

**PFL/2022****September 3, 2022**

To,  
**Listing Department,  
BSE Ltd.**  
PJ Tower, Dalal Street,  
Mumbai-400001  
**Scrip Code: 500368**

**National Stock Exchange of India Ltd.**  
"Exchange Plaza"  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051  
**Scrip Code: PATANJALI**

Dear Sir/Madam,

**Sub : Regulation 34(1) - Notice of 36<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2021-22.**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach herewith Notice convening the 36<sup>th</sup> Annual General Meeting and Annual Report of the Company for the financial year 2021-22 which inter-alia comprises of standalone audited financial statements for the financial year ended March 31, 2022, Report of Board of Directors' and Auditors thereon.

The Annual Report of financial year 2021-22 and Notice of 36<sup>th</sup> AGM are being e-mailed to all the members of the Company, whose e-mail addresses are registered with the Company/ depository Participants.

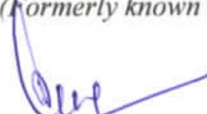
The Notice and Annual Report are also available on the website of the Company i.e. [www.patanjalifoods.com](http://www.patanjalifoods.com).

It is for your information and record please.

Thanking you,

**For Patanjali Foods Limited**

(Formerly known as Ruchi Soya Industries Limited)

  
**Ramji Lal Gupta**  
Company Secretary

Encl.: As above





PATANJALI®

**Patanjali Foods Limited**

(Formerly known as Ruchi Soya Industries Limited)



# DELIVERING BEYOND COMMITMENT

Annual Report 2021-22

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To get this report online and for any other information, log on to:  
[www.patanjalifoods.com](http://www.patanjalifoods.com)

### Forward-looking statement

This Report contains some forward-looking statements to enable investors to comprehend our prospects and take wise investment decisions, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified that information independently and shall not be liable for any variance from the forward-looking statements.



# DELIVERING BEYOND COMMITMENT

At Patanjali Foods, we are committed to delivering on our targets and goals, as well as on the promises we have made to each of our stakeholder communities. We are committed to ensuring sustainable long-term value creation for our stakeholders, across the spectrum.

From our customers to our vendors and partners, as well as our employees, shareholders, investors and the community at large, our value proposition extends to meeting their aspirations every day. We strive continuously to create an enabling environment across the organisation to nurture their expectations, and in fact to exceed the same.

**With** the health and wellness of the consumers at heart, we continue to expand our portfolio of quality products, packed with nutritive goodness.

**For** our vendors, we continue to invest in building sustainable, long-term partnerships, with business expansion projects to support their future growth plans.

**Our** employee proposition encompasses a whole gamut of welfare and well-being measures, with strong focus on facilitating their career progression and development.

**We** have developed an enviable model designed to maximise the benefits for our investors and shareholders, to drive collective progress by remaining debt-free and increasing profitability.

**Through** our strong presence across the agri value chain, we continue to partner thousands of farmers and their families, and support the communities around our manufacturing operations with our CSR programmes.





# PATANJALI FOODS – A DIVERSIFIED CONGLOMERATE

Part of the Patanjali Group - one of India's leading Fast Moving Consumer Goods (FMCG) and Fast Moving Health Goods (FMHG) company, Patanjali Foods has been at the forefront of driving consistent and robust growth through its well-recognised brands across the country. Our manufacturing facilities are strategically located, giving us the advantage of scale, efficiency and cost-effectiveness.

## We are

A large FMCG and FMHG focused conglomerate, Patanjali Foods has a diversified portfolio of quality products that are crafted to serve goodness to Indians on a platter, and to nurture their well-being. Its brand proposition is driven by its manufacturing excellence and a strong distribution reach.

- A well-diversified FMCG and FMHG focused company with recognised brands, strong distribution channel and presence across the country.
- Pioneers and market leaders in the branded TSP (Textured Soya Protein) space, with our Nutrela brand a household name in India as well as abroad.
- Present across the entire value chain of palm and soya segment with a healthy mix of upstream and downstream business. One of India's largest integrated edible oil Company.
- The only company in Patanjali Group to market biscuits, noodles, nutraceutical and breakfast cereals in India.
- Largest oil palm plantation company in India, with allocated area of 4.84 lakh hectares, of which 59,743 hectares is currently developed.
- A company with continued focus on sustainability-led growth, driven by various initiatives to counter carbon footprint.
- One of the largest fully integrated edible oil refining companies in India.



