	18,891
<b>Cash generated from operations</b>	<b>43,785</b>	<b>(10,729)</b>
Income tax paid (net)	(21,193)	(25,273)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>22,592</b>	<b>(36,002)</b>
<b>B Cash flow from investing activities</b>		
Payment for property, plant and equipment and intangible assets <sup>1</sup>	(8,594)	(5,932)
Sale proceeds of property, plant and equipment	56	15
Sale proceeds from investments	3,23,365	3,42,489
Purchase of investments	(3,28,539)	(3,42,173)
Movement from deposits (net)	1,333	18,544
Interest received	3,574	7,625
Dividend income	60	55
<b>Net cash (used in)/flow from investing activities (B)</b>	<b>(8,745)</b>	<b>20,623</b>
<b>C Cash flow from financing activities</b>		
Repayment of long-term borrowings	-	(587)
Repayment of lease liabilities	(1,203)	(931)
Movement in short term borrowings (net)	30,569	11,784
Finance cost paid	(2,257)	(1,546)
Dividend paid	(2,358)	(8,241)
Payment for buy back of shares	(32,500)	-
Payment of tax and expenses for buy back of shares	(7,945)	-
<b>Net cash (used in)/flow from financing activities (C)</b>	<b>(15,694)</b>	<b>479</b>

## STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>D Net decrease in cash and cash equivalents during the year (A+B+C)</b>	(1,847)	(14,900)
Cash and cash equivalents at the beginning of the year	4,216	19,116
<b>Cash and cash equivalents at the year end</b>	<b>2,369</b>	<b>4,216</b>
<b>E Cash and cash equivalents (refer note 14)</b>		
Cash in hand	49	54
Balances with banks	2,320	2,762
Investments in mutual funds	-	1,400
	<b>2,369</b>	<b>4,216</b>

**Notes:**

- Net of movement in capital work-in-progress and capital advances.
- Cash and cash equivalents includes the investment in mutual fund invested for short term basis. (refer note 12)
- The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7, 'Statement of cash flows'.
- Refer note 48 for reconciliation of liabilities arising from financing activities.

The accompanying notes form an integral part of these standalone financials statements.  
This is the Standalone Statement of Cash Flows referred to in our report of even date.

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

Sd/  
**Nitin Toshniwal**  
Partner  
Membership No. 507568

**Place :** New Delhi  
**Date :** 20 May 2024

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

Sd/  
**Ashish Jain**  
Chief Financial Officer

**Place :** Noida  
**Date :** 20 May 2024

Sd/  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/  
**Piyush Asija**  
Company Secretary  
Membership No.A21328



## STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

### A. EQUITY SHARE CAPITAL (REFER NOTE 19)

(All amounts stated in ₹ lacs, unless otherwise stated)

Equity shares of ₹ 1 each, fully paid up	Number of shares	Amount
<b>As at 1 April 2022</b>	23,53,89,892	2,354
Movement during the year	-	-
<b>As at 31 March 2023</b>	23,53,89,892	2,354
Movement during the year	(65,00,000)	(65)
<b>As at 31 March 2024</b>	<b>22,88,89,892</b>	<b>2,289</b>

### B. OTHER EQUITY (REFER NOTE 20)

Particulars	Reserves and surplus					Other comprehensive income	Total
	Retained earnings	General reserve	Securities premium reserve	Capital reserve	Capital redemption reserve	Cash flow hedge reserve	
<b>Balance as at 1 April 2022</b>	<b>3,34,595</b>	<b>59,550</b>	<b>9,655</b>	<b>82</b>	<b>77</b>	<b>7</b>	<b>4,03,966</b>
Profit for the year	70,068	-	-	-	-	-	70,068
<b>Other comprehensive income for the year:</b>							
Remeasurement of defined benefit obligations (net of tax)	(20)	-	-	-	-	-	(20)
Cash flow hedge reserve (net of tax)	-	-	-	-	-	320	320
<b>Total comprehensive income as at 31 March 2023</b>	<b>70,048</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>320</b>	<b>70,368</b>
<b>Transaction with owners</b>							
Dividends paid (refer note 43)	(8,239)	-	-	-	-	-	(8,239)
<b>Balance as at 31 March 2023</b>	<b>3,96,404</b>	<b>59,550</b>	<b>9,655</b>	<b>82</b>	<b>77</b>	<b>327</b>	<b>4,66,095</b>
Profit for the year	59,545	-	-	-	-	-	59,545
<b>Other comprehensive income for the year:</b>							
Remeasurement of defined benefit obligations (net of tax)	15	-	-	-	-	-	15
Cash flow hedge reserve (net of tax)	-	-	-	-	-	(272)	(272)
<b>Total comprehensive income as at 31 March 2024</b>	<b>59,560</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(272)</b>	<b>59,288</b>
<b>Transaction with owners</b>							
Dividends paid (refer note 43)	(2,354)	-	-	-	-	-	(2,354)
Buy-back of equity shares (refer note 53)	-	(22,845)	(9,655)	-	65	-	(32,435)
Tax on of buy-back of equity shares (refer note 53)	-	(7,499)	-	-	-	-	(7,499)
Expenses for buy-back of equity shares (refer note 53)	-	(446)	-	-	-	-	(446)
<b>Balance as at 31 March 2024</b>	<b>4,53,610</b>	<b>28,760</b>	<b>-</b>	<b>82</b>	<b>142</b>	<b>55</b>	<b>4,82,649</b>

The accompanying notes form an integral part of these standalone financials statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

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

Sd/  
**Nitin Toshniwal**  
Partner  
Membership No. 507568

**Place :** New Delhi  
**Date :** 20 May 2024

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

Sd/  
**Ashish Jain**  
Chief Financial Officer

**Place :** Noida  
**Date :** 20 May 2024

Sd/  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/  
**Piyush Asija**  
Company Secretary  
Membership No.A21328

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

### 1. CORPORATE INFORMATION

KRBL Limited ('Company') is a public limited company domiciled in India and was incorporated on 30 March 1993 under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 5190, Lahori Gate, Delhi 110006. The shares of the Company are listed in India on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). The Company's CIN: L01111DL1993PLC052845.

The Company is world's leading basmati rice producer and has fully integrated operations in every aspect of basmati value chain, right from seed development, contact farming, procurement of paddy, storage, processing, packaging, branding and marketing. Among the many brands owned by the Company "India Gate" is the flagship brand both in domestic and international markets.

### 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

The standalone financial statements have been prepared on the following basis:

#### (I) STATEMENT OF COMPLIANCE

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Act, (Ind AS compliant Schedule III).

#### (II) BASIS OF PREPARATION

The standalone financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets, financial liabilities and net defined benefit plans that are measured at fair values as explained in relevant accounting policies. The accounting policies adopted are the same as those which were applied for the previous financial year.

#### Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is due to be settled within twelve months after the reporting period; or;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

These standalone financial statements are presented in Indian rupees (₹) which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs as per the requirements of Part II of Schedule III of the Act, unless otherwise indicated. These standalone financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 20 May 2024.

#### (III) MATERIAL ACCOUNTING POLICIES:

##### a. Property, plant and equipment

##### Recognition and initial measurement

Property, plant and equipment are stated at their cost net of accumulated depreciation and impairment losses, if any. Cost includes all incidental expenses relating to acquisition, installation and construction of property, plant and equipment. Freehold land is stated at original cost of acquisition.

Subsequent expenditures are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are generally charged to the statement of profit and loss during the reporting period in which they are incurred.

Property, plant and equipment which are not ready for intended use as on the date of balance sheet are

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

disclosed as 'Capital work-in-progress'. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Such items are classified to the appropriate category of property, plant and equipment when completed and ready for their intended use. Advances given towards acquisition / construction of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under "Other non-current assets".

### Depreciation on property, plant, and equipment

Depreciation on property, plant and equipment is provided on straight line method, in terms of useful life of the assets, as prescribed under Schedule II of the Act. Depreciation on additions/disposals is provided on a pro-rata basis i.e. from the date on which the asset is capitalized and till the date it was disposed-off. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

### De-recognition

Any item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss when the item is derecognized.

### **b. Investment property**

#### Recognition and initial measurement

Investment property is categorised as a property that is:

- held to earn rentals or for capital appreciation or both;
- not for sale in the ordinary course of business, or;
- not for use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at its cost, including related transaction costs less depreciation and impairment, if any. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

### Depreciation on investment property

Depreciation on investment property is provided on the straight line method, in terms of the useful life prescribed under Schedule II of the Act.

### **c. Intangible assets**

#### Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets which are not ready for intended use as on the date of balance sheet are disclosed as "Intangible assets under development".

#### Subsequent measurement (amortization and useful lives)

The useful lives of intangible assets are assessed as finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed during each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

A summary of the policies applied to the Company's intangible assets are as follows:

Intangible assets	Life in years	Amortisation method used
Patents, trademark and design	10 years	Amortised on a straight-line basis over the useful life
Computer software	6 to 10 years	Amortised on a straight-line basis over the useful life

#### De-recognition

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or loss arising from the de-recognition of an intangible asset, if any, is measured

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the statement of profit and loss when the asset is derecognized.

### **d. Inventory**

#### Raw materials, stores and spares and packing materials

Raw material, stores and spares and packing materials are valued at lower of cost and net realizable value. Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and includes non-refundable taxes. Materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a moving weighted average basis. Obsolete, slow moving and defective inventories are identified at the time of physical verification and wherever necessary a provision is made.

#### Finished goods, by products and stock in trade

Finished goods are valued at lower of cost and net realisable value. Cost of inventories of finished goods includes cost of raw materials, direct and indirect overheads which are incurred to bring the inventories to their present location and condition.

By-products are valued at net realisable value.

Stock in trade are valued at lower of cost and net realisable value. Cost of stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### **e. Revenue recognition**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Company recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Company follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price

- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligations are satisfied.

A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as or when, the performance obligation is satisfied.

Revenue is measured on the basis of transaction price, which is the consideration, adjusted for volume discounts, rebates, schemes allowances, price concessions, incentives, amounts collected on behalf of government and returns, if any, as specified in the contracts with the customers. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

#### **a) Sale of finished goods, by-products and stock-in-trade**

As per Ind AS 115- 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 the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers. Revenue from sale of goods is recognized when it transfers control of the product to a customer i.e. when customers are billed or when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. When payments received from the customers exceed revenue recognized to date on a particular contract, any excess (a contract liability) is reported in the balance sheet under other liabilities.

#### Satisfaction of performance obligations

The Company's revenue is derived from the single performance obligation to transfer primarily rice and other products under arrangements in which the transfer of control of the goods and the fulfillment of the Company's performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognized when the Company transfers control at the point in time the customer takes undisputed delivery of the goods. Whether the customer has obtained control over the asset

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms.

No element of financing is deemed present as the sales are made with insignificant credit terms depending on the specific terms agreed with customers.

### b) Revenue from electricity generation

Sale of energy is accounted for on basis of energy supplied.

### c) Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable effective interest rate.

### d) Rendering of services

Income from services rendered is recognised at a point in time based on agreements / arrangements with the customers when the services are performed and there are no unfulfilled obligations.

### e) Dividend income

Dividend income is recognised when right to receive is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

### f) Trade receivables

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. It represents the Company's right to an amount of consideration that is unconditional.

### f. Employee benefits

#### Short term employee benefits

Short term employee benefits that are expected to be settled wholly within twelve months from the end of the year. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees. These benefits include salaries, wages and bonus.

#### Defined contribution plan

Employee benefits in the form of contribution to Provident Fund managed by government authorities is considered as defined contribution plans and the same

are charged to the statement of profit and loss for the year in which the employee renders the related service.

#### Defined benefit plan

The Company's gratuity scheme is considered as defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit ('PUC') method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs; and
- Net interest expense or income.
- Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling (if any), and the return on plan assets (excluding net interest), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

#### Other long-term employee benefits

Compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss. Compensated absences, which are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

### g. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

### a) Financial assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

#### Initial recognition and measurement

On initial recognition, a financial asset is recognized at fair value. In case of financial assets which are recognised initially at fair value through profit and loss ('FVTPL') except for trade receivables without financing components which are measured at transaction price, its transaction cost is recognised in the Statement of Profit and Loss. In other cases, the transaction cost is attributed to the acquisition of the financial asset.

#### Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

- Financial assets carried at amortised cost
- Financial assets at fair value through other comprehensive income ('FVTOCI')
- Financial assets at fair value through profit or loss ('FVTPL')

#### Financial assets carried at amortised cost

A financial asset is subsequently measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold the asset in order for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ('SPPI') on the principal amount outstanding.

#### Financial assets carried at FVTOCI

A financial asset is classified as at FVTOCI if both the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

#### Financial assets carried at FVTPL

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the

criteria for categorisation as amortised cost or as FVTOCI, is classified as FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

#### De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit losses ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables;
- Financial assets measured at amortised cost (other than trade receivables);
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

### b) Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

#### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, short term borrowings and derivative financial instruments.

#### Classification

Financial liabilities are classified initially at initial recognition, as financial liabilities at FVTPL or at amortised cost, as appropriate.

#### De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### d) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### e) Hedge accounting

#### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are recognised directly in the Statement of profit and loss, except for the

effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the standalone financial statements.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

### h. Leases

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.

#### Company as a lessee

##### Right-of-use assets

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and low value leases.

The right-of-use assets are initially recognized 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. 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.

##### Lease liabilities

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 Company uses the incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability includes fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Company is reasonably certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit and loss.

The lease term comprises the non-cancellable lease term together with the period covered by extension options, if assessed as reasonably certain to be exercised, and termination options, if assessed as reasonably certain

not to be exercised. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made.

Right-of-use asset and lease liability have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

#### Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

### i. Foreign currency transactions and translations

The Company's standalone financial statements are presented in (₹), which is the Company's functional currency.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the re-translation or settlement of monetary items are included in the statement of profit and loss for the period.

### j. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

### Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'Profit before tax' as reported in the statement of profit and loss because of items of income and expense that are taxable or deductible in other years and items that are never taxable or deductible under Income Tax Act, 1961.

Current tax is measured using tax rates that have been by the end of the reporting period or amount expected to be recovered from or paid to taxation authorities.

The Company offsets current tax assets and current tax liabilities where it has a legally enforceable right exists to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefits of part or all of such deferred tax assets to be utilised.

Current and deferred tax are recognised as income or an expense in the statement of profit and loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax credit/charge are recognised in Other Comprehensive Income.

### **k. Provisions and contingent liability**

The Company recognizes a provision when a present obligation (legal or constructive) as a result of past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources economic benefits or the amount of such obligation cannot be reliably measured. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

### **l. Government grants and subsidies**

Government grants are recognized when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with.

### **m. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet and for the purpose of standalone statement of cash flows comprise cash at banks and on hand, short term deposits with an original maturity of three months or less and investment in liquid mutual funds that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

### **n. Segment reporting**

According to Ind AS 108, identification of operating segments is based on the approach of Chief Operating Decision Maker ('CODM') for making decisions about allocating resources to the segment and assessing its performance.

#### Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

Results of the operating segments are reviewed regularly by the management team (Chairman, Joint Managing Directors and Chief Financial Officer) which have been identified as CODM to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

#### Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### Unallocable items:

Expenses which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under 'Other unallocated expenditures'. Assets and liabilities, which relate to the Company as a whole and are not allocable to segments on reasonable basis, are shown as 'Unallocated assets' and 'Unallocated liabilities' respectively.

### **o. Earnings per share**

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive.

### **p. Dividend to shareholders**

The Company recognises a liability to pay dividend to equity holders when the distribution is approved by the shareholders, and the distribution is no longer at the discretion of the Company. In the period in which the dividends are approved by the equity shareholders in the general meeting, a corresponding amount is recognised directly in equity.

## **(IV) USE OF JUDGEMENTS AND ESTIMATES**

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and judgments

are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### **Defined benefit obligations**

The cost of the defined benefit gratuity plan is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long-term nature of this plan, such estimates are subject to significant uncertainty.

### **Useful life of property, plant and equipment**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss. The useful lives of the Company's assets are determined by management at the time the asset is acquired and reviewed at least annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### **Classification of legal matters**

The litigations and claims to which the Company is exposed to are assessed by management with assistance of the legal department and in certain cases with the support of external specialized lawyers. Determination of the outcome of these matters into "Probable, Possible and Remote" require judgement and estimation on case to case basis.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

### Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the standalone balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### Inventories

Management estimates the net realisable values of finished goods, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future market-driven changes that may reduce future selling prices.

### Discounts / rebate to customers

The Company provides discount and rebates on sales to certain customers. Revenue from these sales is recognised based on the price charged to the customer, net of the estimated pricing allowances, discounts, rebates, and other incentives. In certain cases, the amount of these discount and rebates are not determined until claims with appropriate evidence is presented by the customer to the Company, which may be some time after the date of sale. Accordingly, the Company estimates the amount of such incentives basis the terms of contract, incentive schemes, historical experience adjusted with the forward looking and the business forecast. Such estimates are subject to the estimation uncertainty.

### (V) NEW AND AMENDED STANDARDS

The Company has applied the following amendments for the first time for their annual reporting period commencing 1 April 2023:

#### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in

accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

#### Ind AS 1 – Presentation of Financial Statements

The amendments to Ind AS 1 provide guidance on applying materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

#### Ind AS 12 – Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The above amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### (VI) AMENDMENTS NOT YET EFFECTIVE

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work-in-progress
<b>Gross carrying amount</b>								
Balance as at 31 March 2022	6,996	23,229	1,26,167	1,464	536	4,333	1,62,725	192
Additions for the year	1,964	421	1,136	106	114	287	4,028	1,546
Disposals/capitalised	-	(17)	(184)	(0)	(1)	(146)	(348)	(148)
Balance as at 31 March 2023	8,960	23,633	1,27,119	1,570	649	4,474	1,66,405	1,590
Additions for the year	1,367	2,059	4,274	66	28	609	8,403	1,107
Disposals/capitalised	(146)	-	(82)	(340)	(51)	(188)	(807)	(1,408)
Balance as at 31 March 2024	10,181	25,692	1,31,311	1,296	626	4,895	1,74,001	1,289
<b>Accumulated depreciation</b>								
Balance as at 31 March 2022	-	7,218	66,629	1,010	417	2,449	77,723	-
Additions for the year	-	704	5,063	111	37	364	6,279	-
Disposals	-	(6)	(141)	(0)	(1)	(139)	(287)	-
Balance as at 31 March 2023	-	7,916	71,551	1,121	453	2,674	83,715	-
Additions for the year	-	704	5,141	109	46	361	6,361	-
Disposals	-	-	(68)	(323)	(49)	(168)	(608)	-
Balance as at 31 March 2024	-	8,620	76,624	907	450	2,867	89,468	-
<b>Net carrying amount</b>								
Balance as at 31 March 2023	8,960	15,717	55,568	449	196	1,800	82,690	1,590
Balance as at 31 March 2024	10,181	17,072	54,687	389	176	2,028	84,533	1,289

Notes:

#### A Contractual obligations

Refer note 47B for disclosure of contractual commitments for the acquisition of property, plant and equipment.

#### B Property, plant and equipment pledged as security

Refer note 23 for information on property, plant and equipment pledged as security by the Company.

#### C Capital work-in-progress mainly comprise of plant and machinery and buildings which are under installation/construction at the premises of the Company.

The Company has adopted cost model for its property, plant and equipment. Therefore, no revaluation has been made of the property, plant and equipment.

#### E Figures below ₹ 50,000 have been rounded off to zero.

### F Capital work-in-progress ageing schedule is as follows

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress as at 31 March 2024	1,107	182	-	-	1,289
Project in progress as at 31 March 2023	1,546	44	-	-	1,590

There are no assets/projects forming part of work-in-progress which have become overdue compared to their initial projected completion timeline as at 31 March 2024 and 31 March 2023 respectively.

### G Refer note 47A(2) for the details of attached assets.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**H The details of immovable properties whose title deeds are not held in the name of the Company are as follows:**

Description of relevant item from property, plant and equipment schedule	Gross carrying value		Title deeds held in the name of	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
	As on 31 March 2024	As on 31 March 2023				
Land	61	61	K B Overseas	Partnership Firm in which Directors were partners	Various dates in between Financial Year 1990-91 to 1994-95	As per Note 1 below
Land	195	195	Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta	Directors	Various dates in between Financial Year 2000-01 to 2002-03	
Land	63	63	Mr. Anil Kumar Mittal	Directors	Since Financial Year 2006-07	
Land	80	80	Mr. Arun Kumar Gupta	Directors	Various dates in Financial Year 2003 - 04	As per Note 2 below
Land	160	160	Mr. Anoop Kumar Gupta	Directors	Various dates in between Financial Year 2003-04 and 2004-05	
Land	246	246	Mr. Ashish Mittal	Relative of director	Various dates in between Financial Year 2001-02 and 2002-03	
Building	153	153				Refer Note 3 below

**Notes:**

- On 26 June 1993, M/s. K.B. Overseas had entered into an agreement with M/s. Khushi Ram Bihari Lal Limited wherein M/s. K.B. Overseas had transferred its entire business including all properties and assets to M/s. Khushi Ram Bihari Lal Limited. Further pursuant to declaratory civil suit no. 962/1998 titled M/s. Khushi Ram Bihari Lal Limited vs. M/s. Bhagirath Lal and Others decreed on 24 March 1999, the assets of M/s. K.B. Overseas inter-alia including these land parcels were taken over by M/s. Khushi Ram Bihari Lal Limited and later the name of M/s Khushi Ram Bihari Lal Limited was changed to M/s KRBL Limited on 1 February 2000. These properties were mutated in the name of M/s. KRBL Limited and the name of M/s. KRBL Limited has also been entered in land revenue records as bhumidhar. Thus, M/s. KRBL Limited is the owner of said parcels.
- The Company has physical possession of these land parcels vide Memorandum of Understandings entered into by the Company with each of the above mentioned directors and their relatives. Further, the Company had also executed and registered the General Power of Attorney, will and other necessary documents with the above mentioned directors and their relative, in favour of the Company.
- Pending registration in the name of the Company due to legal dispute. However, the building is in the possession of the Company and used for its business purpose. Further, the Company had already paid its obligation in full as per signed sale agreement dated 15 April 2015.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**4 LEASES**

Particulars	Land	Buildings	Total
<b>Leases where the Company is a lessee</b>			
<b>A Right-of-use assets</b>			
<b>Gross carrying amount</b>			
<b>Balance as at 31 March 2022</b>	248	8,326	8,574
Additions for the year	-	4,766	4,766
Disposals (including termination and modification)	-	(3,811)	(3,811)
<b>Balance as at 31 March 2023</b>	248	9,281	9,529
Additions for the year	-	156	156
Disposals (including termination and modification)	-	(88)	(88)
<b>Balance as at 31 March 2024</b>	248	9,349	9,597
<b>Accumulated depreciation</b>			
<b>Balance as at 31 March 2022</b>	47	2,900	2,947
Additions for the year	20	1,436	1,456
Disposals (including termination and modification)	-	(222)	(222)
<b>Balance as at 31 March 2023</b>	67	4,114	4,181
Additions for the year	20	1,527	1,547
Disposals (including termination and modification)	-	(31)	(31)
<b>Balance as at 31 March 2024</b>	87	5,610	5,697
<b>Net carrying amount</b>			
<b>Balance as at 31 March 2023</b>	181	5,167	5,348
<b>Balance as at 31 March 2024</b>	161	3,739	3,900

<b>B Lease liabilities</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Non-current	2,420	3,678
Current	1,332	1,186
	<b>3,752</b>	<b>4,864</b>

**C Lease related disclosures**

The Company has leases mainly for land and buildings. With the exception of short-term leases, each lease is reflected on the standalone balance sheet as a right-of-use asset and a lease liability. There are no variable lease payments included in the agreement.

**D Extension and termination options**

Extension and termination options are included in all leases. These terms are used to maximise operational flexibility in terms of managing contracts.

**E Lease payments not included in measurement of lease liability**

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less). Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Amount of leases which are for short term of 12 months or less	566	507

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**F The following are amounts recognised in statement of profit and loss with respect to leasing arrangements:**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on right-of-use assets	1,516	1,234
Interest expense on lease liabilities	319	502

**G** Total cash outflow in respect of leases during the year amounting to ₹ 1,522 lacs (31 March 2023: ₹ 1,433 lacs).

**H Maturity of lease liabilities**

The lease liabilities are secured by the related underlying assets. The maturity analysis of lease liabilities are disclosed in note 44.

**5 INVESTMENT PROPERTY**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>A Building</b>		
<b>Gross carrying amount</b>		
Opening	505	505
Additions for the year	-	-
<b>Balance at the end of the year</b>	<b>505</b>	<b>505</b>
<b>Accumulated depreciation</b>		
Opening	193	176
Additions for the year	18	17
<b>Balance at the end of the year</b>	<b>211</b>	<b>193</b>
<b>Net carrying amount at the end of the year</b>	<b>294</b>	<b>312</b>
<b>B Amount recognized in the statement of profit and loss for investment property</b>		
Rental income from operating leases	82	137
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
<b>Profit arising from investment property before depreciation</b>	<b>82</b>	<b>137</b>
Depreciation	18	17
<b>Profit arising from investment property</b>	<b>64</b>	<b>120</b>
<b>C Fair value of investment property</b>	<b>491</b>	<b>491</b>

**D** The fair valuation is based on prices in the active market for similar properties. The main input used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in Gandhi Dham, Gujarat area. The valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair valuation measurement is categorised in Level 2 fair value hierarchy.

**E Lease related disclosures (Leases where the Company is a lessor)**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Rental income from operating leases	85	140

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**6 INTANGIBLE ASSETS**

Particulars	Patents, trademark and design	Computer softwares	Total	Intangible assets under development
<b>Gross carrying amount</b>				
<b>Balance as at 31 March 2022</b>	<b>59</b>	<b>395</b>	<b>454</b>	<b>43</b>
Additions	-	119	119	8
Capitalised	-	-	-	(43)
<b>Balance as at 31 March 2023</b>	<b>59</b>	<b>514</b>	<b>573</b>	<b>8</b>
Additions	-	37	37	3
Disposals	-	-	-	(8)
<b>Balance as at 31 March 2024</b>	<b>59</b>	<b>551</b>	<b>610</b>	<b>3</b>
<b>Accumulated amortisation</b>				
<b>Balance as at 31 March 2022</b>	<b>31</b>	<b>251</b>	<b>282</b>	-
Additions for the year	3	28	31	-
<b>Balance as at 31 March 2023</b>	<b>34</b>	<b>279</b>	<b>313</b>	-
Additions for the year	3	37	40	-
<b>Balance as at 31 March 2024</b>	<b>37</b>	<b>316</b>	<b>353</b>	-
<b>Net carrying amount</b>				
<b>Balance as at 31 March 2023</b>	<b>25</b>	<b>235</b>	<b>260</b>	<b>8</b>
<b>Balance as at 31 March 2024</b>	<b>22</b>	<b>235</b>	<b>257</b>	<b>3</b>

**Notes :**
**A** Refer note 47B for disclosure of contractual commitments for the acquisition of intangible assets.

**B Intangible assets under development ageing schedule is as follows:**

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress as at 31 March 2024	3	-	-	-	3
Project in progress as at 31 March 2023	8	-	-	-	8

**C** There are no assets/projects forming part of intangible assets under development which have become overdue compared to their initial projected completion timeline as at 31 March 2024 and 31 March 2023 respectively.

**D** The Company has adopted cost model for its intangible assets. Therefore, no revaluation has been made of the intangible assets.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 7 INVESTMENTS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-current</b>		
<b>Unquoted equity instruments - at cost, fully paid-up (Refer Note 44)</b>		
<b>Investment in equity shares of subsidiary companies :</b>		
KRBL DMCC	217	217
[1,800 equity shares of AED 1,000 each, (31 March 2023 - 1,800 equity shares)]		
K B Exports Private Limited	210	210
[21,00,000 equity shares of ₹ 10 each, (31 March 2023 - 21,00,000 equity shares)]		
	<b>427</b>	<b>427</b>
Aggregate amount of unquoted investments	<b>427</b>	<b>427</b>

### 8 LOANS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-current</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
Loan to employees	20	3
	<b>20</b>	<b>3</b>

### 9 OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-current</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
Security deposits <sup>1</sup>	1,172	1,038
Bank deposits with remaining maturity more than 12 months <sup>2</sup>	35	25
	<b>1,207</b>	<b>1,063</b>

**Notes:**

- The present value of the deposits given to the company in which director of Company is a member: KRBL Infrastructure Limited (refer note 46) **780** 702
- Liened as security issued to the various government authorities and other parties.

### 10 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(Unsecured- considered good unless otherwise stated)</b>		
Capital advances	1,016	424
Advances other than capital advances		
- Balance with statutory authorities (including taxes/duty paid under protest)	1,338	1,724
- Deposits with statutory authority [Refer note 47(A)(2)]	1,113	1,113
- Pre-payments	36	57
Income tax assets (net)	257	95
<b>Total (a)</b>	<b>3,760</b>	<b>3,413</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(Unsecured- considered doubtful)</b>		
Capital advances	18	18
Advances other than capital advances		
- Balance with statutory authorities	2,449	2,075
<b>Total (b)</b>	<b>2,467</b>	<b>2,093</b>
Allowance for doubtful advances	(2,467)	(2,093)
	-	-
<b>Total (a+b)</b>	<b>3,760</b>	<b>3,413</b>

### 11 INVENTORIES

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	1,33,784	1,61,833
Finished goods <sup>1&amp;3</sup>	2,96,539	2,41,270
Stock-in-trade	1,054	1,918
Packing material, consumables and others	11,662	11,848
Stores and spares	2,032	1,758
	<b>4,45,071</b>	<b>4,18,627</b>

**Notes:**

- Includes goods in transit of ₹ 5,478 lacs (31 March 2023: ₹ 3,473 lacs).
- Refer note 30, 31 and 32 for consumption of inventory recorded by the Company during the year.
- The Company has recorded few class of finished goods at the net realisable value ('NRV'), as their realisable value is lower than the cost of production. The total NRV adjustments made in the value of such product ₹ 3,441 lacs (31 March 2023 : ₹ 2,580 lacs). This has been recognized as an expense during the year and included in 'changes in inventories of finished goods and stock-in-trade' in the standalone statement of profit and loss.

### 12 INVESTMENTS

**CURRENT**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>a) Investments in equity instruments - quoted, fully paid-up [carried at fair value through profit or loss ('FVTPL')]</b>		
NHPC Limited	791	355
[8,82,712 equity shares of ₹ 10 each, (31 March 2023 - 8,82,712 equity shares)]		
Coal India Limited	332	163
[76,437 equity shares of ₹ 10 each, (31 March 2023 - 76,437 equity shares)]		
Power Grid Corporation of India Limited	530	324
[1,91,408 equity shares of ₹ 10 each, (31 March 2023 - 1,43,556 equity shares)]		
Shipping Corporation of India Limited	506	228
[2,42,265 equity shares of ₹ 10 each, (31 March 2023 - 2,42,265 equity shares)]		
Shipping Corporation of India Land & Assets Limited	97	-
[2,42,265 equity shares of ₹ 10 each, (31 March 2023 - Nil)]		
MOIL Limited	75	38
[26,993 equity shares of ₹ 10 each, (31 March 2023 - 26,993 equity shares)]		
Suzlon Energy Limited	3,252	580
[80,36,343 equity shares of ₹ 2 each, (31 March 2023 - 80,61,343 equity shares)]		
<b>b) Investments in commercial papers</b>		

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Aditya Birla Money Limited 91 Days Commercial Paper [1,200 units (31 March 2023 - Nil units)]	5,917	-
<b>c) Investments in mutual fund</b>		
SBI Overnight Fund Direct Growth [Nil units (31 March 2023 - 38,370 units)]	-	1,400
	<b>11,500</b>	<b>3,088</b>
Aggregate amount of quoted investments at cost	7,061	2,588
Aggregate amount of quoted investments at market value	11,500	3,088

### 13 TRADE RECEIVABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good <sup>1</sup>	30,308	28,506
Unsecured, credit impaired	3,183	711
Allowance for credit impaired	(3,183)	(711)
	<b>30,308</b>	<b>28,506</b>

**Note:**

1 As at reporting date, there are no dues from any private company or firm in which Company's any director is a director or partner.

#### TRADE RECEIVABLES AGEING SCHEDULE FOR THE YEAR ENDED 31 MARCH 2024

Particulars	Outstanding for the following periods from due date of receipt						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Considered good</b>							
- Un-disputed trade receivables	20,274	3,298	499	5,013	1,192	32	30,308
- Un-disputed credit impaired	-	-	-	2,472	687	24	3,183
	<b>20,274</b>	<b>3,298</b>	<b>499</b>	<b>7,485</b>	<b>1,879</b>	<b>56</b>	<b>33,491</b>
Allowance for credit impaired	-	-	-	(2,472)	(687)	(24)	(3,183)
	<b>20,274</b>	<b>3,298</b>	<b>499</b>	<b>5,013</b>	<b>1,192</b>	<b>32</b>	<b>30,308</b>

#### TRADE RECEIVABLES AGEING SCHEDULE FOR THE YEAR ENDED 31 MARCH 2023

Particulars	Outstanding for the following periods from due date of receipt						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Considered good</b>							
- Un-disputed trade receivables	15,121	10,224	970	1,770	397	24	28,506
- Un-disputed credit impaired	-	-	-	687	-	24	711
	<b>15,121</b>	<b>10,224</b>	<b>970</b>	<b>2,457</b>	<b>397</b>	<b>48</b>	<b>29,217</b>
Allowance for credit impaired	-	-	-	(687)	-	(24)	(711)
	<b>15,121</b>	<b>10,224</b>	<b>970</b>	<b>1,770</b>	<b>397</b>	<b>24</b>	<b>28,506</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 14 CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2024	As at 31 March 2023
Balance with banks <sup>1</sup>	2,320	2,762
Cash on hand	49	54
	<b>2,369</b>	<b>2,816</b>

**Note:**

1. There are no repatriation restrictions with regard to cash and cash equivalents as at the end of current and previous reporting date.

### 15 OTHER BANK BALANCES

Particulars	As at 31 March 2024	As at 31 March 2023
Unspent CSR amount on ongoing project (refer note 41)	475	1,803
Unclaimed dividends- earmarked balances with banks <sup>1</sup>	42	46
Bank deposits with original maturity more than 3 months and less than 12 months <sup>2</sup>	9	19
	<b>526</b>	<b>1,868</b>

**Notes:**

- These balances are not available for use by the Company and not due for deposit in the Investor Education and Protection Fund.
- As at 31 March 2024, the deposits of ₹ 9 lacs (31 March 2023: ₹ 15 lacs) are restricted as they are held as margin money deposits against the facilities extended to the Company by bank.

### 16 LOANS

Particulars	As at 31 March 2024	As at 31 March 2023
Current (Unsecured- considered good unless otherwise stated)		
Loan to employees	11	5
	<b>11</b>	<b>5</b>

### 17 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(Unsecured- considered good unless otherwise stated)</b>		
Security deposits	30	36
Income receivable	740	929
RODTEP receivable	723	1,039
Subsidies receivable	10	8
Derivative assets	65	433
	<b>1,568</b>	<b>2,445</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 18 OTHER CURRENT ASSETS

Particulars	As at	
	31 March 2024	31 March 2023
<b>(Unsecured- considered good unless otherwise stated)</b>		
Balance with statutory authorities	1,879	2,520
Advances to suppliers	1,061	579
Pre-payments	1,620	2,496
Other receivables	101	78
<b>(Unsecured- considered doubtful)</b>		
Advances to suppliers	100	100
Allowance for doubtful advances	(100)	(100)
	<b>4,661</b>	<b>5,673</b>

### 19 EQUITY SHARE CAPITAL

Particulars	As at	
	31 March 2024	31 March 2023
<b>Authorised</b>		
30,00,00,000 (31 March 2023 - 30,00,00,000) equity shares of ₹ 1 each	3,000	3,000
<b>Issued and subscribed<sup>1</sup></b>		
22,97,44,892(31 March 2023 - 23,62,44,892) equity shares of ₹ 1 each	2,297	2,362
<b>Fully paid-up<sup>1</sup></b>		
22,88,89,892(31 March 2023 - 23,53,89,892) equity shares of ₹ 1 each	2,289	2,354

**Note:**
<sup>1</sup> Difference between the issued and subscribed and paid up share capital represents the shares forfeited by the Company in the earlier years.

#### a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning of the year	23,53,89,892	2,354	23,53,89,892	2,354
Share extinguished on buy back	(65,00,000)	(65)	-	-
Equity shares at the end of the year	22,88,89,892	2,289	23,53,89,892	2,354

#### b) Terms/ rights attached to ordinary equity shares

The Company has only one class of equity shares having a face value of ₹ 1 per share. Each holder of equity shares is entitled to have one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

#### c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% of holding	No. of shares	% of holding
Anil Mittal Family Trust	4,23,94,094	18.52%	4,34,59,796	18.46%
Arun Kumar Gupta Family Trust	4,11,72,652	17.99%	4,22,07,646	17.93%
Anoop Kumar Gupta Family Trust	3,78,96,693	16.56%	3,88,49,338	16.50%
Reliance Commodities DMCC	2,04,73,692	8.94%	2,29,00,000	9.73%
Joint Director of Enforcement, Central region [refer note 47A(3)]	1,43,33,221	6.26%	1,43,33,221	6.09%

#### d) Disclosure of promoter's shareholding :

Name of the promoters	As at 31 March 2024			As at 31 March 2023		
	No. of shares held	% of total shares	% of change	No. of shares held	% of total shares	% of change
Anil Mittal Family Trust	4,23,94,094	18.52%	0.06%	4,34,59,796	18.46%	0.06%
Arun Kumar Gupta Family Trust	4,11,72,652	17.99%	0.06%	4,22,07,646	17.93%	0.06%
Anoop Kumar Gupta Family Trust	3,78,96,693	16.56%	0.06%	3,88,49,338	16.50%	-
Binita Gupta Family Trust	8,91,520	0.39%	0.00%	9,13,932	0.39%	0.06%
Anil Kumar Mittal, Karta of Anil Kumar Mittal HUF	35,11,625	1.53%	0.00%	35,99,900	1.53%	-
Arun Kumar Gupta, Karta of Arun Kumar Gupta HUF	47,30,975	2.07%	0.01%	48,49,900	2.06%	-
Anoop Kumar Gupta, Karta of Anoop Kumar Gupta HUF	71,20,895	3.11%	0.01%	72,99,900	3.10%	-
Anil Kumar Mittal	100	0.00%	0.00%	100	0.00%	-
Arun Kumar Gupta	100	0.00%	0.00%	100	0.00%	-
Anoop Kumar Gupta	100	0.00%	0.00%	100	0.00%	-
Priyanka Mittal	100	0.00%	0.00%	100	0.00%	-
Ashish Mittal	100	0.00%	0.00%	100	0.00%	-
Kunal Gupta	184	0.00%	0.00%	184	0.00%	-
Akshay Gupta	100	0.00%	0.00%	100	0.00%	-
Ayush Gupta	100	0.00%	0.00%	100	0.00%	-
Preeti Mittal	100	0.00%	0.00%	100	0.00%	-
Anulika Gupta	100	0.00%	0.00%	100	0.00%	-
Binita Gupta	100	0.00%	0.00%	100	0.00%	-
Neha Gupta	100	0.00%	0.00%	100	0.00%	-
Rashi Gupta	100	0.00%	0.00%	100	0.00%	-
	<b>13,77,19,838</b>	<b>60.17%</b>	<b>0.19%</b>	<b>14,11,81,796</b>	<b>59.98%</b>	<b>0.18%</b>

#### e) Shares reserved for issue under option

The Company has not reserved any shares for issuance under options.

#### f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

No bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

The Company bought back 65,00,000 equity shares for an aggregate amount of ₹ 32,500 lacs being 2.76% of the total paid up equity share capital at ₹ 500 per equity share. The equity shares bought back were extinguished on 20 September 2023. Refer note 53 for further details.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 20 OTHER EQUITY

Particulars	As at 31 March 2024	As at 31 March 2023
Retained earnings	4,53,610	3,96,404
General reserve	28,760	59,550
Securities premium reserve	-	9,655
Capital reserve	82	82
Capital redemption reserve	142	77
Cash flow hedge reserve	55	327
	<b>4,82,649</b>	<b>4,66,095</b>

#### DESCRIPTION AND PURPOSE OF RESERVES:

##### (i) Retained earnings

Retained earnings are the profits that Company has earned till date less transfers to general reserve dividends or other distributions paid to shareholders. It includes re-measurement loss / (gain) on defined benefit plans (net of taxes) that will not be reclassified to the statement of profit and loss.

##### (ii) General reserve

The Company has transferred a portion of the net profit of the Company to general reserve from time to time and it is not the item of other comprehensive income. Also the Company has earlier forfeited the partly paid equity shares with the requisite approvals. The amount originally received against forfeited shares is also included in the general reserve. The amount is to be utilised in accordance with the provision of the Companies Act, 2013.

##### (iii) Securities premium reserve

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

##### (iv) Capital reserve

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

##### (v) Capital redemption reserve

The Company has recognised capital redemption reserve on buy-back of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back. The balance will be utilised in accordance with the provisions of the Companies Act, 2013.

##### (vi) Cash flow hedge reserve

The cash flow reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges.

### 21 PROVISIONS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-current provision for employee benefits</b>		
Provision for compensated absences (refer note 40 C)	1,368	863
	<b>1,368</b>	<b>863</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 22 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax liabilities</b>		
Property, plant and equipment, investment property and other intangible assets	12,303	12,980
Right to use assets	857	1,211
Fair value of financial assets	503	-
Cash flow hedge reserve	16	108
<b>Total (a)</b>	<b>13,679</b>	<b>14,299</b>

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax assets</b>		
Lease liabilities	944	1,229
Provision for employee benefit expenses	393	258
Allowances for doubtful debts and advances	1,207	491
Security deposits	48	68
<b>Total (b)</b>	<b>2,592</b>	<b>2,046</b>
<b>Net (a-b)</b>	<b>11,087</b>	<b>12,253</b>

Note: Refer note 39C for the movement in deferred tax liabilities/assets.

### 23 BORROWINGS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
<b>Secured</b>		
Working capital facilities from bank		
- Rupee loan (refer note A & B below)	46,000	13,800
<b>Unsecured</b>		
Loans from related parties (refer note C below)	4,703	6,334
	<b>50,703</b>	<b>20,134</b>

#### A DETAILS OF SECURITY OF CURRENT BORROWINGS

The Company has executed deed of hypothecation in favour of SBICAP Trustee Company Limited (acting as Security Trustee) and created mortgage on its movable and immovable properties located at various locations vide memorandum of entries for an amount of ₹ 1,55,500 lacs (31 March 2023 : ₹ 1,55,500 lacs) in the form of loan and other facilities sanctioned by banks under consortium.

For the Working facility:

1. First pari-passu charge on the whole of the current assets of the Company including but not limited to, the, stocks of raw materials, stocks in process, semi-finished and finished goods, manufacturing and packaging supplies, (consumable stores and spares, cash equivalents, temporary investments, bills receivable, operating cash flows, commissions, revenues, book debts, receivables, other receivables, etc. both present and future.
2. Second pari-passu hypothecation charge on all rights, title, interest and benefit in all and singular, the Company's movable assets including but not limited to movable plant and machinery, furniture and fixtures, and tangible and intangible assets, including, but not limited to tangible assets such as foundation, buildings, substructures and superstructures, equipment, both present and future.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

3. Second pari-passu charge on the entire immovable fixed assets of the Company, both present and future (except immovable fixed assets of the Company situated at Maharashtra and Madhya Pradesh).
4. Company has undertaken not to sell, transfer, assign, dispose of, mortgage, charge, pledge or create any lien or in any way encumber any of its Immovable Properties situated at Maharashtra and Madhya Pradesh.

Further, the current borrowings of the Company are also secured vide the personal guarantees of Mr Anil Kumar Mittal, Mr Arun Kumar Gupta, Mr Anoop Kumar Gupta and Mr. Ashish Mittal (the liability of Mr. Ashish Mittal shall be limited only to the extent of the immovable properties mortgaged by him in favour of the security trustee for the benefit of working capital lenders).

### B DETAILS OF REPAYMENT OF THE CURRENT BORROWINGS

#### Secured:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Working capital facilities from bank</b>		
The Company has obtained short-term working capital loan from consortium banks. The facilities carries interest at 91 days Treasury Bills rate / MCLR along with spread ( total interest rate 7.25% p.a to 7.27 % p.a ) of respective banks.	46,000	13,800

#### C UNSECURED:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Loans from related parties</b>		
The Company has obtained loans from directors, sourced from their own funds, which are interest free and repayable on demand (Refer Note 46)	4,703	6,334

### D ASSETS PLEDGED AS SECURITY AGAINST BORROWINGS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-current assets</b>		
First charge		
Property, plant and equipment	84,533	82,690
Capital work-in-progress	1,289	1,590
Investment property	294	312
Intangible assets	257	260
Intangible assets under development	3	8
<b>Total non-current assets pledged as security</b>	<b>86,376</b>	<b>84,860</b>

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Current assets</b>		
First charge		
Pari-passu		
Inventories	4,45,071	4,18,627
Financial assets (current and non-current)	47,936	40,221
Other assets (current and non-current)	8,421	9,086
<b>Total current assets pledged as security</b>	<b>5,01,428</b>	<b>4,67,934</b>
<b>Total assets pledged as security</b>	<b>5,87,804</b>	<b>5,52,794</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### E OTHER LOAN COVENANTS

- i) The Company has filed the statements of current assets with the consortium lenders in accordance with the terms of the sanction letters which are in agreement with the books of accounts.
- ii) The Company has utilised the short-term working capital loan obtained from the consortium lenders for its intended purpose only during the current financial year.

### 24 TRADE PAYABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding due to micro enterprises and small enterprises	1,405	1,814
Total outstanding due of creditors other than micro enterprises and small enterprises	9,568	10,155
	<b>10,973</b>	<b>11,969</b>

### A DETAIL OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('MSMED ACT, 2006'), TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE 'SUPPLIER' REGARDING THEIR STATUS UNDER THE MSMED ACT, 2006

Particulars	As at 31 March 2024	As at 31 March 2023
(i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year Principal amount remaining unpaid*, and Interest accrued and remaining unpaid	1,405	1,814
(ii) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
	<b>1,405</b>	<b>1,814</b>

\*According to the records of the Company, there are no overdue principal amount/interest payable for delayed payment to such vendors at the balance sheet date. the amount payable to micro and small enterprises does not include any amount due for period more than the stipulated time prescribed under the MSMED Act, 2006.

### B TRADE PAYABLES AGEING SCHEDULE FOR THE YEAR ENDED 31 MARCH 2024

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
<b>Un-disputed</b>						
- Total outstanding due to micro enterprises and small enterprises	1,405	-	-	-	-	1,405
- Total outstanding due of creditors other than micro enterprises and small enterprises	7,953	1,488	114	4	9	9,568
	<b>9,358</b>	<b>1,488</b>	<b>114</b>	<b>4</b>	<b>9</b>	<b>10,973</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### TRADE PAYABLES AGEING SCHEDULE FOR THE YEAR ENDED 31 MARCH 2023

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
<b>Un-disputed</b>						
- Total outstanding due to micro enterprises and small enterprises	1,814	-	-	-	-	1,814
- Total outstanding due of creditors other than micro enterprises and small enterprises	8,835	1,156	82	10	72	10,155
	<b>10,649</b>	<b>1,156</b>	<b>82</b>	<b>10</b>	<b>72</b>	<b>11,969</b>

### 25 OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	201	48
Employees related payables	1,487	1,210
Expenses payable	23,182	27,100
Security deposits	67	36
Unclaimed dividend <sup>1</sup>	42	46
	<b>24,979</b>	<b>28,440</b>

Note:

1 The amount is not due for transfer to Investor Education and Protection Fund.

### 26 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from customers (refer note 38D)	2,091	9,877
Statutory dues payable	1,383	892
	<b>3,474</b>	<b>10,769</b>

### 27 PROVISIONS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Current provision for employee benefits</b>		
Provision for gratuity (refer note 40B)	236	240
Provision for compensated absences (refer note 40C)	194	161
	<b>430</b>	<b>401</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 28 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Revenue from sale of finished goods</b>		
Export	1,33,122	1,91,284
Domestic	3,90,973	3,31,023
<b>B Revenue from sale of stock in trade</b>		
Domestic	2,155	2,225
<b>C Sale of electricity</b>		
Domestic	10,204	9,560
<b>D Other operating revenues</b>		
Income from subsidies <sup>1</sup>	242	77
RODTEP income	1,192	1,841
Liquidated damages received <sup>2</sup>	92	22
Scrap sales	489	442
	<b>5,38,469</b>	<b>5,36,474</b>

Notes:

- It includes Generation Based Incentive ('GBI') of ₹ 34 lacs (31 March 2023: ₹ 77 lacs) and proceeds of sales of Duty Free Import Authorisation ('DFIA') license of ₹ 207 lacs (31 March 2023: Nil). The Company has complied all the attached condition.
- Liquidated damages received by the Company from its vendor for non execution of contract terms.
- Refer note 38, for disaggregation of revenue from operations and other disclosures.

### 29 OTHER INCOME

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Interest income on</b>		
- financial assets carried at amortised cost	3,349	3,278
- refund of deposits with statutory authorities under protest	347	4,406
<b>Dividend income</b>	60	55
<b>Other non-operating income</b>		
- Rental income <sup>1</sup>	85	140
- Net gain on redemption and FVTPL <sup>2</sup>	4,595	434
- Net gain on foreign currency transaction and translation	931	-
Liabilities/provisions no longer required written back	186	110
Gain on modification/termination of lease	1	530
Other	112	297
	<b>9,666</b>	<b>9,250</b>

Notes:

- This includes rental income derived from investment property for ₹ 82 lacs (31 March 2023 : 137 lacs) (refer note 5).
- This includes net gain on fair value changes for ₹ 3,897 lacs (31 March 2023: ₹ 12 lacs). Refer note 12 for details of investments classified at fair value through profit or loss.

### 30 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Paddy	3,17,902	2,48,910
Semi finished rice	1,17,955	1,64,489
Packing and other consumables	17,996	23,377
	<b>4,53,853</b>	<b>4,36,776</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 31 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Seeds	544	1,399
Wheat	-	1,685
	<b>544</b>	<b>3,084</b>

### 32 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Opening stock</b>		
Finished goods	2,41,270	1,81,346
Stock-in-trade	1,918	472
	<b>2,43,188</b>	<b>1,81,818</b>
<b>B Closing stock</b>		
Finished goods	2,96,539	2,41,270
Stock-in-trade	1,054	1,918
	<b>2,97,593</b>	<b>2,43,188</b>
	<b>(54,405)</b>	<b>(61,370)</b>

### 33 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	13,259	10,407
Contribution to provident and other funds (refer note 40A and 40D)	839	706
Gratuity (refer note 40 B)	256	212
Staff welfare expense	221	152
	<b>14,575</b>	<b>11,477</b>

### 34 FINANCE COSTS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Interest expense on-</b>		
- working capital facilities	1,952	798
- lease liabilities	319	502
- rupee term loans	-	14
- others	38	41
Other borrowing costs	101	118
	<b>2,410</b>	<b>1,473</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 35 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 3)	6,361	6,279
Depreciation on right-of-use assets (refer note 4)	1,516	1,234
Depreciation on investment property (refer note 5)	18	17
Amortisation on intangible assets (refer note 6)	40	31
	<b>7,935</b>	<b>7,561</b>

### 36 OTHER EXPENSES

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel	2,645	1,816
Consumption of stores and spares	831	815
<b>Repairs and maintenance:-</b>		
- Machinery	3,374	2,949
- Buildings	374	374
- Others	112	107
Fumigation	670	657
Freight inward	1,773	1,938
Travelling and conveyance	1,044	775
Communication expense	77	87
Rent (refer note 4)	566	507
Director sitting fees	19	23
Legal and professional expense	706	620
Payment to auditors towards:		
- Statutory audit	36	29
- Limited review	23	18
- Tax audit	5	5
- Certification matters	10	8
- Reimbursement of expense	5	4
Fees, rates and taxes	3,638	3,433
Vehicle running and maintenance	263	268
Insurance	1,772	2,076
Printing and stationery	163	143
Testing and inspection	205	749
Donation and charity	102	66
Clearing, forwarding and freight charges	7,228	20,450
Sales and business promotion	849	670
Handing & Service Charges for Sales	330	151
Advertisement	8,068	7,521
Meeting and seminar expense	460	22
Commission and brokerage	1,471	1,242
Corporate social responsibility expenses (refer note 41)	1,531	1,413
Security service charges	371	357
Sub-contractual expense	1,263	965
Net loss on foreign currency transactions	-	748
Balances written off	192	-
Provision for doubtful debts and advances	2,846	1,060
Net loss on sale/discard of property, plant and equipment	3	46
Miscellaneous expenses	661	523
	<b>43,686</b>	<b>52,635</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### A RESEARCH AND DEVELOPMENT EXPENDITURE

Revenue expenditure	663	598
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### 37 EARNINGS PER SHARE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit attributable to equity shareholders	59,545	70,068
Numbers of weighted average equity share outstanding at year end	23,19,44,537	23,53,89,892
Nominal value per share (in ₹)	1.00	1.00
<b>Basic and Diluted earnings per share (in ₹)</b>	<b>25.67</b>	<b>29.77</b>

### 38 DISAGGREGATION OF REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Revenues by offerings</b>		
<b>(i) Sale of goods</b>		
- Rice	5,02,089	4,98,306
- Seeds and wheat	2,155	2,225
- Quinoa and others	2,463	2,338
- Spices	81	-
<b>(ii) Other products</b>		
- Furfural alcohol	37	349
- Bran oil	8,803	9,610
- Furfural oil	869	1,840
- De-oiled cake	6,601	6,587
- Other by-products	3,152	2,959
- Glucose	-	318
	<b>5,26,250</b>	<b>5,24,532</b>
<b>(iii) Sale of electricity</b>	10,204	9,560
<b>(iv) Sale of scrap and other items</b>	489	442
<b>(v) Income from subsidies and others</b>	1,526	1,940
<b>Total</b>	<b>5,38,469</b>	<b>5,36,474</b>
<b>B Reconciliation of revenue from operations with the contracted price</b>		
Contracted price	5,45,558	5,58,313
Less: Trade discounts, volume rebates, etc	7,089	21,839
<b>Sale of revenue from operations</b>	<b>5,38,469</b>	<b>5,36,474</b>
<b>C Contract balances</b>		
- Contract assets <sup>1</sup>	714	573
- Contract liabilities <sup>2</sup>	2,091	9,877

**Notes:**

- The contract assets are in form of receivables, which are included in income receivable, primarily relate to the Company rights to consideration for power sold to the customers but not billed at the reporting date. The contract assets are transferred to receivables when it will be billed subsequently.
- The contract liabilities are in form advance received from customer for which the obligation of supply of goods is not completed at the year end.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>D Movement in contract assets and contract liabilities</b>		
<b>Opening balance of contract liabilities</b>	9,877	2,850
Addition in balance of contract liabilities for current year	2,091	9,877
Amount of revenue recognised against opening contract liabilities	9,877	2,850
<b>Closing balance of contract liabilities</b>	<b>2,091</b>	<b>9,877</b>
<b>Opening balance of contract assets</b>	573	712
Addition in balance of contract assets for current year	714	573
Amount of billing recognised against opening contract assets	573	712
<b>Closing balance of contract assets</b>	<b>714</b>	<b>573</b>

### 39 TAX EXPENSE

#### A RECONCILIATION OF EFFECTIVE TAX RATE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Profit before tax</b>	79,537	94,088
<b>Enacted income tax rate applicable to the Company</b>	25.17%	25.17%
Expected tax expense	20,018	23,680
<b>Tax effect of:</b>		
Differential tax rate	(535)	-
Non deductible expenses (net)	472	372
Impact of earlier years	58	-
Non taxable income	(44)	(45)
Others	23	13
<b>Total tax expense in the statement of profit and loss</b>	<b>19,992</b>	<b>24,020</b>

#### B THE MAJOR COMPONENTS OF INCOME TAX EXPENSE ARE AS BELOW:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax	21,066	24,890
Deferred tax credit	(1,074)	(870)
	<b>19,992</b>	<b>24,020</b>
<b>Other comprehensive income</b>		
Tax expense on the items recognised in other comprehensive income during the year		
Remeasurement of defined benefit plans	(5)	8
Cash flow hedge reserve	92	(108)
	<b>87</b>	<b>(100)</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### C MOVEMENT OF DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES FOR THE YEAR ENDED:

Particulars	Balance as at 1 April 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance as at 31 March 2024
<b>Deferred tax liabilities</b>				
Property, plant and equipment and intangible assets	12,980	(677)	-	12,303
Right-of-use assets	1,211	(354)	-	857
Fair value of financial assets	-	503	-	503
Cash flow hedge reserve	108	-	(92)	16
<b>Total (a)</b>	<b>14,299</b>	<b>(528)</b>	<b>(92)</b>	<b>13,679</b>
<b>Deferred tax assets</b>				
Lease liabilities	1,229	(285)	-	944
Provision for employee benefits	258	135	-	393
Allowances for doubtful debts and advances	491	716	-	1,207
Security deposits	68	(20)	-	48
<b>Total (b)</b>	<b>2,046</b>	<b>546</b>	<b>-</b>	<b>2,592</b>
<b>Net (a-b)</b>	<b>12,253</b>	<b>(1,074)</b>	<b>(92)</b>	<b>11,087</b>

Particulars	Balance as at 1 April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance as at 31 March 2023
<b>Deferred tax liabilities</b>				
Property, plant and equipment and intangible assets	13,688	(708)	-	12,980
Right-of-use assets	1,271	(60)	-	1,211
Cash flow hedge reserve	-	-	108	108
<b>Total (a)</b>	<b>14,959</b>	<b>(768)</b>	<b>108</b>	<b>14,299</b>
<b>Deferred tax assets</b>				
Lease liabilities	1,404	(175)	-	1,229
Provision for employee benefits	277	(19)	-	258
Allowances for doubtful debts and advances	224	267	-	491
Security deposits	39	29	-	68
<b>Total (b)</b>	<b>1,944</b>	<b>102</b>	<b>-</b>	<b>2,046</b>
<b>Net (a-b)</b>	<b>13,015</b>	<b>(870)</b>	<b>108</b>	<b>12,253</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 40 EMPLOYEE BENEFIT OBLIGATIONS

#### A DEFINED CONTRIBUTION PLANS

Particulars	As at 31 March 2024	As at 31 March 2023
Employer's contribution to provident fund	679	558

#### B DEFINED BENEFIT PLANS

##### Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the ascertained liability to Kotak Mahindra Life Insurance Company Limited with whom the plan assets are maintained.