In Fiscal 2022, we forayed into the niche and fast-growing FMHG segment with the launch of the Nutraceuticals business, in which we see huge potential for future growth and value creation for all our stakeholders.

## Our Business Verticals

### Edible Oil



### Nutraceuticals



### FMCG



### Oleochemicals



### Renewable Energy



### Oil Palm Plantation



## Our Brand Strengths

Strong promoter pedigree of the Patanjali group

Foray into the high-potential health & wellness space with launch of Nutraceuticals

Upstream & downstream integration; one of the key players in Oil Palm Plantation

Present across mass, value & premium segments

Effective raw material procurement strategy with ability to manage volatility

Strong, extensive & established distribution network

Experienced leadership and management teams

Quality products with strong brand recognition

Pioneer & market leader in branded Soya (TSP)

Manufacturing excellence with 25 processing plants & access to 47 contract manufacturing units, including the biscuit plant acquired as part of Business Transfer Agreement with Patanjali Natural Biscuits Private Limited

Fully integrated manufacturing units, strategically located with close proximity to raw materials and consumer markets

# FROM PROMISES TO ACHIEVEMENTS

Amid the evolving consumer landscape, marked by a shift in preference for branded food products, Patanjali Foods has created a strong presence for itself as a leading FMCG company, and is aspiring to build a leadership position in the FMHG space.

In less than three years since Patanjali Group acquired the Company under Corporate Insolvency Resolution Process (CIRP) we have crossed ₹24,000 crore in revenue and become profitable in the 1st full year of operations offering the best value for money across our product basket. We have a track record of delivering on each of our promises to every stakeholder group. We have, over the years, continued on our journey to transform into a leading market player, equipped to meet the evolving aspirations and preferences of consumers.

## Patanjali Foods – Transformation

Annual Revenue From Operations (₹ in crore)

FY 2021-22

**24,205**

FY 2019-20 13,118

FY 2020-21 16,319

FY 2021-22 24,205

EBITDA Margin (%)

FY 2021-22

**6.45%**

FY 2019-20 3.48

FY 2020-21 6.22

FY 2021-22 6.45

PAT Margin (%)

FY 2021-22

**3.32%**

FY 2019-20 1.70

FY 2020-21 4.16

FY 2021-22 3.32

## Our Key Milestones

**December 15, 2017**

Bankruptcy petition admitted in terms of IBC and CIRP initiated against the Company.

**December 18, 2019**

Patanjali Resolution Plan implemented as per NCLT orders.

**February-July 2020**

Launched premium edible oils, honey and high protein chakki fresh atta under the Nutrela Brand.

**December 2020**

Patanjali completes 1 year of acquiring Patanjali Foods.

**May 2021**

Patanjali Foods acquires Biscuits, Cookies and Rusk business from Patanjali Natural Biscuits Private Limited on a slump sale basis, as part of a Business Transfer Agreement (for around ₹60 crore).

**March 2021**

Company becomes profitable with sales of ₹16,383 crore and EBITDA of ₹1,018 crore in 1st full year of operations under the Patanjali management.



## And the next big leap....

- In March 2022, we successfully completed our maiden Follow On Public Offer (FPO) of ₹4,300 crore - a first for a Company under CIRP. The FPO was open for subscription during March 24 - March 28, 2022, and involved allotment of 6,61,53,846 equity shares with a face value of ₹2 each at a premium of ₹648 per share.
- In May 2022, we made a major advancement with the acquisition of Patanjali Ayurved's food retail business undertaking for ₹690 crore. The acquired food business consists of more than 242 products, including ghee, honey, spices, juices and atta.

We expect this move to reposition Patanjali Foods from a largely commodity-based company to a leading FMCG and FMHG company in India, well poised to leverage the enormous opportunity for high-quality branded food products. The market is witnessing a major shift towards branded and packaged foods at the back of enhanced focus amid the pandemic on health, wellness and immunity. Convenience and digitalisation are other factors driving demand and growth in this segment.

**Patanjali Foods innovation-led legacy, deep understanding of market and consumer needs, and pan India presence, coupled with its manufacturing expertise and quality ethos, positions it ideally to make the most of the emerging trend. We are in the right place to meet the growing demand for nutritious, pure and natural food, particularly in the health and wellness space.**

### July 2022

Acquisition of Food Business of Patanjali Ayurved Limited as a going concern on a Slump Sale basis for a consideration of ₹690 crores with effect from July 1, 2022 which shall strengthen the FMCG product offerings of Patanjali Foods Limited and add large number of consumer focused products to the existing product portfolio.