##### Policy for recognizing actuarial gains and losses:

Actuarial gains and losses of defined benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognized in other comprehensive income. Risks associated with the plan provisions are actuarial risks. These risks are investment risk, interest rate risk, mortality risk and salary risk.

##### Interest rate risk

A fall in the discount rate which is linked to the Government security rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

##### Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

##### Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

##### Salary increase risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

##### Concentration risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

The following table sets out the funded status and the amount recognised in the Company's standalone financial statements:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>a. Amounts to be recognised</b>		
Present value of obligation	2,547	2,160
Fair value of plan assets	(2,311)	(1,920)
<b>Net present value of defined benefit obligation</b>	<b>236</b>	<b>240</b>
<b>b. Changes in present value of defined benefit obligation:</b>		
Balance at the beginning of the year	2,160	1,945
Current service cost	238	205
Interest cost	161	141
Remeasurement actuarial loss/gain		
- due to change financial assumptions	77	(43)
- due to change experience	51	(4)
Benefits paid	(140)	(84)
<b>Balance at the end of the year</b>	<b>2,547</b>	<b>2,160</b>
<b>c. Change in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	1,920	1,845
Expected return on plan assets	143	134
Contributions made	240	100
Benefits paid	(140)	(84)
Return on plan assets, excluding interest income	148	(75)
<b>Fair value of plan assets at the end of the year</b>	<b>2,311</b>	<b>1,920</b>
<b>d. Expenses recognized in Statement of profit and loss</b>		
Current service cost	238	205
Interest expense (net)	18	7
	<b>256</b>	<b>212</b>
<b>e. Recognized in other comprehensive income</b>		
Remeasurements-actuarial loss/gain on obligation for the period	128	(47)
Return on plan assets, excluding interest income	(148)	75
<b>Net loss/gain during the period</b>	<b>(20)</b>	<b>28</b>
<b>f. Actuarial assumptions</b>		
Discount rate	7.21%	7.49%
Expected rate of return on plan assets	7.21%	7.49%
Expected rate of increase in compensation levels	7.00%	7.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Retirement Age	60 Years	60 Years
Attrition / Withdrawal rates	2%	2%
<b>g. Investment details</b>		
Insurance fund	2,311	1,920

#### h.

 The Company expects to contribute ₹ 525 lacs to gratuity fund in the next financial year.

#### i. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>- Impact of increase by 1%</b>		
Discount rate	(258)	(219)
Salary increase	284	241
Employee turnover rate	8	15
<b>- Impact of decrease by 1%</b>		
Discount rate	306	260
Salary increase	(245)	(207)
Employee turnover rate	(10)	(17)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant and may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of another as some of the assumption may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the balance sheet date, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Particulars	As at 31 March 2024	As at 31 March 2023
<b>j. Maturity profile of defined benefit obligation</b>		
Within next 12 months	133	171
Between 1-5 years	507	369
Beyond 5 years	6,249	5,623
<b>k. Weighted average duration of the defined benefit obligation</b>	13	13
<b>l.</b> During the year, there were no plan amendments, curtailments and settlements.		

### C OTHER LONG TERM BENEFIT PLANS

Other long-term benefit plans represents the compensated absences provided to the employees of the Company.

Particulars	As at 31 March 2024	As at 31 March 2023
<b>a. Amounts to be recognised</b>		
Current liability	194	161
Non-current liability	1,368	863
<b>b. Changes in present value of other long term benefit plans:</b>		
Balance at the beginning of the year	1,024	1,103
Current service cost	132	102
Interest cost	76	80
Remeasurement actuarial (gain)/loss		
- due to change demographic assumptions		-
- due to change financial assumptions	42	(18)
- due to change experience	445	(116)
Benefits paid	(158)	(127)
<b>Balance at the end of the year</b>	<b>1,561</b>	<b>1,024</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>c. Expenses recognised in Statement of Profit and Loss</b>		
Current service cost	132	102
Interest cost	76	80
Remeasurement actuarial loss	487	(134)
	<b>695</b>	<b>48</b>
<b>D EMPLOYER'S CONTRIBUTION TO EMPLOYEE STATE INSURANCE CORPORATION</b>	80	82

### 41 CORPORATE SOCIAL RESPONSIBILITY ('CSR')

In accordance with the provisions of section 135 of the Companies Act, 2013, the Company shall ensure spend of at least two percent of its average net profits made during the three immediately preceding financial years in pursuance of its CSR policy. Basis the recommendation of CSR committee, the Board of Directors of the Company had approved various 'Ongoing' and 'Other than Ongoing projects' for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. Details of the same as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Total CSR expense spent during the year</b>	8	34
Accrual towards unspent obligation in relation to ongoing projects	1,523	1,248
<b>Total</b>	<b>1,531</b>	<b>1,282</b>
Carried forward from previous financial year	-	131
<b>Amount recognised in the statement of profit and loss</b>	<b>1,531</b>	<b>1,413</b>
Gross amount required to be spent during the year	1,531	1,413
Amount approved by the Board to be spent during the year	1,531	1,413
Amount spent during the year on other than ongoing projects	5	10
Amount spent during the year on ongoing projects	3	24
Related party transactions in relation to corporate social responsibility (refer note 46)	-	1,224

### A DETAILS OF ONGOING CSR PROJECTS UNDER SECTION 135(6) OF THE COMPANIES ACT, 2013:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Opening balance at the beginning of the year</b>		
With the Company	1,248	1,183
In Separate CSR Unspent account	1,803	1,130
Gross amount required to be spent during the year	1,531	1,413
<b>Amount spent during the year from</b>		
- Company's bank account	8	34
- Separate CSR unspent account	2,576	641
Amount deposited in specified fund of Schedule VII of the Act	-	-
<b>Closing balance at the end of the year</b>		
With the Company*	1,523	1,248
In separate unspent CSR account	475	1,803
*Amount transferred to separate unspent CSR Account	1,523	1,248

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### B DETAILS OF CSR EXPENDITURE UNDER SECTION 135(5) OF THE ACT IN RESPECT OF UNSPENT AMOUNT FOR OTHER THAN ONGOING PROJECTS:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Opening unspent balance</b>	-	-
Amount required to be spent during the year	5	10
Amount spent during the year	5	10
Amount deposited in specified fund of Schedule VII of the Act	-	-
<b>Closing unspent balance</b>	-	-

### 42 CAPITAL MANAGEMENT

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence. The Company monitors capital using a ratio of "Net Debt" to "Total Equity". For this purpose, Net Debt is defined as total borrowings less cash and cash equivalents. Total equity comprises of equity share capital and other equity. The Company is not subject to any externally imposed capital requirements. During the year, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

#### THE COMPANY'S NET DEBT TO TOTAL EQUITY RATIO IS AS FOLLOWS:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current borrowings <sup>1</sup>	50,703	20,134
Less: Cash and cash equivalents <sup>2</sup>	(2,369)	(4,216)
<b>Net debt</b>	<b>48,334</b>	<b>15,918</b>
Equity share capital	2,289	2,354
Other equity	4,82,649	4,66,095
<b>Total equity</b>	<b>4,84,938</b>	<b>4,68,449</b>
<b>Net debt to total equity ratio</b>	<b>0.10</b>	<b>0.03</b>

Note:

- Borrowings does not includes lease liabilities.
- It also includes investment in mutual funds for ₹ Nil lacs and ₹ 1,400 lacs for the year ended 31 March 2024 and 31 March 2023 respectively.

### 43 DIVIDENDS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Dividend declared and paid during the year</b>		
Final dividend for the financial year ended 31 March 2023: ₹ 1.00 per share (For the year ended 31 March 2022 : ₹ 3.50 per share)	2,354	8,239
<b>B Proposed dividends on equity shares not recognised as liability*</b>		
Final dividend recommended by the board of directors for the year ended 31 March 2024 : ₹ 4.00 per share (31 March 2023: ₹ Nil per share).	9,156	-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>C Remittance in foreign currency on account of dividend</b>		
Number of shareholders	3	3
Number of equity shares held by the shareholders to whom final dividend remitted in foreign currency	2,40,00,000	2,40,00,000
Amount of dividend paid (₹ in lacs)	240.00	840.00
Year to which the dividend relates	2,022-23	2,021-22

\*The Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 in their meeting dated 20 May 2024 which is subject to the approval of the members at the ensuing Annual General Meeting.

### 44 FINANCIAL INSTRUMENTS

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the standalone financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk			
- Foreign currency risk	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting	Forward contract/hedging, if required
- Interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
- Security risk	Investments in equity securities	Sensitivity analysis	Company presently does not make significant investments in equity shares, except for entities where it exercises control.

### A DISCLOSURE IN RESPECT OF FINANCIAL RISK MANAGEMENT

#### 1 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments, cash and cash equivalents, deposits and security deposits.

#### Credit risk management:

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The long outstanding trade receivables, mainly comprise of receivables from DISCOM companies and as per past experience, there has been no credit loss on account of customer's inability to pay as the revenue is agreement driven and all the customers are government companies. Thus, the Company's historical experience of collecting receivables, supported by the level of default indicate a low credit risk and so trade receivables are considered to be a single class of financial assets.

On the basis of the above assessment, the Company identified and written off an amount of ₹ Nil lacs (31 March 2023 : ₹ Nil lacs) of trade receivable balances.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

#### Other financial assets

Further, credit risk in respect of other financial assets and loans, mainly comprise of security deposits, unbilled revenue, cash and bank equivalents and interest accrued on deposits which are managed by the Company, by way of assessing financial condition and current economic trends. The Company considers the probability of default associated with the other receivable and loan is very low at the year respective year end and thus would not require any provision, except as disclosed below.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	As at 31 March 2024	As at 31 March 2023
Loans	31	8
Trade receivables	30,308	28,506
Other financial assets	1,977	2,028
<b>Total</b>	<b>32,316</b>	<b>30,542</b>

Summary of the Company's exposure to credit risk by age of the outstanding from various customers/trade receivables is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Not past due	20,274	15,121
Past due 0-180 days	3,298	10,224
Past due 181 days-one year	499	970
Past due one year-two year	7,485	2,457
More than two year	1,935	445
<b>Total</b>	<b>33,491</b>	<b>29,217</b>
Less : Allowance for credit impaired	(3,183)	(711)
<b>Total</b>	<b>30,308</b>	<b>28,506</b>

#### Reconciliation of credit impaired - trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Allowance for credit impaired at the beginning of the year	711	24
Credit impaired allowance recognised during the year	2,472	687
Credit impaired allowance actualised	-	-
<b>Allowance for credit impaired at the close of the year</b>	<b>3,183</b>	<b>711</b>

The following table gives details in respect of percentage of revenue generated from top customer:

Particulars
No customer having more than 10% of the total revenue for the financial year 31 March 2024.
No customer is having more than 10% of the total revenue during the financial year ended 31 March 2024 and 31 March 2023 pertaining to Agri segment.
Three customers are having more than 10% of the total revenue during the financial year ended 31 March 2024 and 31 March 2023 pertaining to Power segment.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 2 Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

#### a) Financing arrangements

(i) The Company had access to the following undrawn borrowing facilities at the end of reporting period.

Particulars	As at 31 March 2024	As at 31 March 2023
Fund based		
- Expiring with in one year (cash credit and other facilities)	1,00,000	1,32,200

#### (ii) Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

#### For the year ended 31 March 2024

Particulars	Carrying amount	On demand	6 months or less	6 months to 1 year	1-2 years	More than 2 years
Current borrowings	46,000	-	46,000	-	-	-
Loan from related parties	4,703	4,703	-	-	-	-
Trade payables	10,973	-	10,973	-	-	-
Lease liabilities	3,752	-	643	689	724	1,696
Other financial liabilities	24,979	109	24,870	-	-	-

#### For the year ended 31 March 2023

Particulars	Carrying amount	On demand	6 months or less	6 months to 1 year	1-2 years	More than 2 years
Current borrowings	13,800	-	13,800	-	-	-
Loan from related parties	6,334	6,334	-	-	-	-
Trade payables	11,969	-	11,969	-	-	-
Lease liabilities	4,864	-	632	554	1,286	2,392
Other financial liabilities	28,440	82	28,358	-	-	-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Interest rate risk;
- Price risk; and
- Currency risk;

#### (i) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at year end, the Company has following borrowings:

Particulars	31 March 2024	31 March 2023
Variable rate borrowings	46,000	13,800

#### Interest rate sensitivity

A change of 100 bps in interest rates would have following impact	31 March 2024	31 March 2023
- On profit before tax		
- Decrease by 100 bps	37	8
- Increase by 100 bps	(37)	(8)
- On equity		
- Decrease by 100 bps	28	6
- Increase by 100 bps	(28)	(6)

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates (after considering repayments on actual basis).

#### (ii) Price risk

The Company is mainly exposed to the price risk due to its investment in equity shares. The price risk arises due to uncertainties about the future market values of these investments.

The table below summarises the impact of increases/decreases of the market value of shares on the Company's equity and profit for the year. The analysis is based on the assumption that the market value of equity shares has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Impact on profit before tax	31 March 2024	31 March 2023
Share price increase by 5%	279	84
Share price decrease by 5%	(279)	(84)

Impact on profit after tax/equity	31 March 2024	31 March 2023
Share price increase by 5%	247	63
Share price decrease by 5%	(247)	(63)

#### (iii) Foreign currency risk

The Company operates internationally and consequently the Company is exposed to foreign exchange risk through its sales in overseas market. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows policies which includes the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

The Company has outstanding forward contracts and options of USD 50.60 Mio (31 March 2023: USD 73.45 Mio).

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Foreign currency exposure recognized by the Company is as below:<sup>1</sup>

Particulars	₹ in lacs		USD in lacs		AED in lacs		AUD in lacs	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Financial assets</b>								
Trade receivables	6,592	6,855	79	83	-	-	-	-
Cash and cash equivalents	939	1,790	10	22	-	-	1	-
Advance to supplier	5	11	0	0	-	-	-	-
<b>Financial liabilities</b>								
Trade payables	6	53	0	1	-	-	-	-
Advance from customers	1,164	9,349	14	8	-	387	-	-

Foreign currency risk sensitivity:

A change of 5% in foreign currency would have following impact on profit before tax

Particulars	USD	
	5% increase	5% decrease
31 March 2024 (₹ in lacs) <sup>1</sup>	31	(31)
31 March 2023 (₹ in lacs) <sup>1</sup>	72	(72)

A change of 5% in foreign currency would have following impact on profit after tax/Other equity

Particulars	USD	
	5% increase	5% decrease
31 March 2024 (₹ in lacs) <sup>1</sup>	23	(23)
31 March 2023 (₹ in lacs) <sup>1</sup>	54	(54)

1. The foreign currency exposure for currencies other than USD is immaterial to the Company.

### Foreign currency risk

The Company has designated certain forward contracts and borrowings as eligible hedging instruments for hedge of foreign currency forecast sales. Pursuant to this, the effective portion of change in value of the hedging instruments has been recognised in 'cash flow hedge reserve' in other comprehensive income. Such amount is reclassified to statement of profit and loss as and when the forecast transaction occurs or the hedges are no longer effective. The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, AED, GBP, AUD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the ₹ cash flows of highly probable forecast transactions.

The Company's policy is to hedge all material foreign exchange risk associated with highly probable forecast sales transactions denominated in foreign currencies. The Company's policy is to hedge the risk of changes in foreign currency. The Company uses forward contracts (derivative instruments) to hedge its exposure in foreign currency risk. The Company designate both change in spot and forward element of forward contracts to hedge exposure in foreign currency risk on highly probable forecast sales.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position

For the year ended 31 March 2024

Type of hedge and risks	Notional amount	Carrying amount of hedging instrument	Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets Liabilities					
<b>Cash flow hedge</b>							
Foreign currency risk							
(i) Forward Contracts and options	USD 506	65	-	April 24 - June 24	1:1	83.58	-

For the year ended 31 March 2023

Type of hedge and risks	Notional amount	Carrying amount of hedging instrument	Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets Liabilities					
<b>Cash flow hedge</b>							
Foreign currency risk							
(i) Forward Contracts and options	USD 734.50	438	-	April 23 -September 23	1:1	83.05	-

(b) Disclosure of effects of hedge accounting on financial performance

For the year ended 31 March 2024

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
Foreign currency risk				
(i) Forward Contracts and options	1,456	1	1,455	Revenue from operations

For the year ended 31 March 2023

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
Foreign currency risk				
(i) Forward Contracts and options	1,018	5	1,013	Revenue from operations

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

In hedges of foreign currency forecast sales, ineffectiveness mainly arises because of Change in timing of hedged item from that of the hedging instrument and cost of hedging. The ineffectiveness arised in the hedges have been disclosed in above table.

### (c) Movements in cash flow hedging reserve

Particulars	As at	
	31 March 2024	31 March 2023
Balance at the beginning of the year	(327)	(7)
Add: Changes in value of forward contracts	363	(433)
Less: Amount reclassified to statement of profit and loss	1	5
Less: Tax expenses relating to above (net)	(92)	108
<b>Balance at the end of the year</b>	<b>(55)</b>	<b>(327)</b>

## B FAIR VALUE DISCLOSURE

### 1 Fair value measurement of financial instruments

Particulars	31 March 2024			31 March 2023		
	FVTPL	FVTOCI	Amortised cost <sup>1</sup>	FVTPL	FVTOCI	Amortised cost <sup>1</sup>
<b>Financial assets</b>						
Investments (other than in subsidiary) <sup>2</sup>	11,500	-	-	3,088	-	-
Loans	-	-	31	-	-	8
Cash and cash equivalents	-	-	2,369	-	-	2,816
Other bank balances	-	-	526	-	-	1,868
Trade receivables	-	-	30,308	-	-	28,506
Other financial assets	-	65	2,710	-	433	3,075
<b>Total</b>	<b>11,500</b>	<b>65</b>	<b>35,944</b>	<b>3,088</b>	<b>433</b>	<b>36,273</b>
<b>Financial liabilities</b>						
Borrowings	-	-	50,703	-	-	20,134
Trade payables	-	-	10,973	-	-	11,969
Lease liabilities	-	-	3,752	-	-	4,864
Other financial liabilities	-	-	24,979	-	-	28,440
<b>Total</b>			<b>90,407</b>			<b>65,407</b>

- a) The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. Further, these instruments are valued at level 3 and their fair value are considered to be same as their carrying value, as there is an immaterial change in the lending rate.
- b) Investment in equity instrument in the subsidiary has been accounting at cost in accordance with Ind AS 27. Therefore, the same are not in the scope of Ind AS 109 and not disclosed here.

### 2 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation each level follows underneath the table. Assets and liabilities measured at amortised cost, for which fair value are disclosed.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers among levels 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

### (A) Financial instruments valued at fair value through profit and loss and fair value through other comprehensive income

Particulars	31 March 2024		31 March 2023	
	Level 1	Level 2	Level 1	Level 2
<b>Financial Assets</b>				
Investments (other than in subsidiary)	11,500	-	3,088	-
Other financial assets	-	65	-	433
<b>Total</b>	<b>11,500</b>	<b>65</b>	<b>3,088</b>	<b>433</b>

### (B) Financial instruments valued at amortised cost

Particulars	31 March 2024	31 March 2023
	Level 3	Level 3
<b>Financial assets</b>		
Loans	31	8
Cash and cash equivalents	2,369	2,816
Other bank balances	526	1,868
Trade receivables	30,308	28,506
Other financial assets	2,710	3,075
<b>Total</b>	<b>35,944</b>	<b>36,273</b>
<b>Financial liabilities</b>		
Borrowings	50,703	20,134
Trade payables	10,973	11,969
Lease liabilities	3,752	4,864
Other financial liabilities	24,979	28,440
<b>Total</b>	<b>90,407</b>	<b>65,407</b>

### 3 Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include the use of discount cash flows for estimating fair value of loans to employees, security deposits and borrowings.

The carrying amounts of trade receivables, cash and cash equivalents, consignment debtors, interest accrued, other receivables, other bank balances, trade payables, employee payables and other current payables are considered to be the same as fair values, due to their short term nature.

The fair value for loans and security deposits were calculated based on cash flow discounted using a current lending rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of loans to employees and security deposits approximates the carrying amount.

The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of borrowings approximates the carrying amount.

The fair valuation of investments in quoted equity shares is based on the current bid price of respective investments as at the balance sheet date.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 45 SEGMENTAL REPORTING

#### A OPERATING SEGMENTS

**Agri** - Comprises of agricultural commodities such as rice, furfural, seed, bran, bran oil, etc.

**Energy** - Comprises of power generation from wind turbine, husk based power plant and solar power plant.

#### B IDENTIFICATION OF SEGMENTS

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

#### C SEGMENT REVENUE AND RESULTS

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure .

#### D SEGMENT ASSETS AND LIABILITIES:

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

#### E SUMMARY OF SEGMENTAL INFORMATION

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>1</b>	<b>Segment revenue</b>		
(a)	Agri	5,36,319	5,37,365
(b)	Energy	21,625	23,211
	<b>Total segment revenue</b>	<b>5,57,944</b>	<b>5,60,576</b>
	Inter segment revenue	(19,475)	(24,102)
	<b>Net segment revenue</b>	<b>5,38,469</b>	<b>5,36,474</b>
<b>2</b>	<b>Segment results</b>		
(a)	Agri	74,126	88,545
(b)	Energy	6,543	6,433
	<b>Total segment results before tax</b>	<b>80,669</b>	<b>94,978</b>
	Less: Other unallocated expenditures	1,132	890
	<b>Total profit before tax</b>	<b>79,537</b>	<b>94,088</b>
<b>3</b>	<b>Segment assets</b>		
(a)	Agri	5,40,243	5,03,480
(b)	Energy	51,190	54,567
(c)	Unallocated	271	95
	<b>Total segment assets</b>	<b>5,91,704</b>	<b>5,58,142</b>
<b>4</b>	<b>Segment liabilities</b>		
(a)	Agri	94,940	76,857
(b)	Energy	662	514
(c)	Unallocated	11,164	12,322
	<b>Total segment liabilities</b>	<b>1,06,766</b>	<b>89,693</b>
<b>5</b>	<b>Depreciation and amortisation</b>		
	Agri	4,621	4,224
	Energy	3,314	3,337
	<b>Non-cash items other than depreciation and amortisation</b>		
	Agri	1,070	(426)
	Energy	-	-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>6</b>	<b>Segment revenue - Geographical information:</b>		
(a)	<b>Agri</b>		
	India	4,02,005	3,44,240
	Rest of the world	1,34,314	1,93,125
	<b>Sub-total (a)</b>	<b>5,36,319</b>	<b>5,37,365</b>
(b)	<b>Energy</b>		
	India	21,625	23,211
	<b>Sub-total (b)</b>	<b>21,625</b>	<b>23,211</b>
	<b>Total (a)+(b)</b>	<b>5,57,944</b>	<b>5,60,576</b>
	Inter-segment revenue	(19,475)	(24,102)
	<b>Total</b>	<b>5,38,469</b>	<b>5,36,474</b>

#### F INFORMATION ABOUT MAJOR CUSTOMERS

Refer Note 44 (credit risk)

#### G INFORMATION ABOUT MAJOR PRODUCTS

Refer note 38

### 46 DISCLOSURE AS PER IND AS 24 'RELATED PARTY DISCLOSURES'

#### A DETAILS OF RELATED PARTIES AND THEIR RELATIONSHIPS

##### a) Subsidiaries

K B Exports Private Limited  
KRBL DMCC, Dubai  
KRBL LLC, a step down subsidiary of KRBL DMCC, Dubai

##### b) Key Managerial Personnel's (KMPs):

Mr. Anil Kumar Mittal	Chairman and Managing Director
Mr. Arun Kumar Gupta	Joint Managing Director
Mr. Anoop Kumar Gupta	Joint Managing Director
Ms. Priyanka Mittal	Whole Time Director

##### c) Additional related parties (KMPs) as per the Companies Act 2013 with whom transactions have taken place during the year:

Mr. Ashish Jain	Chief Financial Officer
Mr. Piyush Asija	Company Secretary ( w.e.f. 13 February 2024 )
Ms. Jyoti Verma	Company Secretary ( upto 20 November 2023 )
Mr. Raman Sapra	Company Secretary ( upto 6 September 2022 )

##### d) Independent Non-Executive Directors:

Mr. Devendra Kumar Agarwal  
Mr. Vinod Ahuja  
Mr. Ashwani Dua ( upto 9 January 2023)  
Mr. Shyam Arora  
Mr. Surinder Singh (w.e.f. 10 August 2023)  
Ms. Priyanka Sardana

##### e) Employee benefit plans where there is significant influence:

KRBL Limited Employees Group Gratuity Trust (Refer note 40 B)



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### f) Relatives of Directors/KMPs\*:

Mrs. Preeti Mittal	Wife of Mr. Anil Kumar Mittal
Mrs. Anulika Gupta	Wife of Mr. Arun Kumar Gupta
Mrs. Binita Gupta	Wife of Mr. Anoop Kumar Gupta
Mr. Ashish Mittal	Son of Mr. Anil Kumar Mittal
Mrs. Neha Singh	Daughter of Mr. Arun Kumar Gupta
Mr. Kunal Gupta	Son of Mr. Arun Kumar Gupta
Mrs. Rashi Gupta	Daughter of Mr. Anoop Kumar Gupta
Mr. Akshay Gupta	Son of Mr. Anoop Kumar Gupta
Mr. Ayush Gupta	Son of Mr. Anoop Kumar Gupta
Mr. Anil Kumar Mittal HUF	Mr. Anil Kumar Mittal is Karta of Anil Kumar Mittal HUF
Mr. Arun Kumar Gupta HUF	Mr. Arun Kumar Gupta is Karta of Arun Kumar Gupta HUF
Mr. Anoop Kumar Gupta HUF	Mr. Anoop Kumar Gupta is Karta of Anoop Kumar Gupta HUF
Mr. Suraj Prakash Dua HUF	Ashwani Dua is Karta of Suraj Prakash Dua HUF (upto 9 January 2023)

### g) Enterprises over which KMPs are able to exercise significant influence\*:

Khushi Ram Behari Lal	Partnership firm in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are Partners.
Adwet Warehousing Private Limited	Private limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are directors.
KRBL Foods Limited	Public limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta and Mrs. Binita Gupta are directors.
KRBL Infrastructure Limited	Public limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta and Mrs. Binita Gupta are directors.
Holistic Farms Private Limited	Private limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are directors.
KRBL Foundation	Section 8 company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, are directors.

### h) Trust over which KMPs are able to exercise significant influence\*:

Anil Mittal Family Trust	Trust in which Mr. Anil Kumar Mittal, Mrs. Anil Kumar Mittal, Mr. Ashish Mittal and Ms. Priyanka Mittal are beneficiaries.
Arun Kumar Gupta Family Trust	Trust in which Mr. Arun Kumar Gupta and Mr. Kunal Gupta are beneficiaries.
Anoop Kumar Gupta Family Trust	Trust in which Mr. Anoop Kumar Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are beneficiaries.
Binita Gupta Family Trust	Trust in which Mr. Anoop Kumar Gupta and Ms. Binita Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are beneficiaries.
Khushi Ram Charitable Trust	Trust in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are beneficiaries.

\* This includes only those parties with whom Company had related party transactions.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### B TRANSACTIONS WITH RELATED PARTIES (SUMMARY) :

Transactions during the year	Entities over which KMPs and their relatives are able to exercise significant influence		Subsidiaries		Key managerial personnels (KMPs)		Other related parties	
	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchase of goods	1	3	-	-	-	-	-	-
Revenue from operation <sup>8</sup>	1,368	1,017	-	-	-	-	-	-
Sales and business promotion	-	-	18	11	-	-	-	-
Rent paid	1,196	1,115	-	-	24	24	118	156
Salaries wages and bonus	-	-	-	-	1,210	1,027	240	208
Expense incurred (on behalf of company by others)/by company for others	-	-	(598)	(427)	-	-	-	-
Power and fuel	23	22	-	-	-	-	-	-
Repair and maintenance	79	77	-	-	-	-	-	-
Director sitting fees	-	-	-	-	-	-	19	23
Buy-back of equity shares	15,379	-	-	-	-	-	1,931	-
Dividend Paid	1,129	4,390	-	-	-	-	142	551
Donation and charity	-	3	-	-	-	-	-	-
Provision for ongoing CSR project	-	1,224	-	-	-	-	-	-
Short term borrowings availed	-	-	-	-	6,295	2,657	-	-
Short term borrowings repaid	-	-	-	-	7,926	4,673	-	-
Interest paid on advance received for supply of goods	-	36	-	-	-	-	-	-
Advance received against supply of goods	-	2,500	-	-	-	-	-	-
Advance received against supply of goods refunded	-	1,670	-	-	-	-	-	-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### C BALANCES OF RELATED PARTIES (SUMMARY) :

Outstanding balances	Entities over which KMPs and their relatives are able to exercise significant influence		Subsidiaries		Key managerial personnels (KMPs)		Other related parties	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
<b>Balance outstanding-receivables</b>								
Security deposits <sup>6</sup>	971	971	-	-	-	-	-	-
<b>Balance outstanding-payable</b>								
Short term borrowings	-	-	-	-	4,703	6,334	-	-
Trade payables	1	0	-	-	-	-	-	-
Expenses payable	2	2	48	42	-	-	-	-
Employee related payables	-	-	-	-	59	45	12	12
Advances from customers	56	12	-	-	-	-	-	-
Other balances (net)	-	-	-	-	-	0	3	-

### D TRANSACTIONS WITH RELATED PARTIES

Related parties	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Purchase of goods</b>		
Khushi Ram Behari Lal	1	2
KRBL Infrastructure Limited	-	1
<b>Revenue from operation<sup>8</sup></b>		
Khushi Ram Behari Lal	1,368	1,017
<b>Sales and business promotion</b>		
KRBL DMCC	18	11
<b>Rent paid</b>		
Mr. Anil Kumar Mittal	4	4
Mr. Arun Kumar Gupta	10	10
Mr. Anoop Kumar Gupta	10	10
KRBL Infrastructure Limited	313	304
Adwet Warehousing Private Limited	203	193
Holistic Farms Private Limited	58	53
KRBL Foods Limited	622	565
Suraj Prakash Dua HUF	-	43
Mrs. Preeti Mittal	4	4
Mrs. Anulika Gupta	37	36
Mrs. Binita Gupta	3	3
Mr. Ashish Mittal	40	38
Anoop Kumar Gupta HUF	34	32

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Related parties	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>KMP's Remuneration (Short-term benefits <sup>2</sup>)</b>		
Mr. Anil Kumar Mittal	280	216
Mr. Arun Kumar Gupta	280	249
Mr. Anoop Kumar Gupta	280	216
Ms. Priyanka Mittal	176	170
Mr. Ashish Jain	162	148
Mr. Piyush Asija	13	-
Ms. Jyoti Verma	19	16
Mr. Raman Sapra	-	12
<b>Salaries, wages and bonus</b>		
Mr. Ashish Mittal	60	52
Mr. Kunal Gupta	60	52
Mr. Akshay Gupta	60	52
Mr. Ayush Gupta	60	52
<b>Expense incurred (on behalf of company by others)/by company for others</b>		
KRBL DMCC	(598)	(427)
<b>Power and fuel</b>		
KRBL Infrastructure Limited	23	22
<b>Repair and maintenance</b>		
KRBL Infrastructure Limited	79	77
<b>Director sitting fees</b>		
Mr. Devendra Kumar Agarwal	4	5
Mr. Vinod Ahuja	4	5
Mr. Ashwani Dua	-	4
Mr. Shyam Arora	4	5
Mr. Surinder Singh	3	-
Ms. Priyanka Sardana	4	5
<b>Buy-back of equity shares</b>		
Anil Mittal Family Trust	5,329	-
Arun Kumar Gupta Family Trust	5,175	-
Anoop Kumar Gupta Family Trust	4,763	-
Binita Gupta Family Trust	112	-
Anil Kumar Mittal Huf	441	-
Arun Kumar Gupta Huf	595	-
Anoop Kumar Gupta Huf	895	-
<b>Dividend paid</b>		
Anil Mittal Family Trust	391	1,521
Arun Kumar Gupta Family Trust	380	1,477
Anoop Kumar Gupta Family Trust	350	1,360
Binita Gupta Family Trust	8	32
Anil Kumar Mittal HUF	32	126
Arun Kumar Gupta HUF	44	170

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Related parties	For the year ended 31 March 2024	For the year ended 31 March 2023
Anoop Kumar Gupta HUF	66	255
Mr. Anil Kumar Mittal	0	0
Mr. Arun Kumar Gupta	0	0
Mr. Anoop Kumar Gupta	0	0
Ms. Priyanka Mittal	0	0
Mr. Ashish Mittal	0	0
Mr. Kunal Gupta	0	0
Mr. Akshay Gupta	0	0
Mr. Ayush Gupta	0	0
Mrs. Binita Gupta	0	0
Mrs. Anulika Gupta	0	0
Mrs. Neha Singh	0	0
Mrs. Rashmi Gupta	0	0
Mrs. Preeti Mittal	0	0
<b>Donation and charity</b>		
Khushi Ram Charitable Trust	-	3
<b>Provision for ongoing CSR project</b>		
KRBL Foundation	-	1,224
<b>Short term borrowings availed</b>		
Mr. Anil Kumar Mittal	2,132	989
Mr. Arun Kumar Gupta	1,624	1,018
Mr. Anoop Kumar Gupta	2,539	650
<b>Short term borrowings repaid</b>		
Mr. Anil Kumar Mittal	2,474	1,610
Mr. Arun Kumar Gupta	2,578	1,605
Mr. Anoop Kumar Gupta	2,874	1,458
<b>Interest paid on advance received for supply of goods</b>		
Khushi Ram Behari Lal	-	36
<b>Advance received against supply of goods</b>		
Khushi Ram Behari Lal	-	2,500
<b>Advance received against supply of goods refunded</b>		
Khushi Ram Behari Lal	-	1,670

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### E BALANCES WITH RELATED PARTIES

Related parties balances	As at 31 March 2024	As at 31 March 2023
<b>Short term borrowings</b>		
Mr. Anil Kumar Mittal	1,861	2,202
Mr. Arun Kumar Gupta	719	1,673
Mr. Anoop Kumar Gupta	2,089	2,425
Ms. Priyanka Mittal	34	34
<b>Trade payables</b>		
Khushi Ram Behari Lal	1	0
<b>Expenses payable</b>		
KRBL Infrastructure Limited	2	2
KRBL DMCC	48	42
<b>Security Deposits</b>		
KRBL Infrastructure Limited	971	971
<b>Employee related payables</b>		
Mr. Anil Kumar Mittal	14	11
Mr. Arun Kumar Gupta	13	10
Mr. Anoop Kumar Gupta	14	11
Ms. Priyanka Mittal	7	4
Mr. Piyush Asija	3	-
Ms. Jyoti Verma	-	1
Mr. Ashish Jain	8	8
Mr. Ashish Mittal	3	3
Mr. Kunal Gupta	3	3
Mr. Akshay Gupta	3	3
Mr. Ayush Gupta	3	3
<b>Advance from customers</b>		
Khushi Ram Behari Lal	56	12
<b>Other balances (net)</b>		
Mr. Anoop Kumar Gupta	-	-
Mr. Akshay Gupta	3	-

#### Notes:

- Amounts are below rounding off thresholds adopted by the Company.
- As gratuity and compensated absences are computed for all the employees in aggregate, the amount relating to relatives of KMPs cannot be individually identified.
- All related party transactions are at arms length price and in the ordinary course of business.
- Refer note 3(H) for transactions related to property, plant and equipment with KMPs and their relatives.
- Personal guarantee has been given by Mr. Anil Kumar Mittal, Mr. Anoop Kumar Gupta and Mr. Arun Kumar Gupta in respect of working capital consortium loan taken by the Company, as at the year ended 31 March 2024, the outstanding amount of loan is ₹ 46,000 lacs (31 March 2023 : ₹ 13,800 lacs) and Mr. Ashish Mittal (relative of key managerial personnel) to the extent of the immovable properties as specified in consortium agreement.
- The present value of security deposit is shown in note 9 and 17.
- Reimbursement of expenses made to KMPs and their relatives are not disclosed as the same being of immaterial value.
- The revenue from sales of goods to Khushi Ram Behari Lal disclosed at gross value. A discount of ₹ 82 lacs has also been provided related to sales of such goods.
- Employee related payables, in addition to above, other benefits, perquisites, allowances, amenities and facilities are provided according to permitted limits as approved by Board and shareholders respectively from time to time as per policy of the Holding company.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 47 CONTINGENT LIABILITIES AND COMMITMENTS

#### A CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debts*	As at 31 March 2024	As at 31 March 2023
Indirect tax matters <sup>1</sup>	4,635	5,003
Enforcement directorate investigation matter <sup>2</sup>	1,532	1,532
Other matters <sup>4</sup>	24,762	1,238
Income tax matters	-	44

#### Notes:

- Indirect taxes mainly comprise of matter relating to VAT, sales tax pending at various levels. It also includes the matters related to mandi fee levied under the Agricultural Produce Market Committee Act, 2003 for an amount of ₹ 390 lacs.
- A portion of land parcels and building thereupon, situated at Dhuri, Punjab was attached by the Directorate of Enforcement ('ED') to the extent of value of ₹ 1,532 lacs in connection with a money laundering investigation which is currently pending before the Special Judge, CBI Court. The Appellate Tribunal, PMLA, New Delhi, (Appellate Tribunal) had restored the possession of the attached land on interim basis in favour of the Company. However, aforesaid attachment would continue till conclusion of the matter. Against the order of the Appellate Tribunal, ED had filed an appeal before the Hon'ble High Court of Delhi, which is pending for hearing. The Company filed an application before the Hon'ble High Court of Delhi for restoration of possession of the land in favour of the Company and High court allowed the Company to take physical possession of the said land parcels and building thereupon for specified purpose against the deposit of ₹ 1,113 lacs, (deposited on 5 November 2020), as an interim relief until conclusion of the aforesaid matter, without prejudice to the rights and contentions of the parties to be decided in the appeal. The management based upon the legal assessments, is confident that it has a favourable case and the said attachment shall be vacated and no adjustment is required in the accompanying standalone financial statements.
- Enforcement Directorate ('ED') registered an Enforcement Case Information Report ('ECIR') in 2014 and subsequently filed a criminal complaint in the year 2021 alleging commission of an offence under Section 3 of the PMLA, 2002 against the Company, KRBL DMCC (a subsidiary of KRBL Limited) and Mr. Anoop Kumar Gupta, the Joint Managing Director (JMD) of the Company for certain transactions assumed to be undertaken in the prior years. As per criminal complaint filed by the ED, it was alleged that M/s Rawasi Al Khaleej General Trading LLC ('RAKGT') had received proceeds of crime of USD 24.62 million in AgustaWestland case during the period 2008-2010 which in turn had been transferred to the Company through KRBL DMCC. Based on the affidavit filed by Balsharaf Group (one of the Customer of the Company) in the Hon'ble High Court of Delhi, the amount of USD 24.62 million had been received by RAKGT in the account of Balsharaf Group. However, ED attached 143,33,221 shares of Balsharaf Group held in KRBL Limited.  
  
The Company had appointed an independent professional firm ('IP') to review the aforesaid allegations and to assess the impact, if any, on the financial statements and control environment of the Company during the financial year ended 31 March 2022. During the financial year ended 31 March 2023, the IP had issued a report to the Board of Directors which was discussed and approved in their previously held meeting, wherein the Board of Directors had responded to the observations contained therein and basis that no further action was proposed.  
  
The said case is pending before the Special Court and is listed on the given dates in its regular course. The proceedings are at the initial stage of service of summons on the remaining unserved accused. The next date of hearing is on 20 August 2024. While the outcome of any judicial proceeding is inherently uncertain and incapable of precise prediction, the management considering the present facts, opinion from independent legal counsel and other available information has not identified any adjustment or additional disclosure is required in the accompanying standalone financial statements. The management of the Company is confident that the above stated matter will be resolved soon.
- Other matter comprise of civil cases under CPC 1908, Trade Mark Act 1999, Consumer Protection Act 1986 and other disputes with customers etc, pending at various levels.

\* Based on the legal opinion, the Company is of the firm belief that the above demands are not tenable and highly unlikely to be retained by higher authorities and is accordingly not carrying any provision in its books in respect of such demands. The amounts disclosed are based on the orders/ notices received from the authorities.

#### B CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed, to the extent not provided for:

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment (net of capital advances)	2,401	2,075
Intangible assets (net of capital advance)	-	12

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 48 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>a) Non-current borrowings</b>		
Opening balance	-	587
Repayment	-	587
<b>Closing balance</b>	-	-
<b>Current borrowings</b>		
Opening balance	20,134	8,351
Movement (net)	30,569	11,784
<b>Closing balance</b>	<b>50,703</b>	<b>20,134</b>
<b>Lease liabilities (As per Ind AS 116)</b>		
Opening balance	4,864	5,579
Non cash proceeds (net of modification)	91	216
Repayment	1,203	931
<b>Closing balance</b>	<b>3,752</b>	<b>4,864</b>
<b>Finance costs</b>		
Interest accrued as at the beginning of the year	48	121
Expense incurred	2,410	1,473
Expense paid	2,257	1,546
<b>Interest accrued as at the end of the year</b>	<b>201</b>	<b>48</b>

### 49 DISCLOSURES PURSUANT TO REGULATION 34(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not provided any loans, security and corporate guarantees covered under section 186 of the Companies Act, 2013 during the current financial year and accordingly, the disclosure requirements to the extent does not apply to the Company. Refer note 7 for details of investment in subsidiaries and note 12 for details of other investments.

### 50 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

- The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- The Company has not traded or invested in Crypto currency or virtual currency during the year.
- There is no income surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ('Intermediaries') with the understanding that the Intermediary shall:

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

- a. 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
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- viii. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a. 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
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ix. Basis the management's assessment, it has been concluded that the Company has made no transactions with struck-off companies under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. Further, there are no outstanding balances at balance sheet date with struck-off companies.

### 51 THE ANALYTICAL RATIOS FOR THE YEAR ENDED 31 MARCH 2024 AND 31 MARCH 2023 ARE AS BELOW:

Ratio	Measurement unit	Numerator	Denominator	For the year ended 31 March 2024	For the year ended 31 March 2023	Change	Reason for variance
Current ratio	Times	Total current assets	Total current liabilities	5.40	6.35	-15.02%	Refer Note 1
Debt-equity ratio	Times	Total debt [Current borrowings + Non-current lease liabilities+ Current lease liabilities]	Total equity	0.11	0.05	110.43%	Due to increased outstanding balances of current borrowings at year end.
Debt service coverage ratio	Times	Earnings available for debt service [Net profit after tax + Depreciation and amortisation+Finance costs+ Net loss on sale/discard of property, plant and equipment]	Debt service (Interest and lease payments+ short term lease liabilities)	20.20	25.83	-21.80%	Refer Note 1
Return on equity ('ROE')	%	Net profit after tax	Average shareholder's equity [(opening shareholder's equity + closing shareholder's equity) /2]	12.49%	16.02%	-22.03%	Refer Note 1
Inventory turnover ratio	Times	Revenue from operations	Average inventory [(opening inventory + closing inventory) /2]	1.25	1.53	-18.62%	Refer Note 1
Trade receivable turnover ratio	Times	Revenue from operations	Average trade receivables [(opening trade receivables +closing trade receivables)/2]	18.31	18.68	-1.97%	Refer Note 1

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Ratio	Measurement unit	Numerator	Denominator	For the year ended 31 March 2024	For the year ended 31 March 2023	Change	Reason for variance
Trade payable turnover ratio	Times	Net credit purchases	Average trade payables [(opening trade payables +closing trade payables)/2]	36.59	34.02	7.55%	Refer Note 1
Net Capital turnover ratio	Times	Revenue from operations	Average Working capital [(Current assets - Current liabilities)/2]	1.36	1.53	-11.42%	Refer Note 1
Net profit ratio	%	Net profit after taxes	Revenue from operations	11.06%	13.06%	-15.33%	Refer Note 1
Return on capital employed	%	Earnings before interest and taxes [Net profit before tax + Finance costs]	Capital employed (Tangible net worth + Total debt + Deferred tax liability)	14.89%	18.91%	-21.23%	Refer Note 1
Return on investment	%	Gain on investment	Time-weighted average investments	14.37%	5.38%	167.10%	Due to higher yields from investments and MTM gain on investments.

Note 1 - Explanation for ratios where the variance is beyond 25% compared to previous year.

**52** The Ministry of Corporate Affairs ('MCA') has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. Management has implemented logs at the application level to record audit trail (edit logs) of transactions in accounting software from the beginning of the financial year and is operating effectively as at 31 March 2024. However, the audit trail (edit logs) has not been implemented at the database level (database Oracle).The management of the Company has enabled the same at database level subsequent to the financial year ended 31 March 2024.

**53** The Board of Directors of the Company at its meeting held on 10 August 2023 approved the buy-back of fully paid-up equity shares of face value of ₹ 1/- each from its shareholders and promoter group through tender offer for an aggregate amount not exceeding ₹ 3,25,000 lacs (Rupees Thirty two thousands five hundred lacs only).

The buyback started on 31 August 2023, and was concluded on 13 September 2023 and shares were extinguished on 20 September 2023. The Company completed the buyback of 65,00,000equity shares at an offer price of ₹ 500. The buy-back tax and other related expenses of buy-back have been adjusted against the 'Other Equity' as per applicable sections of the Companies Act 2013.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 54 TRANSFER PRICING

As per the international transfer pricing norms introduced in India with effect from 1 April 2001, the Company is required to use certain specified methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a transfer pricing study for the current financial year. However, in the opinion of the management the same would not have a material impact on these standalone financial statements. Accordingly, these standalone financial statements do not include any adjustments for the transfer pricing implications, if any.

55 No subsequent event occurred post balance sheet date which requires adjustment in the standalone financial statements for the year ended 31 March 2024.

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

Sd/  
**Nitin Toshniwal**  
Partner  
Membership No. 507568

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

Sd/  
**Ashish Jain**  
Chief Financial Officer

Sd/  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/  
**Piyush Asija**  
Company Secretary  
Membership No.A21328

Place : New Delhi  
Date : 20 May 2024

Place : Noida  
Date : 20 May 2024

# CONSOLIDATED FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

To the Members of KRBL Limited

Report on the Audit of the Consolidated Financial Statements

### QUALIFIED OPINION

- We have audited the accompanying consolidated financial statements of KRBL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2024, and their consolidated profit (including other comprehensive loss), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### BASIS FOR QUALIFIED OPINION

- As stated in Note 46(A)(3) to the accompanying consolidated financial statements, the Enforcement Directorate ('ED') is investigating Holding Company's Joint Managing Director ('JMD') under the Prevention of Money Laundering Act, 2002, for alleged involvement in Agusta Westland case. Further, the ED has filed criminal complaint and made certain allegations against the Holding Company, KRBL DMCC (a subsidiary of the Holding Company) and JMD. As further described in the said note, a review of the impact of the allegations was performed by an independent professional firm appointed by the Board of Directors and in our view, as per the report of the independent professional firm, there is no conclusive evidence to ascertain impact of the aforesaid matter on the Statement and control environment of the Group. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to comment on any adjustment that may be required to the accompanying consolidated financial statements in this respect.

- We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 17 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion.

### EMPHASIS OF MATTER

- We draw attention to Note 46(A)(2) to the accompanying consolidated financial statements, wherein it is stated that a portion of land parcels and building thereupon owned by the Holding Company as identified in the aforesaid note was attached by the Enforcement Directorate ('ED') under the Prevention of Money Laundering Act, 2002 ('PMLA'), in connection with a money laundering investigation which is currently pending before the Special Judge, CBI Court. The Appellate Tribunal, PMLA (Government of India), New Delhi ('Appellate Tribunal'), where the matter was first heard, vide its order dated 17 January 2020, restored the possession in favor of the Holding Company while the aforesaid attachment would continue till the conclusion of the matter. The ED filed an appeal with the Hon'ble High Court of Delhi ('High Court') against granting of possession of the aforesaid land parcels and building. The High Court vide its order dated 23 October 2020 had restored the physical possession of the aforesaid land parcels and building thereupon for specified purposes against deposit of ₹ 1,113 lacs, as an interim relief until conclusion of the aforesaid matter. Based on the legal assessment of the outcome of the aforesaid matter, the management is of the view that no adjustment is required to the accompanying consolidated financial statements.

Our opinion is not modified in respect of this matter.

### KEY AUDIT MATTERS

- Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of

## INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)

the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue recognition – Sale of Goods</b></p> <p>Refer Note 2(iv)(e) of the notes to the consolidated financial statements.</p> <p>The Group recognised revenues amounting to ₹ 5,38,469 lacs for the year ended 31 March 2024, as disclosed in Note 27 to the consolidated financial statements.</p> <p>Revenue for the Group primarily comprises of revenue from sale of manufactured goods (rice) and by products which is recognized when control of such goods is transferred to the customers and there is no unfulfilled obligation in accordance with the requirements of Ind AS 115 - Revenue from Contracts with Customers ('Ind AS 115'). Revenue is measured at the amount of transaction price determined net of variable consideration pertaining to rebates and discounts given to the customers.</p> <p>In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Accordingly, occurrence of revenue is a key focus area on account of the multiplicity of Group products, multiple channels for sales, various categories of customers having varying terms of contracts and the volume of the sales made to them.</p> <p>Due to the above factors, we have identified testing of revenue recognition as a key audit matter.</p>	<ul style="list-style-type: none"> <li>Our audit work included, but was not limited to, the following procedures: <ul style="list-style-type: none"> <li>Obtained an understanding of the management process for each revenue stream, particularly of sale of rice and by-products and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115;</li> <li>Evaluated the design and tested the operating effectiveness of internal controls over revenue recognition including around quantity sold, pricing and accounting of revenue transactions;</li> <li>Performed substantive analytical procedures on revenue which includes ratio analysis, product mix analysis, region wise analysis;</li> <li>Evaluated the terms and conditions of the contracts, including incoterms, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the accounting standards;</li> <li>On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the period before and after year-end with supporting documents, such as invoices, agreements with customers, proof of deliveries, and subsequent collection of payment to ensure revenue is recorded in the correct period with correct amount;</li> <li>Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis, reviewed the subsequent collection of payment and proof of deliveries document of such selected debtors;</li> <li>Tested, on sample basis, manual journal entries recorded in revenue accounts, credit notes and claims, if any, to the relevant approvals and the supporting documents;</li> <li>Evaluated the adequacy of disclosures given in the consolidated financial statements, including disclosure of revenue recognition from sale of goods for appropriateness in accordance with the accounting standards.</li> </ul> </li> </ul>
<p><b>Inventory existence and valuation of finished goods</b></p> <p>Refer Note 2(iv)(d) of the notes to the consolidated financial statements.</p> <p>Inventory of the Group consists primarily of variety of rice, paddy and their by-products, manufactured during the process of conversion of paddy into rice.</p>	<p>Our audit work included, but was not limited to the following procedures:</p> <p><b>Existence:</b></p> <ul style="list-style-type: none"> <li>Obtained an understanding of the management's process of inventory management and inventory physical verification performed subsequent to year-end;</li> <li>Evaluated the design and tested the operating effectiveness of internal controls over inventory management process/ inventory physical verification;</li> </ul>

**INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)**

Key audit matter	How our audit addressed the key audit matter
<p>The Group held inventories amounting to ₹4,45,071 lacs as at 31 March 2024. The inventory primarily comprises of Paddy as raw material and finished goods in the form of rice and by-products. Inventory holding is generally significant considering the finished goods are aged for 18-24 months and also due to seasonality of the purchase/produce. Such inventory is stored in plants, warehouses, silos, etc. High quantity of inventory makes inventory physical verification an extensive procedure for the management, at the year end.</p> <p>The valuation of finished rice and by products is a complex exercise and is carried out manually. The valuation process involves estimation around determination of –</p> <ul style="list-style-type: none"> <li>Allocable overheads and their absorption rates;</li> <li>Determination of net realisable value of by-products such as husk, bran, etc, and</li> <li>Determination of net realisable value of the different variety of rice.</li> </ul> <p>Accordingly, existence and valuation of the year-end inventory balance, which is significant with respect to the total assets held by the Group, is considered to be one of the areas which required significant auditor attention owing to the complexity and judgements involved in the process of physical count and valuation.</p>	<ul style="list-style-type: none"> <li>Reviewed the instructions given by management to stock count teams, including ensuring proper segregation of stock, use of calibration scales/charts, identification of damaged inventory, if any, etc.;</li> <li>Observed physical count carried out by the management at locations selected based on materiality and risk factors;</li> <li>During the above said observation, noted whether the instructions given by management to stock count teams were followed;</li> <li>Recounted inventory, on sample basis, to match with inventory records and results of management conducted count;</li> <li>Obtained inventory records and results of management conducted count;</li> <li>Reviewed reconciliation of differences, if any, between management physical count and inventory records, and tested the necessary adjustment made in the inventory records by the management;</li> </ul> <p><b>Valuation:</b></p> <ul style="list-style-type: none"> <li>Obtained an understanding of management process of inventory valuation;</li> <li>Evaluated design and tested the operating effectiveness of internal controls over inventory valuation process;</li> <li>Tested the key inputs used in the valuation process from underlying source documents/ general ledger accounts;</li> <li>Re-performed reconciliation of opening inventory, purchase/ production, sales and year-end inventory and on sample basis validated the amount of yield during the year and to identify any abnormal production loss;</li> <li>Compared key estimates, including those involved in computation of allocable overheads and their absorption rate, to prior years and enquired reasons for any significant variations;</li> <li>Verified net realisable value of rice and by-products from actual sale proceeds near to the year-end;</li> <li>Tested arithmetical accuracy of valuation calculations;</li> <li>Evaluated the adequacy of disclosure given in the consolidated financial statements, including disclosure of inventory year-end balance in the consolidated financial statements, in accordance with applicable accounting standards.</li> </ul>

**INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

8. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does

not include the consolidated financial statements and our auditor's report thereon.

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

**INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)**

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

9. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of

Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

13. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Holding 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 management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw



**INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)**

attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. 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.
15. 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.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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**

17. We did not audit the financial statements of three subsidiaries, whose financial statements reflects total assets of ₹ 1,487 lacs as at 31 March 2024, total revenues of ₹ Nil and net cash inflows amounting to ₹ 57 lacs for the year ended

on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Further, of these subsidiaries, two subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

18. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 17, on separate financial statements of the subsidiaries, we report that the Holding Company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that a subsidiary incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.
19. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports

**INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)**

issued till date by us and by the other auditor as mentioned in paragraph 17 above, of company included in the consolidated financial statements for the year ended 31 March 2024 and covered under the Act we report that:

Following are the qualifications remarks reported by us in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2024 for which such Order reports have been issued till date:

Name	CIN	Holding Company / subsidiary	Clause number of the CARO report which is qualified
KRBL Limited	L01111DL1993 PLC052845	Holding Company	3 (i) (c)

20. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
  - a) We have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor, except for the matters stated in paragraph 20(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
  - e) The matter described in paragraph 3 of the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Holding Company and KRBL DMCC, a subsidiary of the Holding Company respectively;

- f) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- g) The qualification remark relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 20(b) above on reporting under section 143(3)(b) of the Act and paragraph 20(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' wherein we have expressed a modified opinion; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act:
  - i. Except for the possible effects of the matter described in paragraph 3 of the Basis for Qualified Opinion section, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as at 31 March 2024, as detailed in Note 46(A) to the consolidated financial statements;
  - ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024;
  - iv. a) The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary

**INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KRBL LIMITED FOR THE YEAR 31 MARCH 2024 (CONT'D)**

respectively that, to the best of their knowledge and belief, as disclosed in Note 50 (vii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the Note 50 (viii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed by us and that performed by the auditor of the subsidiary as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditor to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The final dividend paid by the Holding Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 42(B) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2024 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.

- vi. Based on our examination which included test checks and that performed by the respective auditor of the subsidiary of the Holding Company which is company incorporated in India and audited under the Act, the Holding Company and its subsidiary, in respect of financial year commencing on 1 April 2023, have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for the accounting software used for maintaining books of accounts, as described in Note 51 to the consolidated financial statements. Further, during the course of our audit we and respective auditor of the above referred subsidiary did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Walker Chandio & Co LLP**

Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Nitin Toshniwal**

Partner

Membership No.: 507568

**UDIN:** 24507568BKEJVV2141

**Place:** New Delhi

**Date:** 20 May 2024

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KBRL LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024**

**LIST OF ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS**

**NAME OF THE HOLDING COMPANY**

- 1) KRBL Limited

**NAME OF SUBSIDIARIES AND STEP DOWN SUBSIDIARY**

- 1) K B Exports Private Limited  
2) KRBC DMCC  
3) KRBL LLC, a subsidiary of KRBL DMCC and step-down subsidiary of KRBL Limited

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')**

1. In conjunction with our audit of the consolidated financial statements of KRBL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS**

2. The respective Board of Directors of the Holding Company and its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with

reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid.

**MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

6. company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT') (CONT'D)**
**QUALIFIED OPINION**

8. According to the information and explanation given to us, the ED vide their criminal complaint has made certain allegations against the Holding Company, KRBL DMCC (a subsidiary company) and Mr. Anoop Kumar Gupta ('JMD') as fully explained in Note 46(A)(3) of the accompanying consolidated financial statements. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to obtain sufficient appropriate audit evidence that adequate internal financial controls with reference to financial statements relevant to prevention and timely detection of management override of controls were established and maintained, and if such controls operated effectively in all material respects, which could potentially result in the Group not providing for adjustment, if any, that may be required to the accompanying consolidated financial statements.

9. In our opinion, except for the possible effects of the matter described above on the achievement of the objectives of the control criteria, the Group has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by ICAI.

10. We have considered the matter identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31 March 2024, and the matter has affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the consolidated financial statements.

**OTHER MATTER**

11. We did not audit the internal financial controls with reference to financial statements insofar as it relates to a subsidiary company, which is a company covered under the Act, whose financial statements reflect total assets of ₹ 298 lacs and net assets of ₹ 295 lacs as at 31 March 2024, total revenues of ₹ Nil and net cash inflows amounting to ₹ 1 lacs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditor whose report have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the report of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the report of the other auditor.

For **Walker Chandio & Co LLP**  
 Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-  
**Nitin Toshniwal**  
 Partner

Membership No.: 507568  
**UDIN: 24507568BKEJVV2141**

**Place:** New Delhi  
**Date:** 20 May 2024

## CONSOLIDATED BALANCE SHEET

as at 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	84,824	82,984
Capital work-in-progress	3	1,289	1,590
Right-of-use assets	4	3,900	5,348
Investment property	5	1,280	1,298
Goodwill		16	16
Intangible assets	6	257	260
Intangible assets under development	6	3	8
Financial assets			
- Loans	7	20	3
- Other financial assets	8	1,207	1,063
Other non-current assets	9	3,760	3,414
<b>Sub total non-current assets</b>		<b>96,556</b>	<b>95,984</b>
<b>Current assets</b>			
Inventories	10	4,45,071	4,18,627
Financial assets			
- Investments	11	11,500	3,088
- Trade receivables	12	30,308	28,506
- Cash and cash equivalents	13	2,481	2,872
- Other bank balances	14	540	1,880
- Loans	15	11	5
- Other financial assets	16	1,568	2,447
Other current assets	17	4,668	5,681
<b>Sub total current assets</b>		<b>4,96,147</b>	<b>4,63,106</b>
<b>TOTAL ASSETS</b>		<b>5,92,703</b>	<b>5,59,090</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	2,289	2,354
Other equity	19	4,83,502	4,66,908
<b>Equity attributable to the owners of the Holding company</b>		<b>4,85,791</b>	<b>4,69,262</b>
Non-controlling interest		89	88
<b>Sub total equity</b>		<b>4,85,880</b>	<b>4,69,350</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Lease liabilities	4	2,420	3,678
Provisions	20	1,368	863
Deferred tax liabilities (net)	21	11,087	12,253
<b>Sub total non-current liabilities</b>		<b>14,875</b>	<b>16,794</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	22	50,705	20,136
- Lease liabilities	4	1,332	1,186
- Trade payables	23		
- Total outstanding due of micro enterprises and small enterprises		1,405	1,814
- Total outstanding dues of creditors other than micro enterprises and small enterprises		9,626	10,159
- Other financial liabilities	24	24,976	28,481
Other current liabilities	25	3,474	10,769
Provisions	26	430	401
<b>Sub total current liabilities</b>		<b>91,948</b>	<b>72,946</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,92,703</b>	<b>5,59,090</b>

The accompanying notes form an integral part of these consolidated financials statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

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

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Nitin Toshniwal**  
Partner  
Membership No. 507568

Sd/  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

Sd/  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/  
**Ashish Jain**  
Chief Financial Officer

Sd/  
**Piyush Asija**  
Company Secretary  
Membership No.A21328

Place : New Delhi  
Date : 20 May 2024

Place : Noida  
Date : 20 May 2024

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Income</b>			
Revenue from operations	27	5,38,469	5,36,474
Other income	28	9,696	9,278
<b>Total income</b>		<b>5,48,165</b>	<b>5,45,752</b>
<b>Expenses</b>			
Cost of materials consumed	29	4,53,853	4,36,776
Purchase of stock-in-trade	30	544	3,084
Changes in inventories of finished goods and stock-in-trade	31	(54,405)	(61,370)
Employee benefits expenses	32	14,885	11,754
Finance costs	33	2,410	1,474
Depreciation and amortisation expense	34	7,937	7,565
Other expenses	35	43,363	52,351
<b>Total expenses</b>		<b>4,68,587</b>	<b>4,51,634</b>
<b>Profit before tax</b>		<b>79,578</b>	<b>94,118</b>
<b>Tax expense</b>			
Current tax	38	21,066	24,890
Deferred tax credit		(1,074)	(870)
<b>Total tax expense</b>		<b>19,992</b>	<b>24,020</b>
<b>Profit for the year</b>		<b>59,586</b>	<b>70,098</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit plans		20	(28)
Tax on above		(5)	8
<b>Items that will be reclassified to profit or loss</b>			
Foreign currency translation reserve		78	79
Cash flow hedge reserve		(364)	428
Tax on above		92	(108)
<b>Other comprehensive (loss)/income for the year</b>		<b>(179)</b>	<b>379</b>
<b>Total comprehensive income for the year</b>		<b>59,407</b>	<b>70,477</b>
<b>Profit attributable to:</b>			
Owners of the parent		59,586	70,098
Non-controlling interest <sup>1</sup>		0	0
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		59,407	70,477
Non-controlling interest <sup>1</sup>		0	0
<b>Earnings per equity share (face value of ₹ 1 each)</b>	36		
- Basic (in ₹)		25.69	29.78
- Diluted (in ₹)		25.69	29.78

1. Rounded off to zero

The accompanying notes form an integral part of these consolidated financials statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

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

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Nitin Toshniwal**  
Partner  
Membership No. 507568

Sd/  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

Sd/  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/  
**Ashish Jain**  
Chief Financial Officer

Sd/  
**Piyush Asija**  
Company Secretary  
Membership No.A21328

Place : New Delhi  
Date : 20 May 2024

Place : Noida  
Date : 20 May 2024

## CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Cash flow from operating activities</b>		
Profit before tax	79,578	94,118
Adjustment for :		
Depreciation and amortisation expenses	7,937	7,565
Loss on sale and discard of property, plant and equipment	3	46
Unrealised foreign exchange (net)	(25)	18
Net gain on redemption and fair valuation of investments	(4,595)	(434)
Balances written off	192	-
Allowances for doubtful debts and advance	2,846	1,060
Liabilities/provisions no longer required, written back	(186)	(110)
Gain on modification/termination of lease	(1)	(530)
Finance costs	2,410	1,474
Interest income	(3,697)	(7,685)
Dividend income	(60)	(55)
<b>Operating profit before working capital changes</b>	<b>84,402</b>	<b>95,467</b>
Adjustments for working capital changes :		
Decrease in financial and other assets	1,287	18,216
Increase in inventories	(26,444)	(1,37,017)
Increase in trade receivables	(4,131)	(283)
Decrease in trade payables	(838)	(5,974)
Decrease/(increase) in liabilities and provisions	(10,436)	18,854
<b>Cash generated from operations</b>	<b>43,840</b>	<b>(10,737)</b>
Income tax paid (net)	(21,193)	(25,273)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>22,647</b>	<b>(36,010)</b>
<b>B Cash flow from investing activities</b>		
Payment for property, plant and equipment and intangible assets <sup>1</sup>	(8,594)	(5,931)
Sale proceeds of property, plant and equipment	56	24
Sale proceeds from investments	3,23,365	3,42,489
Purchase of investments	(3,28,539)	(3,42,173)
Movement from deposits (net)	1,333	18,546
Interest received	3,575	7,626
Dividend income	60	55
<b>Net cash (used in)/flow from investing activities (B)</b>	<b>(8,744)</b>	<b>20,636</b>
<b>C Cash flow from financing activities</b>		
Repayment of long term borrowings	-	(587)
Repayment of lease liabilities	(1,203)	(931)
Movement in short-term borrowings (net)	30,569	11,783
Finance cost paid	(2,257)	(1,546)
Dividend paid	(2,358)	(8,241)
Payment for buy back of shares	(32,500)	-
Payment of tax and expenses for buy back of shares	(7,945)	-
<b>Net cash (used in)/flow from financing activities (C)</b>	<b>(15,694)</b>	<b>478</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>D Net decrease in cash and cash equivalents during the year (A+B+C)</b>	(1,791)	(14,896)
Cash and cash equivalents at the beginning of the year	4,272	19,168
<b>Cash and cash equivalents at the year end</b>	<b>2,481</b>	<b>4,272</b>
<b>E Cash and cash equivalents (refer note 13)</b>		
Cash in hand	49	54
Balances with banks	2,432	2,818
Investment in mutual funds	-	1,400
	<b>2,481</b>	<b>4,272</b>

**Notes:**

- Net of movement in capital work-in-progress and capital advances.
- Cash and cash equivalents includes the investment in mutual fund invested for short term basis. (refer note 11)
- The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7, 'Statement of cash flows'.
- Refer note 47 for reconciliation of liabilities arising from financing activities.

The accompanying notes form an integral part of these consolidated financials statements

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

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

Sd/  
**Nitin Toshniwal**  
Partner  
Membership No. 507568

**Place :** New Delhi  
**Date :** 20 May 2024

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

Sd/  
**Ashish Jain**  
Chief Financial Officer

**Place :** Noida  
**Date :** 20 May 2024

Sd/  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/  
**Piyush Asija**  
Company Secretary  
Membership No.A21328

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

### A. EQUITY SHARE CAPITAL (REFER NOTE 18)

Equity shares of ₹ 1 each, fully paid up	Number of shares	Amount
<b>As at 1 April 2022</b>	23,53,89,892	2,354
Movement during the year	-	-
<b>As at 31 March 2023</b>	23,53,89,892	2,354
Movement during the year	(65,00,000)	(65)
<b>As at 31 March 2024</b>	<b>22,88,89,892</b>	<b>2,289</b>

### B. OTHER EQUITY (REFER NOTE 19)

Particulars	Reserves and surplus				Other comprehensive income			Total
	Retained earnings	General reserve	Securities premium reserve	Capital reserve	Capital redemption reserve	Foreign currency translation reserve	Cash flow hedge reserve	
<b>Balance as at 1 April 2022</b>	<b>3,33,252</b>	<b>59,550</b>	<b>9,655</b>	<b>82</b>	<b>77</b>	<b>2,046</b>	<b>7</b>	<b>4,04,670</b>
Profit for the year	70,098	-	-	-	-	-	-	70,098
<b>Other comprehensive income for the year:</b>								
Remeasurement of defined benefit obligations (net of tax)	(20)	-	-	-	-	-	-	(20)
Cash flow hedge reserve (net of tax)	-	-	-	-	-	-	320	320
Foreign currency translation reserve	-	-	-	-	-	79	-	79
<b>Total comprehensive income as at 31 March 2023</b>	<b>70,078</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79</b>	<b>320</b>	<b>70,477</b>
<b>Transaction with owners</b>								
Dividends paid (refer note 42)	(8,239)	-	-	-	-	-	-	(8,239)
<b>Balance as at 31 March 2023</b>	<b>3,95,092</b>	<b>59,550</b>	<b>9,655</b>	<b>82</b>	<b>77</b>	<b>2,125</b>	<b>327</b>	<b>4,66,908</b>
Profit for the year	59,586	-	-	-	-	-	-	59,586
<b>Other comprehensive income for the year:</b>								
Remeasurement of defined benefit obligations (net of tax)	15	-	-	-	-	-	-	15
Cash flow hedge reserve (net of tax)	-	-	-	-	-	-	(272)	(272)
Foreign currency translation reserve	(79)	-	-	-	-	78	-	(1)
<b>Total comprehensive income as at 31 March 2024</b>	<b>59,522</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78</b>	<b>(272)</b>	<b>59,328</b>
<b>Transaction with owners</b>								
Dividends paid (refer note 42)	(2,354)	-	-	-	-	-	-	(2,354)
Buy-back of equity shares (refer note 52)	-	(22,845)	(9,655)	-	65	-	-	(32,435)
Tax on of buy-back of equity shares (refer note 52)	-	(7,499)	-	-	-	-	-	(7,499)
Expenses for buy-back of equity shares (refer note 52)	-	(446)	-	-	-	-	-	(446)
<b>Balance as at 31 March 2024</b>	<b>4,52,260</b>	<b>28,760</b>	<b>-</b>	<b>82</b>	<b>142</b>	<b>2,203</b>	<b>55</b>	<b>4,83,502</b>

The accompanying notes form an integral part of these consolidated financials statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

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

Sd/  
**Nitin Toshniwal**  
Partner  
Membership No. 507568

Place : New Delhi  
Date : 20 May 2024

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

Sd/  
**Ashish Jain**  
Chief Financial Officer

Place : Noida  
Date : 20 May 2024

Sd/  
**Anoop Kumar Gupta**  
Joint Managing Director  
DIN-00030160

Sd/  
**Piyush Asija**  
Company Secretary  
Membership No.A21328

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

### 1. CORPORATE INFORMATION

KRBL Limited ('Holding Company') is a public limited company domiciled in India and was incorporated on 30 March 1993 under the provisions of the Companies Act applicable in India. The registered office of the Holding Company is located at 5190, Lahori Gate, Delhi 110006. The shares of the Holding Company are listed in India on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). The Holding Company's CIN: L01111DL1993PLC052845.

The Holding Company is world's leading basmati rice producer and has fully integrated operations in every aspect of basmati value chain, right from seed development, contact farming, procurement of paddy, storage, processing, packaging, branding and marketing. Among the many brands owned by the Holding Company "India Gate" is the flagship brand both in domestic and international markets.

The particulars of subsidiary companies, which are included in consolidation and the Holding Company's holding therein :-

Name of the subsidiaries	Country of incorporation	Percentage of holding as at 31 March 2024	Percentage of holding as at 31 March 2023
KRBL DMCC Group#	United Arab Emirates	100%	100%
K B Exports Private Limited	India	70%	70%

#Group comprise of a step down wholly owned subsidiary – KRBL LLC.

### 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the following basis:

#### (i) STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Act, (Ind AS compliant Schedule III).

#### (ii) BASIS OF PREPARATION

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets,

financial liabilities and net defined benefit plans that are measured at fair values as explained in relevant accounting policies. The accounting policies adopted are the same as those which were applied for the previous financial year.

#### Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is due to be settled within twelve months after the reporting period; or;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

These consolidated financial statements are presented in Indian rupees ('₹') which is also the Group's functional currency. All amounts have been rounded-off to the nearest lacs as per the requirements of Part II of Schedule III of the Act, unless otherwise indicated. These consolidated financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 20 May 2024.

#### (iii) BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries. Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed to, or has rights to the variable returns from its involvement with the investee and the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

- Exposure, or rights, to variable returns from its involvement with the investee, and;
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed-off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Group, i.e., financial year ended 31 March 2024.

### Consolidation procedure:

- The consolidated financial statements of the Group and its subsidiaries have been prepared in accordance with the Ind AS 110 'Consolidated Financial Statements' on a line-by-line basis by adding together the book values of like items of assets, liabilities, equity, income, expenses and cash flows after eliminating intra-group balances / transactions.
- The carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary is eliminated.

The results and financial position of all the subsidiaries are translated into the reporting currency as follows:

- Current assets and liabilities for each balance sheet date presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each income statement are translated at average exchange rates (unless average rate is not reasonable at the rates prevailing on the transaction dates, in such case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are accumulated in foreign currency translation reserve until the disposal of net investment.

Non-controlling interest share in net assets of 'the Group' is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Holding Company's shareholders.

### (IV) MATERIAL ACCOUNTING POLICIES:

#### a. Property, plant and equipment Recognition and initial measurement

Property, plant and equipment are stated at their cost net of accumulated depreciation and impairment losses, if any. Cost includes all incidental expenses relating to acquisition, installation and construction of property, plant and equipment. Freehold land is stated at original cost of acquisition.

Subsequent expenditures are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are generally charged to the statement of profit and loss during the reporting period in which they are incurred.

Property, plant and equipment which are not ready for intended use as on the date of balance sheet are disclosed as 'Capital work-in-progress'. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Such items are classified to the appropriate category of property, plant and equipment when completed and ready for their intended use. Advances given towards acquisition / construction of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under "Other non-current assets".

#### Depreciation on property, plant, and equipment

Depreciation on property, plant and equipment is provided on straight line method, in terms of useful life of the assets, as prescribed under Schedule II of the Act. Depreciation on additions/disposals is provided on a pro-rata basis i.e. from the date on which the asset is capitalized and till the date it was disposed-off. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

#### De-recognition

Any item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

the item and is recognized in the statement of profit and loss when the item is derecognized.

#### b. Investment property Recognition and initial measurement

Investment property is categorised as a property that is:

- held to earn rentals or for capital appreciation or both;
- not for sale in the ordinary course of business, or;
- not for use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at its cost, including related transaction costs less depreciation and impairment, if any. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

#### Depreciation on investment property

Depreciation on investment property is provided on the straight line method, in terms of the useful life prescribed under Schedule II of the Act.

#### c. Intangible assets Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets which are not ready for intended use as on the date of balance sheet are disclosed as "Intangible assets under development".

#### Subsequent measurement (amortization and useful lives)

The useful lives of intangible assets are assessed as finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed during each reporting period. Changes in the expected useful life or

the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

A summary of the policies applied to the Group's intangible assets are as follows:

Intangible assets	Life in years	Amortisation method used
Patents, trademark and design	10 years	Amortised on a straight-line basis over the useful life
Computer software	6 to 10 years	Amortised on a straight-line basis over the useful life

Goodwill is initially recognised based on the accounting policy for business combinations and is tested for impairment annually.

#### De-recognition

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or loss arising from the de recognition of an intangible asset, if any, is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the statement of profit and loss when the asset is derecognized.

#### d. Inventory Raw materials, stores and spares and packing materials

Raw material, stores and spares and packing materials are valued at lower of cost and net realizable value. Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and includes non-refundable taxes. Materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a moving weighted average basis. Obsolete, slow moving and defective inventories are identified at the time of physical verification and wherever necessary a provision is made.

#### Finished goods, by products and stock in trade

Finished goods are valued at lower of cost and net realisable value. Cost of inventories of finished goods includes cost of raw materials, direct and indirect overheads which are incurred to bring the inventories to their present location and condition.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

By-products are valued at net realisable value.

Stock in trade are valued at lower of cost and net realisable value. Cost of stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### e. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Group recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Group follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligations are satisfied.

A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as or when, the performance obligation is satisfied.

Revenue is measured on the basis of transaction price, which is the consideration, adjusted for volume discounts, rebates, schemes allowances, price concessions, incentives, amounts collected on behalf of government and returns, if any, as specified in the contracts with the customers. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

#### a) Sale of finished goods, by-products and stock-in-trade

As per Ind AS 115- 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 the contracts are fulfilled at the time

of dispatch, delivery or upon formal customer acceptance depending on terms with customers. Revenue from sale of goods is recognized when it transfers control of the product to a customer i.e. when customers are billed or when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. When payments received from the customers exceed revenue recognized to date on a particular contract, any excess (a contract liability) is reported in the balance sheet under other liabilities.

#### Satisfaction of performance obligations

The Group's revenue is derived from the single performance obligation to transfer primarily rice and other products under arrangements in which the transfer of control of the goods and the fulfillment of the Group's performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognized when the Group transfers control at the point in time the customer takes undisputed delivery of the goods. Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms.

No element of financing is deemed present as the sales are made with insignificant credit terms depending on the specific terms agreed with customers.

#### b) Revenue from electricity generation

Sale of energy is accounted for on basis of energy supplied.

#### c) Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable effective interest rate.

#### d) Rendering of services

Income from services rendered is recognised at a point in time based on agreements / arrangements with the customers when the services are performed and there are no unfulfilled obligations.

#### e) Dividend income

Dividend income is recognised when right to receive is established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

### f) Trade receivables

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. It represents the Group's right to an amount of consideration that is unconditional.

### f. Employee benefits

#### Short term employee benefits

Short term employee benefits that are expected to be settled wholly within twelve months from the end of the year. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees. These benefits include salaries, wages and bonus.

#### Defined contribution plan

Employee benefits in the form of contribution to Provident Fund managed by government authorities is considered as defined contribution plans and the same are charged to the statement of profit and loss for the year in which the employee renders the related service.

#### Defined benefit plan

The Group's gratuity scheme is considered as defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit ('PUC') Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs; and
- Net interest expense or income.
- Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling (if any), and the return on plan assets (excluding net interest), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

### Other long-term employee benefits

Compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss. Compensated absences, which are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are treated as short term employee benefits. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

### g. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### a) Financial assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument.

#### Initial recognition and measurement

On initial recognition, a financial asset is recognized at fair value. In case of financial assets which are recognised initially at fair value through profit and loss ('FVTPL') except for trade receivables without financing components which are measured at transaction price, its transaction cost is recognised in the Statement of Profit and Loss. In other cases, the transaction cost is attributed to the acquisition of the financial asset.

#### Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

- Financial assets carried at amortised cost
- Financial assets at fair value through other comprehensive income ('FVTOCI')
- Financial assets at fair value through profit or loss ('FVTPL')

#### Financial assets carried at amortised cost

A financial asset is subsequently measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold the asset in order for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

Payments of Principal and Interest ('SPPI') on the principal amount outstanding.

### Financial assets carried at FVTOCI

A financial asset is classified as at FVTOCI if both the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

### Financial assets carried at FVTPL

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorisation as amortised cost or as FVTOCI, is classified as FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

### Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit losses ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables;
- Financial assets measured at amortised cost (other than trade receivables);
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

### b) Financial liabilities

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, short term borrowings and derivative financial instruments.

### Classification

Financial liabilities are classified initially at initial recognition, as financial liabilities at FVTPL or at amortised cost, as appropriate.

### De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### e) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

### f) Hedge accounting

#### Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are recognised directly in the Statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Group hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the consolidated financial statements.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred

costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

### h. Leases

The Group 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 Group assesses whether:

- the contract involves the use of an identified asset;
- the Group has substantially all of the economic benefits from use of the asset through the period of the lease and;
- the Group has the right to direct the use of the asset.

#### Group as a lessee Right-of-use assets

At the date of commencement of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and low value leases.

The right-of-use assets are initially recognized 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. 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.

#### Lease liabilities

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 Group uses the incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability includes fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Group is reasonably certain to exercise.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit and loss.

The lease term comprises the non-cancellable lease term together with the period covered by extension options, if assessed as reasonably certain to be exercised, and termination options, if assessed as reasonably certain not to be exercised. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made.

Right-of-use asset and lease liability have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

### i. Foreign currency transactions and translations

The Group's consolidated financial statements are presented in (₹), which is the Group's functional currency.

In preparing the financial statements, transactions in currencies other than the Group's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the re-translation or settlement of monetary items are included in the statement of profit and loss for the period.

### j. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

#### Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'Profit before tax' as reported in the statement of profit and loss because of items of income and expense that are taxable or deductible in other years and items that are never taxable or deductible under Income Tax Act, 1961.

Current tax is measured using tax rates that have been by the end of the reporting period or amount expected to be recovered from or paid to taxation authorities.

The Group offsets current tax assets and current tax liabilities where it has a legally enforceable right exists to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

#### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profit will be available against which those deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefits of part or all of such deferred tax assets to be utilised.

Current and deferred tax are recognised as income or an expense in the statement of profit and loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax credit/charge are recognised in Other Comprehensive Income.

### k. Provisions and contingent liability

The Group recognizes a provision when a present obligation (legal or constructive) as a result of past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources economic benefits or the amount of such obligation cannot be reliably measured. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

### l. Government grants and subsidies

Government grants are recognized when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with.

### m. Cash and cash equivalents

Cash and cash equivalent in the balance sheet and for the purpose of consolidated statement of cash flows comprise cash at banks and on hand, short term deposits with an original maturity of three months or less and investment in liquid mutual funds that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

### n. Segment reporting

According to Ind AS 108, identification of operating segments is based on the approach of Chief Operating Decision Maker ('CODM') for making decisions about allocating resources to the segment and assessing its performance.

### Identification of segments:

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

Results of the operating segments are reviewed regularly by the management team (Chairman, Joint Managing Directors and Chief Financial Officer) which have been identified as CODM to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

### Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

### Unallocable items:

Expenses which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under 'Other unallocated expenditures'. Assets and liabilities, which relate to the Group as a whole and are not allocable to segments on reasonable basis, are shown as 'Unallocated assets' and 'Unallocated liabilities' respectively.

### o. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive.

### p. Dividend to shareholders

The Group recognises a liability to pay dividend to equity holders when the distribution is approved by the shareholders, and the distribution is no longer at the discretion of the Group. period in which the dividends are approved by the equity shareholders in the general meeting. A corresponding amount is recognised directly in equity.

## (V) USE OF JUDGEMENTS AND ESTIMATES

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues,

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### Defined benefit obligations

The cost of the defined benefit gratuity plan is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long-term nature of this plan, such estimates are subject to significant uncertainty.

### Useful life of property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss. The useful lives of the Group's assets are determined by management at the time the asset is acquired and reviewed at least annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### Classification of legal matters

The litigations and claims to which the Group is exposed to are assessed by management with assistance of the legal department and in certain cases with the support of external specialized lawyers. Determination of the outcome of these

matters into "Probable, Possible and Remote" require judgement and estimation on case to case basis.

### Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### Inventories

Management estimates the net realisable values of finished goods, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future market-driven changes that may reduce future selling prices.

### Discounts / rebate to customers

The Group provides discount and rebates on sales to certain customers. Revenue from these sales is recognised based on the price charged to the customer, net of the estimated pricing allowances, discounts, rebates, and other incentives. In certain cases, the amount of these discount and rebates are not determined until claims with appropriate evidence is presented by the customer to the Group, which may be some time after the date of sale. Accordingly, the Group estimates the amount of such incentives basis the terms of contract, incentive schemes, historical experience adjusted with the forward looking and the business forecast. Such estimates are subject to the estimation uncertainty.

## (VI) NEW AND AMENDED STANDARDS

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 April 2023:

### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

### Ind AS 1 – Presentation of Financial Statements

The amendments to Ind AS 1 provide guidance on applying materiality judgements to accounting policy disclosures. The

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's consolidated financial statements.

### Ind AS 12 – Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no

longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The above amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## (VII) AMENDMENTS NOT YET EFFECTIVE

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work-in-progress
<b>Gross carrying amount</b>								
Balance as at 31 March 2022	7,281	23,229	1,26,167	1,480	551	4,370	1,63,078	192
Additions for the year	1,964	421	1,136	106	116	287	4,030	1,546
Disposals/capitalised	-	(17)	(184)	(0)	(1)	(156)	(358)	(148)
<b>Balance as at 31 March 2023</b>	<b>9,245</b>	<b>23,633</b>	<b>1,27,119</b>	<b>1,586</b>	<b>666</b>	<b>4,501</b>	<b>1,66,750</b>	<b>1,590</b>
Additions for the year	1,367	2,058	4,274	66	28	610	8,403	1,107
Disposals/capitalised	(146)	-	(82)	(340)	(51)	(189)	(808)	(1,408)
<b>Balance as at 31 March 2024</b>	<b>10,466</b>	<b>25,691</b>	<b>1,31,311</b>	<b>1,312</b>	<b>643</b>	<b>4,922</b>	<b>1,74,345</b>	<b>1,289</b>
<b>Accumulated depreciation</b>								
Balance as at 31 March 2022	-	7,218	66,629	1,023	428	2,474	77,772	-
Additions for the year	-	704	5,063	112	38	366	6,283	-
Disposals	-	(6)	(141)	(0)	(1)	(141)	(289)	-
Foreign currency translation difference	-	-	-	0	0	0	0	-
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>7,916</b>	<b>71,551</b>	<b>1,135</b>	<b>465</b>	<b>2,699</b>	<b>83,766</b>	<b>-</b>
Additions for the year	-	704	5,141	110	47	361	6,363	-
Disposals	-	-	(68)	(323)	(49)	(169)	(609)	-
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>8,620</b>	<b>76,624</b>	<b>922</b>	<b>463</b>	<b>2,891</b>	<b>89,520</b>	<b>-</b>
<b>Net carrying amount</b>								
Balance as at 31 March 2023	9,245	15,716	55,568	451	201	1,803	82,984	1,590
<b>Balance as at 31 March 2024</b>	<b>10,466</b>	<b>17,070</b>	<b>54,687</b>	<b>390</b>	<b>180</b>	<b>2,031</b>	<b>84,824</b>	<b>1,289</b>

Notes:

**A Contractual obligations**

Refer note 46 B for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**B Property, plant and equipment pledged as security**

Refer note 22 for information on property, plant and equipment pledged as security by the Holding Company.

**C Capital work-in-progress mainly comprise of plant and machinery and buildings which are under installation/construction at the premises of the Group.**
**D The Group has adopted cost model for its property, plant and equipment. Therefore, no revaluation has been made of the property, plant and equipment.**
**E Figures below ₹ 50,000 have been rounded off to zero.**
**F Capital work-in-progress ageing schedule is as follows**

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress as at 31 March 2024	1,107	182	-	-	1,289
Project in progress as at 31 March 2023	1,546	44	-	-	1,590

There are no assets/projects forming part of work-in-progress which have become overdue compared to their initial projected completion timeline as at 31 March 2024 and 31 March 2023 respectively.

**G Refer note 46A(2) for the details of attached assets**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 4 LEASES

Particulars	Land	Buildings	Total
<b>Leases where the Group is a lessee</b>			
<b>A Right-of-use assets</b>			
<b>Gross carrying amount</b>			
Balance as at 31 March 2022	248	8,326	8,574
Additions for the year	-	4,766	4,766
Disposals (including termination and modification)	-	(3,811)	(3,811)
<b>Balance as at 31 March 2024</b>	<b>248</b>	<b>9,281</b>	<b>9,529</b>
Additions for the year	-	156	156
Disposals (including termination and modification)	-	(88)	(88)
<b>Balance as at 31 March 2023</b>	<b>248</b>	<b>9,349</b>	<b>9,597</b>
<b>Accumulated depreciation</b>			
Balance as at 31 March 2022	47	2,900	2,947
Additions for the year	20	1,436	1,456
Disposals (including termination and modification)	-	(222)	(222)
<b>Balance as at 31 March 2023</b>	<b>67</b>	<b>4,114</b>	<b>4,181</b>
Additions for the year	20	1,527	1,547
Disposals (including termination and modification)	-	(31)	(31)
<b>Balance as at 31 March 2024</b>	<b>87</b>	<b>5,610</b>	<b>5,697</b>
<b>Net carrying amount</b>			
Balance as at 31 March 2023	181	5,167	5,348
<b>Balance as at 31 March 2024</b>	<b>161</b>	<b>3,739</b>	<b>3,900</b>

B Lease liabilities	As at	As at
	31 March 2024	31 March 2023
Non-current	2,420	3,678
Current	1,332	1,186
	<b>3,752</b>	<b>4,864</b>

**C Lease related disclosures**

The Group has leases mainly for land and buildings. With the exception of short-term leases, each lease is reflected on the consolidated balance sheet as a right-of-use asset and a lease liability. There are no variable lease payments included in the agreement.

**D Extension and termination options**

Extension and termination options are included in all leases. These terms are used to maximise operational flexibility in terms of managing contracts.

**E Lease payments not included in measurement of lease liability**

The Group has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less). Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Amount of leases which are for short term of 12 months or less	567	507

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**F The following are amounts recognised in statement of profit and loss with respect to leasing arrangements:**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on right-of-use assets	1,516	1,234
Interest expense on lease liabilities	505	502

**G** Total cash outflow in respect of leases during the year amounting to ₹1,522 lacs (31 March 2023: ₹ 1,433 lacs).

**H Maturity of lease liabilities**

The lease liabilities are secured by the related underlying assets. The maturity analysis of lease liabilities are disclosed in note 43.

**5 INVESTMENT PROPERTY**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>A Building</b>		
<b>Gross carrying amount</b>		
Opening (refer note A below)	1,491	1,414
Foreign currency translation difference	-	77
<b>Balance at the end of the year</b>	<b>1,491</b>	<b>1,491</b>
<b>Accumulated depreciation</b>		
Opening	193	176
Additions for the year	18	17
<b>Balance at the end of the year</b>	<b>211</b>	<b>193</b>
<b>Net carrying amount at the end of the year</b>	<b>1,280</b>	<b>1,298</b>
<b>A</b> One of the subsidiary of the Group has building situated at Dubai, United Arab Emirates, which is classified as investment property.		
<b>B Amount recognized in the statement of profit and loss for investment property</b>		
Rental income derived from investment properties	113	164
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
<b>Profit arising from investment properties before depreciation</b>	<b>113</b>	<b>164</b>
Depreciation	18	17
<b>Profit arising from investment properties</b>	<b>95</b>	<b>147</b>
<b>C Fair value of investment property</b>	<b>1,982</b>	<b>1,982</b>

**D** The fair valuation is based on prices in the active market for similar properties. The main input used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in Gandhi Dham, Gujarat area. The valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair valuation measurement is categorised in Level 2 fair value hierarchy.

**E Lease related disclosures (Leases where the Group is a lessor)**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Rental income from operating leases	116	167

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**6 INTANGIBLE ASSETS**

Particulars	Patents, trademark and design	Computer softwares	Total	Intangible assets under development
<b>Gross carrying amount</b>				
<b>Balance as at 31 March 2022</b>	<b>59</b>	<b>395</b>	<b>454</b>	<b>43</b>
Additions	-	119	119	8
Capitalised	-	-	-	(43)
<b>Balance as at 31 March 2023</b>	<b>59</b>	<b>514</b>	<b>573</b>	<b>8</b>
Additions	-	37	37	3
Disposals	-	-	-	(8)
<b>Balance as at 31 March 2024</b>	<b>59</b>	<b>551</b>	<b>610</b>	<b>3</b>
<b>Accumulated amortisation</b>				
<b>Balance as at 31 March 2022</b>	<b>31</b>	<b>251</b>	<b>282</b>	-
Additions for the year	3	28	31	-
<b>Balance as at 31 March 2023</b>	<b>34</b>	<b>279</b>	<b>313</b>	-
Additions for the year	3	37	40	-
<b>Balance as at 31 March 2024</b>	<b>37</b>	<b>316</b>	<b>353</b>	-
<b>Net carrying amount</b>				
<b>Balance as at 31 March 2023</b>	<b>25</b>	<b>235</b>	<b>260</b>	<b>8</b>
<b>Balance as at 31 March 2024</b>	<b>22</b>	<b>235</b>	<b>257</b>	<b>3</b>

**NOTES :**
**A** Refer note 46 B for disclosure of contractual commitments for the acquisition of intangible assets.

**B** Intangible assets under development ageing schedule is as follows:

Particulars	Less than 1year	2 - 3 years	More than 3 years	Total
Project in progress as at 31 March 2024	3	-	-	3
Project in progress as at 31 March 2023	8	-	-	8

**C** There are no assets/projects forming part of intangible assets under development which have become overdue compared to their initial projected completion timeline as at 31 March 2024 and as 31 March 2023 respectively

**D** The Group has adopted cost model for its intangible assets. Therefore, no revaluation has been made of the intangible assets.

**7 LOANS**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-current (Unsecured, considered good unless otherwise stated)</b>		
Loan to employees	20	3
	<b>20</b>	<b>3</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 8 OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-current (Unsecured- considered good unless otherwise stated)</b>		
Security deposits <sup>1</sup>	1,172	1,038
Bank deposits with remaining maturity more than 12 months <sup>2</sup>	35	25
	<b>1,207</b>	<b>1,063</b>

**Notes:**

- The present value of the deposits given to the company in which director of Holding Company is a member: KRBL Infrastructure Limited (refer note 45)
- Liened as security issued to the various government authorities and other parties.

### 9 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(Unsecured- considered good unless otherwise stated)</b>		
Capital advances	1,016	424
Advances other than capital advances		
- Balance with statutory authorities(including taxes/duty paid under protest)	1,338	1,725
- Deposits with statutory authority [Refer note 46(A)(2)]	1,113	1,113
- Pre-payments	36	57
Income tax assets(net)	257	95
<b>Total (a)</b>	<b>3,760</b>	<b>3,414</b>
<b>(Unsecured- considered doubtful)</b>		
Capital advances	18	18
Advances other than capital advances		
- Balance with statutory authorities	2,449	2,075
<b>Total (b)</b>	<b>2,467</b>	<b>2,093</b>
Allowance for doubtful advances	(2,467)	(2,093)
	-	-
<b>Total (a+b)</b>	<b>3,760</b>	<b>3,414</b>

### 10 INVENTORIES

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	1,33,784	1,61,833
Finished goods <sup>1&amp;3</sup>	2,96,539	2,41,270
Stock-in-trade	1,054	1,918
Packing material, consumables and others	11,662	11,848
Stores and spares	2,032	1,758
	<b>4,45,071</b>	<b>4,18,627</b>

**Notes:**

- Includes goods in transit of ₹ 5,478 lacs (31 March 2023: ₹ 3,473 lacs).
- Refer note 29, 30 and 31 for consumption of inventory recorded by the Group during the year.
- The Group has recorded few class of finished goods at the net realisable value ('NRV'), as their realisable value is lower than the cost of production. The total NRV adjustments made in the value of such product ₹ 3,441 lacs (31 March 2023 : ₹ 2,580 lacs). This has been recognized as an expense during the year and included in 'changes in inventories of finished goods and stock-in-trade' in the consolidated statement of profit and loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 11 INVESTMENTS

#### CURRENT INVESTMENT CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS ('FVTPL')

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(a) Investments in equity instruments - quoted, fully paid-up</b>		
NHPC Limited	791	355
[8,82,712 equity shares of ₹ 10 each, (31 March 2023 - 8,82,712 equity shares)]		
Coal India Limited	332	163
[76,437 equity shares of ₹ 10 each, (31 March 2023 - 76,437 equity shares)]		
Power Grid Corporation of India Limited	530	324
[1,91,408 equity shares of ₹ 10 each, (31 March 2023 - 1,43,556 equity shares)]		
Shipping Corporation of India Limited	506	228
[2,42,265 equity shares of ₹ 10 each, (31 March 2023 - 2,42,265 equity shares)]		
Shipping Corporation of India Land & Assets Limited	97	-
[2,42,265 equity shares of ₹ 10 each, (31 March 2023 - Nil)]		
MOIL Limited	75	38
[26,993 equity shares of ₹ 10 each, (31 March 2023 - 26,993 equity shares)]		
Suzlon Energy Limited	3,252	580
[80,36,343 equity shares of ₹ 2 each, (31 March 2023 - 80,61,343 equity shares)]		
<b>(b) Investments in commercial papers</b>		
Aditya Birla Money Limited 91 Days Commercial Paper	5,917	0
[31 March 2024 - 1,200 units (31 March 2023 - Nil units)]		
<b>(c) Investments in mutual fund</b>		
SBI Overnight Fund Direct Growth	-	1,400
Nil units (31 March 2023 - 38,370 units)]		
	<b>11,500</b>	<b>3,088</b>
Aggregate amount of quoted investments at cost	7,061	2,588
Aggregate amount of quoted investments at market value	11,500	3,088

### 12 TRADE RECEIVABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good <sup>1</sup>	30,308	28,506
Unsecured, credit impaired	3,183	711
Allowance for credit impaired	(3,183)	(711)
	<b>30,308</b>	<b>28,506</b>

**Note:**

- As at reporting date, there are no dues from any private company or firm in which Holding Company's any director is a director or partner.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### TRADE RECEIVABLES AGEING SCHEDULE FOR THE YEAR ENDED 31 MARCH 2024

Particulars	Outstanding for the following periods from due date of receipt						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
- Un-disputed trade receivables	20,274	3,298	499	5,013	1,192	32	30,308
- Un-disputed credit impaired	-	-	-	2,472	687	24	3,183
	<b>20,274</b>	<b>3,298</b>	<b>499</b>	<b>7,485</b>	<b>1,879</b>	<b>56</b>	<b>33,491</b>
Allowance for credit impaired	-	-	-	(2,472)	(687)	(24)	(3183)
	<b>20,274</b>	<b>3,298</b>	<b>499</b>	<b>5,013</b>	<b>1,192</b>	<b>32</b>	<b>30,308</b>

### TRADE RECEIVABLES AGEING SCHEDULE FOR THE YEAR ENDED 31 MARCH 2023

Particulars	Outstanding for the following periods from due date of receipt						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
<b>Considered good</b>							
- Un-disputed trade receivables	15,121	10,224	970	1,770	397	24	28,506
- Un-disputed credit impaired	-	-	-	687	-	24	711
	<b>15,121</b>	<b>10,224</b>	<b>970</b>	<b>2,457</b>	<b>397</b>	<b>48</b>	<b>29,217</b>
Allowance for credit impaired	-	-	-	(687)	-	(24)	(711)
	<b>15,121</b>	<b>10,224</b>	<b>970</b>	<b>1,770</b>	<b>397</b>	<b>24</b>	<b>28,506</b>

### 13 CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2024	As at 31 March 2023
Balance with banks in current accounts <sup>1</sup>	2,432	2,818
Cash on hand	49	54
	<b>2,481</b>	<b>2,872</b>

1. There are no repatriation restrictions with regard to cash and cash equivalents as at the end of current and previous reporting date.

### 14 OTHER BANK BALANCES

Particulars	As at 31 March 2024	As at 31 March 2023
Unspent CSR amount on ongoing project (refer note 40)	475	1,803
Unclaimed dividends- earmarked balances with banks <sup>1</sup>	42	46
Bank deposits with original maturity more than 3 months and less than 12 months <sup>2</sup>	23	31
	<b>540</b>	<b>1,880</b>

#### Notes:

- These balances are not available for use by the Holding Company and not due for deposit in the Investor Education and Protection Fund.
- As at 31 March 2024, the deposits of ₹ 9 lacs (31 March 2023: ₹ 15 lacs) are restricted as they are held as margin money deposits against the facilities extended to the Group by bank.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 15 LOANS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
<b>(Unsecured- considered good unless otherwise stated)</b>		
Loan to employees	11	5
	<b>11</b>	<b>5</b>

### 16 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
<b>(Unsecured- considered good unless otherwise stated)</b>		
Security deposits	30	38
Income receivable	740	929
RODTEP receivable	723	1,039
Subsidies receivable	10	8
Derivative assets	65	433
	<b>1,568</b>	<b>2,447</b>

### 17 OTHER CURRENT ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(Unsecured- considered good unless otherwise stated)</b>		
Balance with statutory authorities	1,885	2,528
Advances to suppliers	1,061	579
Pre-payments	1,620	2,496
Other receivables	102	78
<b>(Unsecured- considered doubtful)</b>		
Advances to suppliers	100	100
Allowance for doubtful advances	(100)	(100)
	<b>4,668</b>	<b>5,681</b>

### 18 EQUITY SHARE CAPITAL

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Authorised</b>		
30,00,00,000 (31 March 2023 - 30,00,00,000) equity shares of ₹ 1 each	3,000	3,000
<b>Issued and subscribed<sup>1</sup></b>		
22,97,44,892 (31 March 2023 - 23,62,44,892) equity shares of ₹ 1 each	2,297	2,362
<b>Fully paid-up<sup>1</sup></b>		
22,88,89,892 (31 March 2023 - 23,53,89,892) equity shares of ₹ 1 each	2,289	2,354

#### Note:

- Difference between the issued and subscribed and paid up share capital represents the shares forfeited by the Company in the preceding years.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning of the year	23,53,89,892	2,354	23,53,89,892	2,354
Share extinguished on buy back	(65,00,000)	(65)	-	-
Equity shares at the end of the year	22,88,89,892	2,289	23,53,89,892	2,354

**b) Terms/ rights attached to ordinary equity shares**

The Holding Company has only one class of equity shares having a face value of ₹ 1 per share. Each holder of equity shares is entitled to have one vote per share. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of shareholders holding more than 5% shares in the Company**

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% of holding	No. of shares	% of holding
Anil Mittal Family Trust	4,23,94,094	18.52%	4,34,59,796	18.46%
Arun Kumar Gupta Family Trust	4,11,72,652	17.99%	4,22,07,646	17.93%
Anoop Kumar Gupta Family Trust	3,78,96,693	16.56%	3,88,49,338	16.50%
Reliance Commodities DMCC	2,04,73,692	8.94%	2,29,00,000	9.73%
Joint Director of Enforcement, Central region [refer note 46(C)]	1,43,33,221	6.26%	1,43,33,221	6.09%

**d) Disclosure of promoter's shareholding :**

Name of the promoters	As at 31 March 2024			As at 31 March 2023		
	No. of shares held	% of total shares	% of change	No. of shares held	% of total shares	% of change
Anil Mittal Family Trust	4,23,94,094	18.52%	0.06%	4,34,59,796	18.46%	0.06%
Arun Kumar Gupta Family Trust	4,11,72,652	17.99%	0.06%	4,22,07,646	17.93%	0.06%
Anoop Kumar Gupta Family Trust	3,78,96,693	16.56%	0.06%	3,88,49,338	16.50%	-
Binita Gupta Family Trust	8,91,520	0.39%	0.00%	9,13,932	0.39%	0.06%
Anil Kumar Mittal, Karta of Anil Kumar Mittal HUF	35,11,625	1.53%	0.00%	35,99,900	1.53%	-
Arun Kumar Gupta, Karta of Arun Kumar Gupta HUF	47,30,975	2.07%	0.01%	48,49,900	2.06%	-
Anoop Kumar Gupta, Karta of Anoop Kumar Gupta HUF	71,20,895	3.11%	0.01%	72,99,900	3.10%	-
Anil Kumar Mittal	100	0.00%	0.00%	100	0.00%	-
Arun Kumar Gupta	100	0.00%	0.00%	100	0.00%	-
Anoop Kumar Gupta	100	0.00%	0.00%	100	0.00%	-
Priyanka Mittal	100	0.00%	0.00%	100	0.00%	-
Ashish Mittal	100	0.00%	0.00%	100	0.00%	-
Kunal Gupta	184	0.00%	0.00%	184	0.00%	-
Akshay Gupta	100	0.00%	0.00%	100	0.00%	-
Ayush Gupta	100	0.00%	0.00%	100	0.00%	-
Preeti Mittal	100	0.00%	0.00%	100	0.00%	-
Anulika Gupta	100	0.00%	0.00%	100	0.00%	-
Binita Gupta	100	0.00%	0.00%	100	0.00%	-
Neha Gupta	100	0.00%	0.00%	100	0.00%	-
Rashi Gupta	100	0.00%	0.00%	100	0.00%	-
	<b>13,77,19,838</b>	<b>60.17%</b>	<b>0.19%</b>	<b>14,11,81,796</b>	<b>59.98%</b>	<b>0.18%</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**e) Shares reserved for issue under option**

The Company has not reserved any shares for issuance under options.

**f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

No bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

The Holding Company bought back 65,00,000 equity shares for an aggregate amount of ₹ 32,500 lacs being 2.76% of the total paid up equity share capital at ₹ 500 per equity share. The equity shares bought back were extinguished on 20 September 2023. Refer note 52 for further details.

**19 OTHER EQUITY**

Particulars	As at 31 March 2024	As at 31 March 2023
Retained earnings	4,52,260	3,95,092
General reserve	28,760	59,550
Securities premium reserve	-	9,655
Capital reserve	82	82
Capital redemption reserve	142	77
Cash flow hedge reserve	55	327
Foreign currency translation reserve	2,203	2,125
	<b>4,83,502</b>	<b>4,66,908</b>

**DESCRIPTION AND PURPOSE OF RESERVES:**
**(i) Retained earnings**

Retained earnings are the profits that Holding Company has earned till date less transfers to general reserve dividends or other distributions paid to shareholders. It includes re-measurement loss / (gain) on defined benefit plans (net of taxes) that will not be reclassified to the statement of profit and loss.

**(ii) General reserve**

The Holding Company has transferred a portion of the net profit of the Holding Company to general reserve from time to time and it is not the item of other comprehensive income. Also the Holding Company has earlier forfeited the partly paid equity shares with the requisite approvals. The amount originally received against forfeited shares is also included in the general reserve. The amount is to be utilised in accordance with the provision of the Companies Act, 2013.

**(iii) Securities premium reserve**

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

**(iv) Capital reserve**

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

**(v) Capital redemption reserve**

The Holding Company has recognised capital redemption reserve on buy-back of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back. The balance will be utilised in accordance with the provisions of the Companies Act, 2013.

**(vi) Cash flow hedge reserve**

The cash flow reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### (vii) Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the subsidiaries foreign operations from their functional currencies to the Holding Company presentation currency i.e ₹ 78 lacs is recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to Consolidated Statement of Profit and Loss on the disposal of the foreign operation.

## 20 PROVISIONS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-current provision for employee benefits</b>		
Provision for compensated absences (refer note 39 C)	1,368	863
	<b>1,368</b>	<b>863</b>

## 21 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax liabilities</b>		
Property, plant and equipment, investment property and other intangible assets	12,303	12,980
Right to use assets	857	1,211
Fair value of financial assets	503	-
Cash flow hedge reserve	16	108
<b>Total (a)</b>	<b>13,679</b>	<b>14,299</b>
<b>Deferred tax assets</b>		
Lease liabilities	944	1,229
Provision for employee benefit expenses	393	258
Allowances for doubtful debts and advances	1,207	491
Security deposits	48	68
<b>Total (b)</b>	<b>2,592</b>	<b>2,046</b>
<b>Net (a-b)</b>	<b>11,087</b>	<b>12,253</b>

Note: Refer note 38C for the movement in deferred tax.

## 22 BORROWINGS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
<b>Secured</b>		
Working capital facilities from bank		
- Rupee loan (refer note A & B below)	46,000	13,800
<b>Unsecured</b>		
Loans from related parties (refer note C below)	4,705	6,336
	<b>50,705</b>	<b>20,136</b>

### A DETAILS OF SECURITY OF CURRENT BORROWINGS

The Holding Company has executed deed of hypothecation in favour of SBICAP Trustee Company Limited (acting as Security Trustee) and created mortgage on its movable and immovable properties located at various locations vide memorandum of entries for an amount of ₹ 1,55,500 lacs (31 March 2023 : ₹ 1,55,500 lacs) in the form of loan and other facilities sanctioned by banks under consortium.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

For the Working facility:

1. First pari-passu charge on the whole of the current assets of the Holding Company including but not limited to, the, stocks of raw materials, stocks in process, semi-finished and finished goods, manufacturing and packaging supplies, (consumable stores and spares, cash equivalents, temporary investments, bills receivable, operating cash flows, commissions, revenues, book debts, receivables, other receivables, etc. both present and future.
2. Second pari-passu hypothecation charge on all rights, title, interest and benefit in all and singular, the Holding Company's movable assets including but not limited to movable plant and machinery, furniture and fixtures, and tangible and intangible assets, including, but not limited to tangible assets such as foundation, buildings, substructures and superstructures, equipment, both present and future.
3. Second pari-passu charge on the entire immovable fixed assets of the Holding Company, both present and future (except immovable fixed assets of the Holding Company situated at Maharashtra and Madhya Pradesh).
4. Holding Company has undertaken not to sell, transfer, assign, dispose of, mortgage, charge, pledge or create any lien or in any way encumber any of its Immovable Properties situated at Maharashtra and Madhya Pradesh."

Further, the current borrowings of the Holding Company are also secured vide the personal guarantees of Mr Anil Kumar Mittal, Mr Arun Kumar Gupta, Mr Anoop Kumar Gupta and Mr. Ashish Mittal (the liability of Mr. Ashish Mittal shall be limited only to the extent of the immovable properties mortgaged by him in favour of the security trustee for the benefit of working capital lenders).

### B DETAILS OF REPAYMENT OF THE CURRENT BORROWINGS

**Secured:**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(i) Short-term working capital loan from banks</b>		
The Holding Company has obtained short-term working capital loan from consortium banks. The facilities carries interest at 91 days Treasury Bills rate / MCLR along with spread ( total interest rate 7.25% p.a to 7.27 % p.a ) of respective banks.	46,000	13,800

### C UNSECURED:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Loans from related parties</b>		
The Group has obtained loans from directors, sourced from their own funds, which are interest free and repayable on demand (refer Note 45)	4,705	6,336

### D ASSETS PLEDGED AS SECURITY AGAINST BORROWINGS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-current assets</b>		
First charge		
Property, plant and equipment	84,533	82,690
Capital work-in-progress	1,289	1,590
Investment property	294	312
Intangible assets	257	260
Intangible assets under development	3	8
<b>Total non-current assets pledged as security</b>	<b>86,376</b>	<b>84,860</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Current assets</b>		
<b>First charge</b>		
Pari-passu		
Inventories	4,45,071	4,18,627
Financial assets (current and non-current)	47,936	40,221
Other assets (current and non-current)	8,421	9,086
<b>Total current assets pledged as security</b>	<b>5,01,428</b>	<b>4,67,934</b>
<b>Total assets pledged as security</b>	<b>5,87,804</b>	<b>5,52,794</b>

### E OTHER LOAN COVENANTS

- The Holding Company has filed the statements of current assets with the consortium lenders in accordance with the terms of the sanction letters which are in agreement with the books of accounts.
- The Holding Company has utilised the short-term working capital loan obtained from the consortium lenders for its intended purpose only during the current financial year.

### 23 TRADE PAYABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding due of micro enterprises and small enterprises	1,405	1,814
Total outstanding due of creditors other than micro enterprises and small enterprises	9,626	10,159
	<b>11,031</b>	<b>11,973</b>

#### NOTES:

Detail of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006'), to the extent the company has received intimation from the 'supplier' regarding their status under the MSMED Act, 2006

Particulars	As at 31 March 2024	As at 31 March 2023
(i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year	1,405	1,814
Principal amount remaining unpaid* and		
Interest accrued and remaining unpaid	-	-
(ii) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
	<b>1,405</b>	<b>1,814</b>

\* According to the records of the Group, there are no overdue principal amount/interest payable for delayed payment to such vendors at the balance sheet date. the amount payable to micro and small enterprises does not include any amount due for period more than the stipulated time prescribed under the MSMED Act, 2006.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### Trade payables ageing schedule for the year ended 31 March 2024

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
<b>Un-disputed</b>						
- Total outstanding due of micro enterprises and small enterprises	1,405	-	-	-	-	1,405
- Total outstanding due of creditors other than micro enterprises and small enterprises	8,011	1,488	114	4	9	9,626
	<b>9,416</b>	<b>1,488</b>	<b>114</b>	<b>4</b>	<b>9</b>	<b>11,031</b>

### Trade payables ageing schedule for the year ended 31 March 2023

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
<b>Un-disputed</b>						
- Total outstanding due of micro enterprises and small enterprises	1,814	-	-	-	-	1,814
- Total outstanding due of creditors other than micro enterprises and small enterprises	8,839	1,156	82	10	72	10,159
	<b>10,653</b>	<b>1,156</b>	<b>82</b>	<b>10</b>	<b>72</b>	<b>11,973</b>

### 24 OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	202	48
Employees related payables	1,527	1,210
Expenses payable	23,137	27,141
Security deposits	68	36
Unclaimed dividend <sup>1</sup>	42	46
	<b>24,976</b>	<b>28,481</b>

#### Note:

<sup>1</sup> The amount is not due for transfer to Investor Education and Protection Fund.

### 25 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from customer (refer note 37D)	2,091	9,877
Statutory dues payable	1,383	892
	<b>3,474</b>	<b>10,769</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 26 PROVISIONS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Current provision for employee benefits</b>		
Provision for gratuity (refer note 39B)	236	240
Provision for compensated absences (refer note 39C)	194	161
	<b>430</b>	<b>401</b>

### 27 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Revenue from sale of finished goods</b>		
Export	1,33,122	1,91,284
Domestic	3,90,973	3,31,023
<b>B Revenue from sale of stock in trade</b>		
Domestic	2,155	2,225
<b>C Sale of electricity</b>		
Domestic	10,204	9,560
<b>D Other operating revenues</b>		
Income from subsidies <sup>1</sup>	242	77
RODTEP income	1,192	1,841
Liquidated damages received <sup>2</sup>	92	22
Scrap sales	489	442
	<b>5,38,469</b>	<b>5,36,474</b>

**Notes:**

- It includes Generation Based Incentive ('GBI') of ₹ 34 lacs (31 March 2023: ₹ 77 lacs) and sale of Duty Free Import Authorisation ("DFIA") Licence sale of ₹207 lacs (31 March 2023: Nil). The Group has complied all the attached condition.
- Liquidated damages received by the Group from its vendor for non execution of contract terms.
- Refer note 37, for disaggregation of revenue from operations and other disclosures.

### 28 OTHER INCOME

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Interest income on</b>		
- financial assets carried at amortised cost	3,350	3,279
- refund of deposits with statutory authorities under protest	347	4,406
Dividend income	60	55
<b>Other non-operating income</b>		
- Rental income <sup>1</sup>	116	167
- Net gain on redemption and FVTPL <sup>2</sup>	4,595	434
- Net gain on foreign currency transaction and translation	930	-
- Net gain on sale of property, plant and equipment	-	-
Liabilities/provisions no longer required written back	186	110
Gain on modification/termination of lease	1	530
Other	111	297
	<b>9,696</b>	<b>9,278</b>

**Notes:**

- This includes rental income derived from investment properties for ₹ 113 lacs (31 March 2023: ₹ 164 lacs) (refer note 5).
- This includes net gain on fair value changes for ₹ 3,897 lacs (31 March 2023: ₹ 12 lacs). Refer note 11 for details of investments classified at fair value through profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 29 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Paddy	3,17,902	2,48,910
Semi finished rice	1,17,955	1,64,489
Packing and other consumables	17,996	23,377
	<b>4,53,853</b>	<b>4,36,776</b>

### 30 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Seeds	544	1,399
Wheat	-	1,685
	<b>544</b>	<b>3,084</b>

### 31 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Opening stock</b>		
Finished goods	2,41,270	1,81,346
Stock-in-trade	1,918	472
	<b>2,43,188</b>	<b>1,81,818</b>
<b>B Closing stock</b>		
Finished goods	2,96,539	2,41,270
Stock-in-trade	1,054	1,918
	<b>2,97,593</b>	<b>2,43,188</b>
	<b>(54,405)</b>	<b>(61,370)</b>

### 32 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries wages and bonus	13,569	10,684
Contribution to provident and other funds (refer note 39A and 39 D)	839	706
Gratuity (refer note 39 B)	256	212
Staff welfare expenses	221	152
	<b>14,885</b>	<b>11,754</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 33 FINANCE COSTS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Interest expense on-</b>		
- working capital facilities	1,952	798
- lease liabilities	319	502
- rupee term loans	-	14
- others	38	40
Other borrowing costs	101	120
	<b>2,410</b>	<b>1,474</b>

### 34 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 3)	6,363	6,283
Depreciation on right-of-use assets (refer note 4)	1,516	1,234
Depreciation on investment property (refer note 5)	18	17
Amortisation on intangible assets (refer note 6)	40	31
	<b>7,937</b>	<b>7,565</b>

### 35 OTHER EXPENSES

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel	2,645	1,816
Consumption of stores and spares	831	815
<b>Repairs and maintenance:-</b>		
- Machinery	3,374	2,949
- Buildings	391	374
- Others	112	107
Fumigation	670	657
Freight inward	1,773	1,938
Travelling and conveyance	1,049	776
Communication expense	82	87
Rent (refer note 4)	567	507
Director sitting fees	19	23
Legal and professional expense	712	638
Auditors remuneration	78	64
Fees, rates and taxes	3,648	3,433
Vehicle running and maintenance	263	268
Insurance	1,773	2,077
Printing and stationery	163	143
Testing and inspection	205	749
Donation and charity	102	66
Clearing, forwarding and freight charges	7,210	20,438
Sales and business promotion	466	348
Handing & Service Charges for Sales	330	151

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Advertisement	8,096	7,521
Meeting and seminar expense	460	22
Commission and brokerage	1,471	1,242
Corporate social responsibility expenses (refer note 40)	1,531	1,413
Security service charges	371	357
Sub-contractual expense	1,263	965
Net loss on foreign currency transactions	-	748
Balances written off	192	-
Provision for doubtful debts and advances	2,846	1,060
Net loss on sale/discard of property, plant and equipment	3	46
Miscellaneous expenses	667	553
	<b>43,363</b>	<b>52,351</b>

### A RESEARCH AND DEVELOPMENT EXPENDITURE

Revenue expenditure	663	598
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### 36 EARNINGS PER SHARE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit attributable to equity shareholders	59,586	70,098
Numbers of weighted average equity share outstanding at the year end	23,19,44,537	23,53,89,892
Nominal value per share (in ₹)	1.00	1.00
<b>Basic/Diluted earnings per share (in ₹)</b>	<b>25.69</b>	<b>29.78</b>

### 37 DISAGGREGATION OF REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Revenues by offerings</b>		
<b>(i) Sale of goods</b>		
- Rice	5,02,089	4,98,306
- Seeds and wheat	2,155	2,225
- Quinoa and others	2,463	2,338
- Spices	81	-
<b>(ii) Other products</b>		
- Furfural alcohol	37	349
- Bran oil	8,803	9,610
- Furfural oil	869	1,840
- De-oiled cake	6,601	6,587
- Other by-products	3,152	2,959
- Glucose	-	318
	<b>5,26,250</b>	<b>5,24,532</b>
(iii) Sale of electricity	10,204	9,560
(iv) Sale of scrap and other items	489	442
(v) Income from subsidies and others	1,526	1,940
<b>Total</b>	<b>5,38,469</b>	<b>5,36,474</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>B Reconciliation of revenue from operations with the contracted price</b>		
Contracted price	5,45,558	5,58,313
Less: Trade discounts, volume rebates, etc	7,089	21,839
<b>Revenue from operations</b>	<b>5,38,469</b>	<b>5,36,474</b>
<b>C Contract balances</b>		
- Contract assets <sup>1</sup>	714	573
- Contract liabilities <sup>2</sup>	2,091	9,877

**Notes:**

- The contract assets are in form of receivables, which are included in income receivable, primarily relate to the Group rights to consideration for power sold to the customers but not billed at the reporting date. The contract assets are transferred to receivables when it will be billed subsequently.
- The contract liabilities are in form advance received from customer for which the obligation of supply of goods/service is not completed at the year end.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>D Movement in contract assets and contract liabilities</b>		
<b>Opening balance of contract liabilities</b>	9,877	2,850
Addition in balance of contract liabilities for current year	2,091	9,877
Amount of revenue recognised against opening contract liabilities	9,877	2,850
<b>Closing balance of contract liabilities</b>	<b>2,091</b>	<b>9,877</b>
<b>Opening balance of contract assets</b>	573	712
Addition in balance of contract assets for current year	714	573
Amount of billing recognised against opening contract assets	573	712
<b>Closing balance of contract assets</b>	<b>714</b>	<b>573</b>

### 38 TAX EXPENSE

#### A RECONCILIATION OF EFFECTIVE TAX RATE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Profit before tax</b>	<b>79,578</b>	<b>94,118</b>
Add: Profit from foreign operation not taxable	41	30
<b>Taxable profit</b>	<b>79,537</b>	<b>94,088</b>
<b>Enacted income tax rate applicable to the Holding Company</b>	<b>25.17%</b>	<b>25.17%</b>
Expected tax expenses	20,018	23,680
<b>Tax effect of:</b>		
Differential tax rate	(535)	-
Non deductible expenses (net)	472	372
Impact of earlier years	58	-
Non taxable Income	(44)	(45)
Others	23	13
<b>Total income tax expense in the Statement of Profit and Loss</b>	<b>19,992</b>	<b>24,020</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

#### B THE MAJOR COMPONENTS OF INCOME TAX EXPENSE ARE AS BELOW:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax	21,066	24,890
Deferred tax credit	(1,074)	(870)
	<b>19,992</b>	<b>24,020</b>
<b>Other comprehensive income</b>		
Tax expense on the items recognised in other comprehensive income during the year		
Remeasurement of defined benefit plans	(5)	8
Cash flow hedge reserve	92	(108)
	<b>87</b>	<b>(100)</b>

#### C MOVEMENT OF DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES FOR THE YEAR ENDED:

Particulars	Balance as at 1 April 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance as at 31 March 2024
<b>Deferred tax liabilities</b>				
Property, plant and equipment and intangible assets	12,980	(677)	-	12,303
Right-of-use assets	1,211	(354)	-	857
Fair value of financial assets	-	503	-	503
Cash flow hedge reserve	108	-	(92)	16
<b>Total (a)</b>	<b>14,299</b>	<b>(528)</b>	<b>(92)</b>	<b>13,679</b>
<b>Deferred tax assets</b>				
Lease Liabilities	1,229	(285)	-	944
Provision for employee benefits	258	135	-	393
Allowances for doubtful debts and advances	491	716	-	1,207
Security deposits	68	(20)	-	48
<b>Total (b)</b>	<b>2,046</b>	<b>546</b>	<b>-</b>	<b>2,592</b>
<b>Net (a-b)</b>	<b>12,253</b>	<b>(1,074)</b>	<b>(92)</b>	<b>11,087</b>

Particulars	Balance as at 1 April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance as at 31 March 2023
<b>Deferred tax liabilities</b>				
Property, plant and equipment and intangible assets	13,688	(708)	-	12,980
Right-of-use assets	1,271	(60)	-	1,211
Cash flow hedge reserve	-	-	108	108
<b>Total (a)</b>	<b>14,959</b>	<b>(768)</b>	<b>108</b>	<b>14,299</b>
<b>Deferred tax assets</b>				
<b>Lease Liabilities</b>	1,404	(175)	-	1,229
Provision for employee benefits	277	(19)	-	258
Allowances for doubtful debts and advances	224	267	-	491
Security deposits	39	29	-	68
<b>Total (b)</b>	<b>1,944</b>	<b>102</b>	<b>-</b>	<b>2,046</b>
<b>Net (a-b)</b>	<b>13,015</b>	<b>(870)</b>	<b>108</b>	<b>12,253</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 39 EMPLOYEE BENEFIT OBLIGATIONS

#### A DEFINED CONTRIBUTION PLANS

Particulars	As at 31 March 2024	As at 31 March 2023
Employer's contribution to provident fund	679	558

#### B DEFINED BENEFIT PLANS

##### Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Group provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Group contributes the ascertained liability to Kotak Mahindra Life Insurance Company Limited with whom the plan assets are maintained.

##### Policy for recognizing actuarial gains and losses:

Actuarial gains and losses of defined benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognized in other comprehensive income. Risks associated with the plan provisions are actuarial risks. These risk are investment risk, interest rate risk, mortality risk and salary risk.

##### Interest rate risk

A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

##### Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

##### Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

##### Salary increase risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

##### Concentration risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

The following table sets out the funded status and the amount recognised in the Company's standalone financial statements:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>a. Amounts to be recognised</b>		
Present value of obligation	2,547	2,160
Fair value of plan assets	(2,311)	(1,920)
<b>Net present value of defined benefit obligation</b>	<b>236</b>	<b>240</b>
<b>b. Changes in present value of defined benefit obligation:</b>		
Balance at the beginning of the year	2,160	1,945
Current service cost	238	205
Interest cost	161	141
Remeasurement actuarial (gain)/loss		
- due to change financial assumptions	77	(43)
- due to change experience	51	(4)
Benefits paid	(140)	(84)
<b>Balance at the end of the year</b>	<b>2,547</b>	<b>2,160</b>
<b>c. Change in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	1,920	1,845
Expected return on plan assets	143	134
Contributions made	240	100
Benefits paid	(140)	(84)
Return on plan assets, excluding interest income	148	(75)
<b>Fair value of plan assets at the end of the year</b>	<b>2,311</b>	<b>1,920</b>
<b>d. Expenses recognized in Statement of profit and loss</b>		
Current service cost	238	205
Interest expense (net)	18	7
	<b>256</b>	<b>212</b>
<b>e. Recognized in other comprehensive income</b>		
Remeasurements-actuarial loss/gain on obligation for the period	128	(47)
Return on plan assets, excluding interest income	(148)	75
<b>Net loss/gain during the period</b>	<b>(20)</b>	<b>28</b>
<b>f. Actuarial assumptions</b>		
Discount rate	7.21%	7.49%
Expected rate of return on plan assets	7.21%	7.49%
Expected rate of increase in compensation levels	7.00%	7.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
	60 Years	60 Years
Retirement Age		
Attrition / Withdrawal rates	2%	2%
<b>g. Investment details</b>		
Insurance fund	2,311	1,920
<b>h.</b>		
The Group expects to contribute ₹ 525 lacs to gratuity fund in the next financial year.		

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>i. Sensitivity analysis</b>		
Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
- <b>Impact of increase by 1%</b>		
Discount rate	(258)	(219)
Salary increase	284	241
Employee turnover rate	8	15
- <b>Impact of decrease by 1%</b>		
Discount rate	306	260
Salary increase	(245)	(207)
Employee turnover rate	(10)	(17)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant and may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of another as some of the assumption may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the balance sheet date, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Particulars	As at 31 March 2024	As at 31 March 2023
<b>j. Maturity profile of defined benefit obligation</b>		
Within next 12 months	133	171
Between 1-5 years	507	369
Beyond 5 years	6,249	5,623
<b>k. Weighted average duration of the defined benefit obligation</b>	13	13
<b>l. During the year, there were no plan amendments, curtailments and settlements.</b>		

### C OTHER LONG TERM BENEFIT PLANS

Other long-term benefit plans represents the compensated absences provided to the employees of the Group.

Particulars	As at 31 March 2024	As at 31 March 2023
<b>a. Amounts to be recognised</b>		
Current liability	194	161
Non-current liability	1,368	863
<b>b. Changes in present value of other long term benefit plans:</b>		
Balance at the beginning of the year	1,024	1,103
Current service cost	132	102
Interest cost	76	80
Remeasurement actuarial (gain)/loss		
- due to change financial assumptions	42	(18)
- due to change experience	445	(116)
Benefits paid	(158)	(127)
<b>Balance at the end of the year</b>	<b>1,561</b>	<b>1,024</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>c. Expenses recognised in Statement of Profit and Loss</b>		
Current service cost	132	102
Interest cost	76	80
Remeasurement actuarial loss	487	(134)
<b>Expense for the year ended</b>	<b>695</b>	<b>48</b>
<b>D EMPLOYER'S CONTRIBUTION TO EMPLOYEE STATE INSURANCE CORPORATION</b>	80	82

### 40 CORPORATE SOCIAL RESPONSIBILITY ('CSR')

In accordance with the provisions of section 135 of the Companies Act, 2013, the Group shall ensure spend of at least two percent of its average net profits made during the three immediately preceding financial years in pursuance of its CSR policy. Basis the recommendation of CSR committee, the Board of Directors of the Group had approved various 'Ongoing' and 'Other than Ongoing' projects for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. Details of the same as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Total CSR expense spent during the year</b>	8	34
Accrual towards unspent obligation in relation to ongoing projects	1523	1,248
<b>Total</b>	<b>1,531</b>	<b>1,282</b>
Carried forward from previous financial year	-	131
<b>Amount recognised in the statement of profit and loss</b>	<b>1,531</b>	<b>1,413</b>
Gross amount required to be spent during the year	1,531	1,413
Amount approved by the Board to be spent during the year	1,531	1,413
Amount spent during the year on other than ongoing projects	5	10
Amount spent during the year on ongoing projects	3	24
Related party transactions in relation to corporate social responsibility (refer note 45)	-	1,224

### A DETAILS OF ONGOING CSR PROJECTS UNDER SECTION 135(6) OF THE COMPANIES ACT, 2013:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Opening balance at the beginning of the year</b>		
With the Company	1,248	1,183
In Separate CSR Unspent account	1,803	1,130
Gross amount required to be spent during the year	1,531	1,413
<b>Amount spent during the year from</b>		
From Company's bank account	8	34
From Separate CSR unspent account	2,576	641
Amount deposited in specified fund of Schedule VII of the Act	-	-
<b>Closing balance at the end of the year</b>		
With the Company*	1,523	1,248
In separate unspent CSR account	475	1,803
*Amount transferred to separate unspent CSR Account	1,523	1,248

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### B DETAILS OF CSR EXPENDITURE UNDER SECTION 135(5) OF THE ACT IN RESPECT OF UNSPENT AMOUNT FOR OTHER THAN ONGOING PROJECTS:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Opening unspent balance</b>	-	-
Amount required to be spent during the year	5	10
Amount spent during the year	5	10
Amount deposited in specified fund of Schedule VII of the Act	-	-
<b>Closing unspent balance</b>	-	-

### 41 CAPITAL MANAGEMENT

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence. The Group monitors capital using a ratio of "Net Debt" to "Total Equity". For this purpose, Net Debt is defined as total borrowings less cash and cash equivalents. Total equity comprises of equity share capital and other equity. The Group is not subject to any externally imposed capital requirements. During the year, no significant changes were made in the objectives, policies or processes relating to the management of the Group's capital structure.

#### THE GROUP'S NET DEBT TO TOTAL EQUITY RATIO IS AS FOLLOWS:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Current borrowings<sup>1</sup></b>	50,705	20,136
Less: Cash and cash equivalents <sup>2</sup>	(2,481)	(4,272)
<b>Net debt</b>	<b>48,224</b>	<b>15,864</b>
Equity share capital	2,289	2,354
Other equity	4,83,502	4,66,908
<b>Total equity</b>	<b>4,85,791</b>	<b>4,69,262</b>
<b>Net debt to total equity ratio</b>	<b>0.10</b>	<b>0.03</b>

#### Notes:

- Borrowings does not includes lease liabilities.
- It comprise of cash and cash equivalents and investment in mutual funds for ₹ Nil lacs and ₹ 1,400 lacs for the year ended 31 March 2024 and 31 March 2023 respectively.

### 42 DIVIDENDS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Dividend declared and paid during the year</b>		
Final dividend for the financial year ended 31 March 2023: ₹ 1.00 per share (For the year ended 31 March 2022 : ₹ 3.50 per share)	2,354	8,239
<b>B Proposed dividends on equity shares not recognised as liability*</b>		
Final dividend recommended by the board of directors for the year ended 31 March 2024 : ₹ 4.00 per share (31 March 2023: ₹ Nil per share).	9,156	-
<b>C Remittance in foreign currency on account of dividend</b>		
Number of shareholders	3	3
Number of equity shares held by the shareholders to whom final dividend remitted in foreign currency	2,40,00,000	2,40,00,000
Amount of dividend paid (₹ in lacs)	240.00	840.00
Year to which the dividend relates	2,022-23	2,021-22

\*The Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2024 in their meeting dated 20 May 2024 which is subject to the approval of the members at the ensuing Annual General Meeting.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 43 FINANCIAL INSTRUMENTS

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in the consolidated financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - Foreign currency risk	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - Interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Company presently does not make significant investments in equity shares, except for entities where it exercises control.
Market risk - Security risk	Investments in equity securities	Sensitivity analysis	

### A DISCLOSURE IN RESPECT OF FINANCIAL RISK MANAGEMENT

#### 1 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments, cash and cash equivalents, deposits and security deposits.

#### Credit risk management:

Concentration of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The long outstanding trade receivables, mainly comprise of receivables from DISCOM companies and as per past experience, there has been no credit loss on account of customer's inability to pay as the revenue is agreement driven and all the customers are government companies. Thus, the Group's historical experience of collecting receivables, supported by the level of default indicate a low credit risk and so trade receivables are considered to be a single class of financial assets.

On the basis of the above assessment, the Group identified and written off an amount of ₹ Nil lacs (31 March 2023 : ₹ Nil lacs) of trade receivable balances.

#### Other financial assets

Further, credit risk in respect of other financial assets and loans, mainly comprise of security deposits, unbilled revenue, cash and bank equivalents and interest accrued on deposits which are managed by the Group, by way of assessing financial condition and current economic trends. The Group considers the probability of default associated with the other receivable and loan is very low at the year respective year end and thus would not require any provision, except as disclosed below.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	As at 31 March 2024	As at 31 March 2023
Loans	31	8
Trade receivables	30,308	28,506
Other financial assets	1,977	2,030
<b>Total</b>	<b>32,316</b>	<b>30,544</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Summary of the Group's exposure to credit risk by age of the outstanding from various customers/trade receivables is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Not past due	20,274	15,121
Past due 0-180 days	3,298	10,224
Past due 181 days-one year	499	970
Past due one year-two year	7,485	2,457
More than two year	1,935	445
<b>Total</b>	<b>33,491</b>	<b>29,217</b>
Less : Allowance for credit impaired	(3,183)	(711)
<b>Total</b>	<b>30,308</b>	<b>28,506</b>

Reconciliation of credit impaired - trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Allowance for credit impaired at the beginning of the year	711	24
Credit impaired allowance recognised during the year	2,472	687
Credit impaired allowance actualised	-	-
<b>Allowance for credit impaired at the end of the year</b>	<b>3,183</b>	<b>711</b>

The following table gives details in respect of percentage of revenue generated from top customer:

Particulars
No customer having more than 10% of the total revenue for the financial year 31 March 2024.
No customer is having more than 10% of the total revenue during the financial year ended 31 March 2024 and 31 March 2023 pertaining to Agri segment.
Three customers are having more than 10% of the total revenue during the financial year ended 31 March 2024 and 31 March 2023 pertaining to Power segment.

### 2 Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

#### a) Financing arrangements

(i) The Group had access to the following undrawn borrowing facilities at the end of reporting period.

Particulars	As at 31 March 2024	As at 31 March 2023
Fund based		
- Expiring with in one year (cash credit and other facilities)	1,00,000	1,32,200

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### (ii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

#### For the year ended 31 March 2024

Particulars	Carrying amount	On demand	6 months or less	6 months to 1 year	1-2 years	More than 2 years
Current borrowings	46,000	-	46,000	-	-	-
Loan from related parties	4,705	4,705	-	-	-	-
Trade payables	11,031	-	11,031	-	-	-
Lease liabilities	3,752	-	643	689	724	1,696
Other financial liabilities	24,976	110	24,866	-	-	-

#### For the year ended 31 March 2023

Particulars	Carrying amount	On demand	6 months or less	6 months to 1 year	1-2 years	More than 2 years
Current borrowings	13,800	-	13,800	-	-	-
Loan from related parties	6,336	6,336	-	-	-	-
Trade payables	11,973	-	11,973	-	-	-
Lease liabilities	4,864	-	632	554	1,286	2,392
Other financial liabilities	28,481	82	28,399	-	-	-

### 3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Interest rate risk;
- Price risk; and
- Currency risk;

#### (i) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at year end, the Group has following borrowings:

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	46,000	13,800

#### Interest rate sensitivity

A change of 100 bps in interest rates would have following impact	As at 31 March 2024	As at 31 March 2023
- On profit before tax		
- Decrease by 100 bps	38	8
- Increase by 100 bps	(38)	(8)
- On equity		
- Decrease by 100 bps	28	6
- Increase by 100 bps	(28)	(6)

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates (after considering repayments on actual basis).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### (ii) Price risk

The Group is mainly exposed to the price risk due to its investment in equity shares. The price risk arises due to uncertainties about the future market values of these investments.

The table below summarises the impact of increases/decreases of the index on the Group's equity and profit for the year. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

Impact on profit before tax	As at 31 March 2024	As at 31 March 2023
Share price increase by 5%	279	84
Share price decrease by 5%	(279)	(84)

Impact on profit after tax/equity	As at 31 March 2024	As at 31 March 2023
Share price increase by 5%	247	63
Share price decrease by 5%	(247)	(63)

### (iii) Foreign currency risk

The Group operates internationally and consequently the Group is exposed to foreign exchange risk through its sales in overseas market. The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows policies which includes the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

The Company has outstanding forward contracts and options of USD 50.60 Mio (31 March 2023: USD 73.45 Mio).

Foreign currency exposure recognized by the Company is as below:<sup>1</sup>

Particulars	₹ in lacs		USD in lacs		AED in lacs		AUD in lacs	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Financial assets</b>								
Trade receivables	6,592	6,855	79	83	-	-	-	-
Cash and cash equivalents	939	1,790	10	22	-	-	1	-
Advance to supplier	5	11	0	0	-	-	-	-
<b>Financial liabilities</b>								
Trade payables	6	53	0	1	-	-	-	-
Advance from customers	1,164	9,349	14	8	-	387	-	-

### Foreign currency risk sensitivity:

A change of 5% in foreign currency would have following impact on profit before tax

Impact on profit before tax	USD	
	5% increase	5% decrease
31 March 2024 (₹ in lacs) <sup>1</sup>	31	(31)
31 March 2023 (₹ in lacs) <sup>1</sup>	72	(72)

A change of 5% in foreign currency would have following impact on profit after tax/Other equity

Impact on profit before tax	USD	
	5% increase	5% decrease
31 March 2024 (₹ in lacs) <sup>1</sup>	23	(23)
31 March 2023 (₹ in lacs) <sup>1</sup>	54	(54)

1. The foreign currency exposure for currencies other than USD is immaterial to the Group.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### Foreign currency risk

The Group has designated certain forward contracts and borrowings as eligible hedging instruments for hedge of foreign currency forecast sales. Pursuant to this, the effective portion of change in value of the hedging instruments has been recognised in 'cash flow hedge reserve' in other comprehensive income. Such amount is reclassified to statement of profit and loss as and when the forecast transaction occurs or the hedges are no longer effective. The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, AED, GBP, AUD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the ₹ cash flows of highly probable forecast transactions.

The Group's policy is to hedge all material foreign exchange risk associated with highly probable forecast sales transactions denominated in foreign currencies. The Group's policy is to hedge the risk of changes in foreign currency. The Group uses forward contracts (derivative instruments) to hedge its exposure in foreign currency risk. The Group designate both change in spot and forward element of forward contracts to hedge exposure in foreign currency risk on highly probable forecast sales.

### Impact of hedging activities

#### (a) Disclosure of effects of hedge accounting on financial position

##### For the year ended 31 March 2024

Type of hedge and risks	Notional amount	Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
<b>Cash flow hedge</b>								
Foreign currency risk								
(i) Forward Contracts and options	USD 506	65	-	April 24 - June 24	1:1	83.58	-	-

##### For the year ended 31 March 2023

Type of hedge and risks	Notional amount	Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
<b>Cash flow hedge</b>								
Foreign currency risk								
(i) Forward Contracts and options	USD 734.50	438	-	April 23 - September 23	1:1	83.05	-	-

#### (b) Disclosure of effects of hedge accounting on financial performance

##### For the year ended 31 March 2024

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
Foreign currency risk				
(i) Forward Contracts and options	1,456	1	1,455	Revenue from operations

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

For the year ended 31 March 2023

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b>				
Foreign currency risk				
(i) Forward Contracts and options	1,018	5	1,013	Revenue from operations

The Group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

In hedges of foreign currency forecast sales, ineffectiveness mainly arises because of change in timing of hedged item from that of the hedging instrument and cost of hedging. The ineffectiveness arising in the hedges have been disclosed in above table.

### (c) Movements in cash flow hedging reserve

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	(327)	(7)
Add: Changes in value of Forward contracts	363	(433)
Less: Amount reclassified to statement of profit and loss	1	5
Less: Tax expenses relating to above (net)	(92)	108
<b>Balance at the end of the year</b>	<b>(55)</b>	<b>(327)</b>

## B FAIR VALUE DISCLOSURE

### 1 Fair value measurement of financial instruments

Particulars	31 March 2024			31 March 2023		
	FVTPL	FVTOCI	Amortised cost <sup>1</sup>	FVTPL	FVTOCI	Amortised cost <sup>1</sup>
<b>Financial assets</b>						
Investments <sup>2</sup>	11,500	-	-	3,088	-	-
Loans	-	-	31	-	-	8
Cash and cash equivalents	-	-	2,481	-	-	2,872
Other bank balances	-	-	540	-	-	1,880
Trade receivables	-	-	30,308	-	-	28,506
Other financial assets	-	65	2,710	-	433	3,077
<b>Total</b>	<b>11,500</b>	<b>65</b>	<b>36,070</b>	<b>3,088</b>	<b>433</b>	<b>36,343</b>
<b>Financial liabilities</b>						
Borrowings	-	-	50,705	-	-	20,136
Trade payables	-	-	11,031	-	-	11,973
Lease liabilities	-	-	3,752	-	-	4,864
Other financial liabilities	-	-	24,976	-	-	28,481
<b>Total</b>	<b>-</b>	<b>-</b>	<b>90,464</b>	<b>-</b>	<b>-</b>	<b>65,454</b>

1. The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments.

Further, these instruments are valued at level 3 and their fair value are considered to be same as their carrying value, as there is an immaterial change in the lending rate.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 2 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three level prescribed under the accounting standard. An explanation each level follows underneath the table.

Assets and liabilities measured at amortised cost, for which fair value are disclosed

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers among levels 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

#### (A) Financial instruments valued at fair value through profit and loss and fair value through other comprehensive income

Particulars	31 March 2024		31 March 2023	
	Level 1	Level 2	Level 1	Level 2
Financial Assets				
Investments (other than in subsidiary)	11,500	-	3,088	-
Other financial assets	-	65	-	433
<b>Total</b>	<b>11,500</b>	<b>65</b>	<b>3,088</b>	<b>433</b>

#### (B) Financial instruments valued at amortised cost

Particulars	31 March 2024	31 March 2023
	Level 3	Level 3
<b>Financial assets</b>		
Loans	31	8
Cash and cash equivalents	2,481	2,872
Other bank balances	540	1,880
Trade receivables	30,308	28,506
Other financial assets	2,710	3,077
<b>Total</b>	<b>36,070</b>	<b>36,343</b>
<b>Financial liabilities</b>		
Borrowings	50,705	20,136
Trade payables	11,031	11,973
Lease liabilities	3,752	4,864
Other financial liabilities	24,976	28,481
<b>Total</b>	<b>90,464</b>	<b>65,454</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 3 Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include the use of discount cash flows for estimating fair value of loans to employees, security deposits and borrowings.

The carrying amounts of trade receivables, cash and cash equivalents, consignment debtors, interest accrued, other receivables, other bank balances, trade payables, employee payables and other current payables are considered to be the same as fair values, due to their short term nature.

The fair value for loans and security deposits were calculated based on cash flow discounted using a current lending rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of loans to employees and security deposits approximates the carrying amount.

The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of borrowings approximates the carrying amount.

The fair valuation of investments in quoted equity shares is based on the current bid price of respective investments as at the balance sheet date.

## 44 SEGMENTAL REPORTING

### A OPERATING SEGMENTS

Agri - Comprises of agricultural commodities such as rice, furfural, seed, bran, bran oil, etc

Energy - Comprises of power generation from wind turbine, husk based power plant and solar power plant.

### B IDENTIFICATION OF SEGMENTS

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

### C SEGMENT REVENUE AND RESULTS

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure .

### D SEGMENT ASSETS AND LIABILITIES:

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

### E SUMMARY OF SEGMENTAL INFORMATION

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>1</b>	<b>Segment revenue</b>		
(a)	Agri	5,36,319	5,37,365
(b)	Energy	21,625	23,211
	<b>Total segment revenue</b>	<b>5,57,944</b>	<b>5,60,576</b>
	Inter segment revenue	(19,475)	(24,102)
	<b>Net segment revenue</b>	<b>5,38,469</b>	<b>5,36,474</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>2</b>	<b>Segment results</b>		
(a)	Agri	74,167	88,575
(b)	Energy	6,543	6,433
	<b>Total segment results before tax</b>	<b>80,710</b>	<b>95,008</b>
	Less: Other unallocated expenditures	1,132	890
	<b>Total profit before tax</b>	<b>79,578</b>	<b>94,118</b>
<b>3</b>	<b>Segment assets</b>		
(a)	Agri	5,41,242	5,04,428
(b)	Energy	51,190	54,567
(c)	Unallocated	271	95
	<b>Total segment assets</b>	<b>5,92,703</b>	<b>5,59,090</b>
<b>4</b>	<b>Segment liabilities</b>		
(a)	Agri	94,997	76,904
(b)	Energy	662	514
(c)	Unallocated	11,164	12,322
	<b>Total segment liabilities</b>	<b>1,06,823</b>	<b>89,740</b>
<b>5</b>	<b>Depreciation and amortisation</b>		
	Agri	4,623	4,228
	Energy	3,314	3,337
	<b>Non-cash items other than depreciation and amortisation</b>		
	Agri	1,071	(426)
	Energy	-	-
<b>6</b>	<b>Segment revenue - Geographical information:</b>		
(a)	<b>Agri</b>		
	India	4,02,005	3,44,240
	Rest of the world	1,34,314	1,93,125
	<b>Sub-total (a)</b>	<b>5,36,319</b>	<b>5,37,365</b>
(b)	<b>Energy</b>		
	India	21,625	23,211
	<b>Sub-total (b)</b>	<b>21,625</b>	<b>23,211</b>
	<b>Total (a)+(b)</b>	<b>5,57,944</b>	<b>5,60,576</b>
	Inter-segment revenue	(19,475)	(24,102)
	<b>Total</b>	<b>5,38,469</b>	<b>5,36,474</b>

### F INFORMATION ABOUT MAJOR CUSTOMERS

Refer Note 43 (credit risk)

### G INFORMATION ABOUT MAJOR PRODUCTS

Refer note 37

## 45 DISCLOSURE AS PER IND AS 24 'RELATED PARTY DISCLOSURES'

### A DETAILS OF RELATED PARTIES AND THEIR RELATIONSHIPS

#### a) Key Managerial Personnel's (KMPs):

Mr. Anil Kumar Mittal	Chairman and Managing Director
Mr. Arun Kumar Gupta	Joint Managing Director
Mr. Anoop Kumar Gupta	Joint Managing Director
Ms. Priyanka Mittal	Whole Time Director

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**b) Additional related parties (KMPs) as per the Companies Act 2013 with whom transactions have taken place during the year:**

Mr. Ashish Jain	Chief Financial Officer
Mr. Piyush Asija	Company Secretary ( w.e.f. 13 February 2024)
Ms. Jyoti Verma	Company Secretary ( upto 20 November 2023)
Mr. Raman Sapra	Company Secretary ( upto 6 September 2022)

**c) Independent Non-Executive Directors:**

Mr. Devendra Kumar Agarwal
Mr. Vinod Ahuja
Mr. Ashwani Dua ( upto 9 January 2023)
Mr. Shyam Arora
Mr. Surinder Singh (w.e.f. 10 August 2023)
Ms. Priyanka Sardana

**d) Employee benefit plans where there is significant influence:**

KRBL Limited Employees Group Gratuity Trust (Refer note 39 B)

**e) Relatives of Directors/KMPs\*:**

Mrs. Preeti Mittal	Wife of Mr. Anil Kumar Mittal
Mrs. Anulika Gupta	Wife of Mr. Arun Kumar Gupta
Mrs. Binita Gupta	Wife of Mr. Anoop Kumar Gupta
Mr. Ashish Mittal	Son of Mr. Anil Kumar Mittal
Mrs. Neha Singh	Daughter of Mr. Arun Kumar Gupta
Mr. Kunal Gupta	Son of Mr. Arun Kumar Gupta
Mrs. Rashi Gupta	Daughter of Mr. Anoop Kumar Gupta
Mr. Akshay Gupta	Son of Mr. Anoop Kumar Gupta
Mr. Ayush Gupta	Son of Mr. Anoop Kumar Gupta
Mr. Anil Kumar Mittal HUF	Mr. Anil Kumar Mittal is Karta of Anil Kumar Mittal HUF
Mr. Arun Kumar Gupta HUF	Mr. Arun Kumar Gupta is Karta of Arun Kumar Gupta HUF
Mr. Anoop Kumar Gupta HUF	Mr. Anoop Kumar Gupta is Karta of Anoop Kumar Gupta HUF
Mr. Suraj Prakash Dua HUF	Ashwani Dua is Karta of Suraj Prakash Dua HUF (upto 9 January 2023)

**f) Enterprises over which KMPs are able to exercise significant influence\*:**

Khushi Ram Behari Lal	Partnership firm in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are partners.
Adwet Warehousing Private Limited	Private limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are directors.
KRBL Foods Limited	Public limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta and Mrs. Binita Gupta are directors.
KRBL Infrastructure Limited	Public limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta and Mrs. Binita Gupta are directors.
Holistic Farms Private Limited	Private limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are directors.
KRBL Foundation	Section 8 company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, are directors.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**g) Trust over which KMPs are able to exercise significant influence\*:**

Anil Mittal Family Trust	Trust in which Mr. Anil Kumar Mittal, Mrs. Anil Kumar Mittal, Mr. Ashish Mittal and Ms. Priyanka Mittal are beneficiaries.
Arun Kumar Gupta Family Trust	Trust in which Mr. Arun Kumar Gupta and Mr. Kunal Gupta are beneficiaries.
Anoop Kumar Gupta Family Trust	Trust in which Mr. Anoop Kumar Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are beneficiaries.
Binita Gupta Family Trust	Trust in which Mr. Anoop Kumar Gupta and Ms. Binita Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are beneficiaries.
Khushi Ram Charitable Trust	Trust in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are beneficiaries.

\* This includes only those parties with whom Group had related party transactions.

**B TRANSACTIONS WITH RELATED PARTIES (SUMMARY) :**

Transactions during the year	Entities over which KMPs and their relatives are able to exercise significant influence		Key managerial personnels (KMPs)		Other related parties	
	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchase of goods	1	3	-	-	-	-
Revenue from operation <sup>7</sup>	1,368	1,017	-	-	-	-
Rent paid	1,196	1,115	24	24	118	156
Salaries wages and bonus	-	-	1,210	1,027	240	209
Power and fuel	23	22	-	-	-	-
Repair and maintenance	79	77	-	-	-	-
Director sitting fees	-	-	-	-	19	23
Buy-back of shares	15,379	-	-	-	1,931	-
Dividend paid	1,129	4,390	0	-	142	551
Donation and charity	-	3	-	-	-	-
Provision for ongoing CSR project	-	1,224	-	-	-	-
Short term borrowings availed	-	-	6,295	2,657	-	-
Short term borrowings repaid	-	-	7,926	4,673	-	-
Interest paid on advance received for supply of goods	-	36	-	-	-	-
Advance received against supply of goods	-	2,500	-	-	-	-
Advance received against supply of goods refunded	-	1,670	-	-	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### C BALANCES OF RELATED PARTIES (SUMMARY) :

Outstanding balances	Entities over which KMPs and their relatives are able to exercise significant influence		Key managerial personnels (KMPs)"		Other related parties	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
<b>Balance outstanding-receivables</b>						
Security deposits <sup>6</sup>	971	971	-	-	-	-
<b>Balance outstanding-payable</b>						
Short term borrowings	-	-	4,703	6,334	-	-
Trade payables	1	0	-	-	-	-
Expenses payable	2	2	-	-	-	-
Employee related payables	-	-	59	45	12	12
Advances from customers	56	12	-	-	-	-
Other balances (net)	-	-	-	0	3	-

### D TRANSACTIONS WITH RELATED PARTIES

Related parties	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Purchase of goods</b>		
Khushi Ram Behari Lal	1	2
KRBL Infrastructure Limited	-	1
<b>Revenue from operation<sup>8</sup></b>		
Khushi Ram Behari Lal	1,368	1,017
<b>Rent paid</b>		
Mr. Anil Kumar Mittal	4	4
Mr. Arun Kumar Gupta	10	10
Mr. Anoop Kumar Gupta	10	10
KRBL Infrastructure Limited	313	304
Adwet Warehousing Private Limited	203	193
Holistic Farms Private Limited	58	53
KRBL Foods Limited	622	565
Suraj Prakash Dua HUF	-	43
Mrs. Preeti Mittal	4	4
Mrs. Anulika Gupta	37	36
Mrs. Binita Gupta	3	3
Mr. Ashish Mittal	40	38
Anoop Kumar Gupta HUF	34	32
<b>KMP's Remuneration (Short-term benefits<sup>2</sup>)</b>		
Mr. Anil Kumar Mittal	280	216
Mr. Arun Kumar Gupta	280	249
Mr. Anoop Kumar Gupta	280	216
Ms. Priyanka Mittal	176	170
Mr. Ashish Jain	162	148
Mr. Piyush Asija	13	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Related parties	For the year ended 31 March 2024	For the year ended 31 March 2023
Ms. Jyoti Verma	19	16
Mr. Raman Sapra	-	12
<b>Salaries, wages and bonus</b>		
Mr. Ashish Mittal	60	52
Mr. Kunal Gupta	60	52
Mr. Akshay Gupta	60	52
Mr. Ayush Gupta	60	52
<b>Power and fuel</b>		
KRBL Infrastructure Limited	23	22
<b>Repair and maintenance</b>		
KRBL Infrastructure Limited	79	77
<b>Director sitting fees</b>		
Mr. Devendra Kumar Agarwal	4	5
Mr. Vinod Ahuja	4	5
Mr. Ashwani Dua	-	4
Mr. Shyam Arora	4	5
Mr. Surinder Singh	3	-
Ms. Priyanka Sardana	4	5
<b>Buy-back of equity shares</b>		
Anil Mittal Family Trust	5,329	-
Arun Kumar Gupta Family Trust	5,175	-
Anoop Kumar Gupta Family Trust	4,763	-
Binita Gupta Family Trust	112	-
Anil Kumar Mittal Huf	441	-
Arun Kumar Gupta Huf	595	-
Anoop Kumar Gupta Huf	895	-
<b>Dividend paid</b>		
Anil Mittal Family Trust	391	1,521
Arun Kumar Gupta Family Trust	380	1,477
Anoop Kumar Gupta Family Trust	350	1,360
Binita Gupta Family Trust	8	32
Anil Kumar Mittal HUF	32	126
Arun Kumar Gupta HUF	44	170
Anoop Kumar Gupta HUF	66	255
Mr. Anil Kumar Mittal	0	-
Mr. Arun Kumar Gupta	0	-
Mr. Anoop Kumar Gupta	0	-
Ms. Priyanka Mittal	0	-
Mr. Ashish Mittal	0	0
Mr. Kunal Gupta	0	0
Mr. Akshay Gupta	0	0
Mr. Ayush Gupta	0	0
Mrs. Binita Gupta	0	0

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Related parties	For the year ended 31 March 2024	For the year ended 31 March 2023
Mrs. Anulika Gupta	0	0
Mrs. Neha Singh	0	0
Mrs. Rashmi Gupta	0	0
Mrs. Preeti Mittal	0	0
<b>Donation and charity</b>		
Khushi Ram Charitable Trust	-	3
<b>Provision for ongoing CSR project</b>		
KRBL Foundation	-	1,224
<b>Short term borrowings availed</b>		
Mr. Anil Kumar Mittal	2,132	989
Mr. Arun Kumar Gupta	1,624	1,018
Mr. Anoop Kumar Gupta	2,539	650
<b>Short term borrowings repaid</b>		
Mr. Anil Kumar Mittal	2,474	1,610
Mr. Arun Kumar Gupta	2,578	1,605
Mr. Anoop Kumar Gupta	2,874	1,458
<b>Interest paid on advance received for supply of goods</b>		
Khushi Ram Behari Lal	-	36
<b>Advance received against supply of goods</b>		
Khushi Ram Behari Lal	-	2,500
<b>Advance received against supply of goods refunded</b>		
Khushi Ram Behari Lal	-	1,670

### E BALANCES WITH RELATED PARTIES

Related parties	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Short term borrowings</b>		
Mr. Anil Kumar Mittal	1,861	2,202
Mr. Arun Kumar Gupta	719	1,673
Mr. Anoop Kumar Gupta	2,089	2,425
Ms. Priyanka Mittal	34	34
<b>Trade payables</b>		
Khushi Ram Behari Lal	1	0
<b>Expenses payable</b>		
KRBL Infrastructure Limited	2	2
KRBL DMCC	48	42
<b>Security Deposits</b>		
KRBL Infrastructure Limited	971	971
<b>Employee related payables</b>		
Mr. Anil Kumar Mittal	14	11
Mr. Arun Kumar Gupta	13	10
Mr. Anoop Kumar Gupta	14	11
Ms. Priyanka Mittal	7	4

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

Related parties	For the year ended 31 March 2024	For the year ended 31 March 2023
Mr. Piyush Asija	3	-
Ms. Jyoti Verma	-	1
Mr. Ashish Jain	8	8
Mr. Ashish Mittal	3	3
Mr. Kunal Gupta	3	3
Mr. Akshay Gupta	3	3
Mr. Ayush Gupta	3	3
<b>Advance from customers</b>		
Khushi Ram Behari Lal	56	12
<b>Other balances (net)</b>		
Mr. Anoop Kumar Gupta	-	0
Mr. Akshay Gupta	3	-

#### Notes:

- Amounts are below rounding off thresholds adopted by the Group.
- As gratuity and compensated absences are computed for all the employees in aggregate, the amount relating to relatives of KMPs cannot be individually identified.
- All related party transactions are at arms length price and in the ordinary course of business.
- Personal guarantee has been given by Mr. Anil Kumar Mittal, Mr. Anoop Kumar Gupta and Mr. Arun Kumar Gupta in respect of working capital consortium loan taken by the Holding Company, as at the year ended 31 March 2024, the outstanding amount of loan is ₹ 46,000 lacs (31 March 2023 : ₹ 13,800 lacs) and Mr. Ashish Mittal (relative of key managerial personnel) to the extent of the immovable properties as specified in consortium agreement.
- The present value of security deposit is shown in note 8 and 16.
- Reimbursement of expenses made to KMPs and their relatives are not disclosed as the same being of immaterial value.
- The revenue from sales of goods to Khushi Ram Behari Lal disclosed at gross value. A discount of ₹ 82 lacs has also been provided related to sales of such goods.
- Employee related payables, in addition to above, other benefits, perquisites, allowances, amenities and facilities are provided according to permitted limits as approved by Board and shareholders respectively from time to time as per policy of the company.

### 46 CONTINGENT LIABILITIES AND COMMITMENTS

#### A CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debts*	As at 31 March 2024	As at 31 March 2023
Indirect tax matters <sup>1</sup>	4,635	5,003
Enforcement directorate investigation matter <sup>2</sup>	1,532	1,532
Other matters <sup>4</sup>	24,762	1,238
Income tax matters	-	44

#### Notes:

- Indirect taxes mainly comprise of matter relating to VAT, sales tax pending at various levels. It also includes the matters related to mandi fee levied under the Agricultural Produce Market Committee Act, 2003 for an amount of ₹ 390 lacs.
- A portion of land parcels and building thereupon, situated at Dhuri, Punjab was attached by the Directorate of Enforcement ('ED') to the extent of value of ₹ 1,532 lacs in connection with a money laundering investigation which is currently pending before the Special Judge, CBI Court. The Appellate Tribunal, PMLA, New Delhi, (Appellate Tribunal) had restored the possession of the attached land on interim basis in favour of the Holding Company. However, aforesaid attachment would continue till conclusion of the matter. Against the order of the Appellate Tribunal, ED had filed an appeal before the Hon'ble High Court of Delhi, which is pending for hearing. The Holding Company filed an application before the Hon'ble High Court of Delhi for restoration of possession of the land in favour of the Holding Company and High court allowed the Holding Company to take physical possession of the said land parcels and building thereupon for specified purpose against the deposit of ₹ 1,113 lacs, (deposited on 5 November 2020), as an interim relief until conclusion of the aforesaid matter, without prejudice to the rights and contentions of the parties to be decided in the appeal. The management based upon the legal assessments, is confident that it has a favourable case and the said attachment shall be vacated and no adjustment is required in the accompanying consolidated financial statements.
- Enforcement Directorate ('ED') registered an Enforcement Case Information Report ('ECIR') in 2014 and subsequently filed a criminal complaint in the year 2021 alleging commission of an offence under Section 3 of the PMLA, 2002 against the Holding Company, KRBL DMCC (a subsidiary of KRBL Limited) and Mr. Anoop Kumar Gupta, the Joint Managing Director (JMD) of the Holding Company for certain transactions assumed to be undertaken in the prior years. As per criminal complaint filed by the ED, it was alleged that M/s Rawasi Al Khaleej General Trading LLC ('RAKGT') had received proceeds of crime of USD 24.62 million in AgustaWestland case during the period 2008-2010 which in turn had been transferred to the Holding Company through KRBL DMCC. Based on

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

the affidavit filed by Balsharaf Group (one of the Customer of the Holding Company) in the Hon'ble High Court of Delhi, the amount of USD 24.62 million had been received by RAKGT in the account of Balsharaf Group. However, ED attached 143,33,221 shares of Balsharaf Group held in KRBL Limited.

The Holding Company had appointed an independent professional firm ('IP') to review the aforesaid allegations and to assess the impact, if any, on the financial statements and control environment of the Holding Company during the financial year ended 31 March 2022. During the financial year ended 31 March 2023, the IP had issued a report to the Board of Directors which was discussed and approved in their previously held meeting, wherein the Board of Directors had responded to the observations contained therein and basis that no further action was proposed.

The said case is pending before the Special Court and is listed on the given dates in its regular course. The proceedings are at the initial stage of service of summons on the remaining unserved accused. The next date of hearing is on 20 August 2024. While the outcome of any judicial proceeding is inherently uncertain and incapable of precise prediction, the management considering the present facts, opinion from independent legal counsel and other available information has not identified any adjustment or additional disclosure is required in the accompanying consolidated financial statements. The management of the Holding Company is confident that the above stated matter will be resolved soon."

- 4 Other matter comprise of civil cases under various CPC 1908, Trade Mark Act 1999, Consumer Protection Act 1986, other dispute with customers etc. pending at various levels.

\* Based on the legal opinion, the Group is of the firm belief that the above demands are not tenable and highly unlikely to be retained by higher authorities and is accordingly not carrying any provision in its books in respect of such demands. The amounts disclosed are based on the orders/ notices received from the authorities.

### B CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed, to the extent not provided for:

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment (net of capital advances)	2,401	2,075
Intangible assets (net of capital advance)	-	12

### 47 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>a) Non-current borrowings</b>		
Opening balance	-	587
Repayment	-	587
<b>Closing balance</b>	-	-
<b>Current borrowings</b>		
Opening balance	20,136	8,353
Movement (net)	30,569	11,783
<b>Closing balance</b>	<b>50,705</b>	<b>20,136</b>
<b>Lease liabilities (As per Ind AS 116)</b>		
Opening balance	4,864	5,579
Non cash proceeds (net of modification)	91	216
Repayment	(1,203)	(931)
<b>Closing balance</b>	<b>3,752</b>	<b>4,864</b>
<b>Finance costs</b>		
Interest accrued as at the beginning of the year	49	121
Expense incurred	2,410	1,474
Expense paid	(2,257)	(1,546)
<b>Interest accrued as at the end of the year</b>	<b>202</b>	<b>49</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 48 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

#### FOR THE YEAR ENDED 31 MARCH 2024

Particulars	Holding Company	Subsidiaries companies		Consolidation adjustments/ eliminations	Total
	KRBL Limited	KRBL DMCC, Group	K B Exports Private Limited		
		Foreign	Indian		
Net assets (i.e. total assets minus total liabilities)					
- as % of consolidated net assets	103%	0%	0%	0%	100%
- Amount	4,84,938	1,071	296	(425)	4,85,880
<b>Share in profit and loss after tax</b>					
- as % of consolidated profit and loss	85%	0%	0%	0%	100%
- Amount	59,545	41	0	-	59,586
<b>Share in other comprehensive income</b>					
- as % of consolidated other comprehensive income	-68%	21%	0%	0%	100%
- Amount	(257)	78	-	-	(179)
<b>Share in total comprehensive income</b>					
- as % of consolidated total comprehensive income	100%	0%	0%	0%	100%
- Amount	59,288	119	0	-	59,407

#### FOR THE YEAR ENDED 31 MARCH 2023

Particulars	Holding Company	Subsidiaries companies		Consolidation adjustments/ eliminations	Total
	KRBL Limited	KRBL DMCC, Group	K B Exports Private Limited		
		Foreign	Indian		
Net assets (i.e. total assets minus total liabilities)					
- as % of consolidated net assets	100%	0%	0%	0%	100%
- Amount	4,68,449	1,031	295	(425)	4,69,350
<b>Share in profit and loss after tax</b>					
- as % of consolidated profit and loss	100%	0%	0%	0%	100%
- Amount	70,068	31	0	-	70,098
<b>Share in other comprehensive income</b>					
- as % of consolidated other comprehensive income	79%	21%	0%	0%	100%
- Amount	300	79	-	-	379
<b>Share in total comprehensive income</b>					
- as % of consolidated total comprehensive income	100%	0%	0%	0%	100%
- Amount	70,368	110	0	-	70,477

### 49 DISCLOSURES PURSUANT TO REGULATION 34(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

The Group has not provided any loans, security and corporate guarantees covered under section 186 of the Companies Act, 2013 and accordingly, the disclosure requirements to the extent does not apply to the company. Refer note 11 for details of other investments.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

### 50 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

- i. The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- ii. The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- iii. The Group have complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- iv. The Group does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- v. The Group have not traded or invested in Crypto currency or virtual currency during the year.
- vi. There is no income surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961 (such as search or survey), that have not been recorded in the books of account.
- vii. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ('Intermediaries') with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of Group ('Ultimate Beneficiaries') or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi. There is no income surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961 (such as search or survey), that have not been recorded in the books of account.
- vii. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ('Intermediaries') with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of Group ('Ultimate Beneficiaries') or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- viii. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that Group shall:
  - a. 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
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ix. Basis the management's assessment, it has been concluded that the Group has made no transactions with struck-off companies under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. Further, there are no outstanding balances at balance sheet date with struck-off companies.

**51** The Ministry of Corporate Affairs ('MCA') has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. Management has implemented logs at the application level to record audit trail (edit logs) of transactions in accounting software from the beginning of the financial year and is operating effectively as at 31 March 2024. However, the audit trail (edit logs) has not been implemented at the database level (database Oracle).The management of the Holding Company has enabled the same at database level subsequent to the financial year ended 31 March 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2024

(All amounts stated in ₹ lacs, unless otherwise stated)

**52** The Board of Directors of the Holding Company at its meeting held on 10 August 2023 approved the buy-back of fully paid-up equity shares of face value of ₹ 1/- each from its shareholders and promoter group through tender offer for an aggregate amount not exceeding ₹ 3,25,000 lacs (Rupees thirty two thousands five hundred lacs only).

The buyback started on 31 August 2023, and was concluded on 13 September 2023 and shares were extinguished on 20 September 2023. The Holding Company completed the buyback of 65,00,000 equity shares at an offer price of ₹ 500. The buy-back tax and other related expenses of buy-back have been adjusted against the 'Other Equity' as per applicable sections of the Companies Act 2013.

### 53 TRANSFER PRICING

As per the international transfer pricing norms introduced in India with effect from 1 April 2001, the Holding Company is required to use certain specified methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Holding Company is in the process of conducting a transfer pricing study for the current financial year. However, in the opinion of the management the same would not have a material impact on these consolidated financial statements. Accordingly, these consolidated financial statements do not include any adjustments for the transfer pricing implications, if any.

**54** No subsequent event occurred post balance sheet date which requires adjustment in the consolidated financial statements for the year ended 31 March 2024.

As per our report of even date

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

Sd/  
**Nitin Toshniwal**  
 Partner  
 Membership No. 507568

**Place :** New Delhi  
**Date :** 20 May 2024

For and on behalf of the Board of Directors of  
**KRBL Limited**

Sd/  
**Anil Kumar Mittal**  
 Chairman and Managing Director  
 DIN-00030100

Sd/  
**Ashish Jain**  
 Chief Financial Officer

**Place :** Noida  
**Date :** 20 May 2024

Sd/  
**Anoop Kumar Gupta**  
 Joint Managing Director  
 DIN-00030160

Sd/  
**Piyush Asija**  
 Company Secretary  
 Membership No.A21328



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