### June 2022

Change of Name to Patanjali Foods Limited with effect from June 24, 2022 signifying the commitment of "Patanjali Group" to continue to work towards the benefit of all the stakeholders.

### March 2022

Successful completion of maiden Follow On Public Offer (FPO) of ₹4,300 crore - a first for an IBC company.

### June 2021

- Acquisition of Noodles & Breakfast cereals business from Patanjali Ayurved Limited.
- Access to Patanjali distribution network.
- Launch of Nutraceutical business.
- In 2021, the Company received 'Great Place to Work' Certification from the Great Place to Work Institute for its 'High-Trust and High-Performance Culture'.

### April 2022

- Company achieves Market Capitalisation of ₹33,479 crore after listing of its shares under FPO on April 8, 2022.
- Company utilised the proceeds of the FPO to redeem the debentures and preference shares and also to repay the Term Loans and Working Capital Loans to achieve Debt Free status.

## Patanjali Foods - Value Creation Strategy



### Robust Risk Management Practices

Well positioned to leverage growth opportunities in the country, with its high-growth FMCG & FMHG product portfolio



### Diversified & Expanding Portfolio

Completion of acquisition of Biscuits, breakfast cereals and noodles business, Launch of Nutraceuticals range, Acquisition of Foods business from PAL



### Financial Health

Achieved debt-free status, Deriving cost efficiencies through continuous improvement



### Offering Diverse Products

The Company caters to a wide spectrum of consumer preferences and market trends through its diversified product portfolio, spanning multiple categories, price points and segments (Mass, Value and Premium). This enables us to achieve sustained and credible long-term growth.



### Building on Brand Equity

The Company has a strong brand equity and the Patanjali group legacy, which we are continuously leveraging by using multi-channel marketing strategies, including regional campaigns. We harness these strengths to ensure consistent customer engagement and build brand loyalty in key markets, along with enhanced synergies. The 'Patanjali' brand name commands strong recall due to its image and the goodwill it has established over the years.



### Steering Digital Transformation

We have embarked on a journey of digital transformation, with focus on using digital platforms to cater to the changing consumer preferences and personalise the user experience. Initiatives like our 'Order Me' app assist the Company in improving consumer satisfaction. To enhance our IT capabilities and to automate routine tasks, we have adopted advanced tools such as SAP-ERP, HR- Konnect, B-POS, B-FORCE, I-Palm and GEO-TAG, leading to better overall operational efficiency.



## Strengthening Governance Structure

The Company is steered by a competent Board of Directors, comprising 50% independent directors, thus ensuring transparency, accountability and adequate disclosures, in the overall interest of its stakeholders.



## Promoting Backward Integration

With an aim to improving our ability to source raw materials in a timely and cost-effective manner, we are aggressively promoting cultivation of oil palm in India. This helps boost our supply chain efficiencies, translating into better margin stability and enhanced competitive edge.



## Growing Distribution Network and Geographical Footprint

Our distribution strategy of expanding our sales and marketing efforts in new regions will help us penetrate deeper into existing and new markets, enabling increase in our market share. We continue to harness emerging distribution channels like e-commerce, modern trade and technology to drive the next phase of growth. Our focus is on increasing penetration in metros, semi-urban and rural markets, while strengthening our presence by expanding our pan India distribution network and leveraging the existing business in the modern trade channel.



## Accelerating Growth in High Margin Portfolio

The Company's focus is on accelerating growth in the highly profitable Food and Nutraceuticals business. We firmly believe that the Food and Nutraceuticals business shall continue to grow at a faster pace, which will enable overall growth in margins.



## Expansion of Health and Wellness Offerings

The Company continues to leverage the strength of its high recall brand 'Nutraela', and expand its offerings by launching new premium products under this umbrella brand. To capitalise on the emerging market trends, we plan to include a healthy range of premium oils in our offerings, which will help us capture a large market share in this segment. We are also focused on expanding our existing 100% vegetarian Nutraceutical range (jointly branded under 'Patanjali' and 'Nutraela') with value added products that yield superior margins.



# THE BRAND INDIA TRUSTS

A key factor steering Patanjali Foods remarkable growth journey is the legacy of excellence and trust it has inherited from the Patanjali parentage. As one of India's most trusted brands, the Patanjali name gives us a strong strategic advantage.



The name of our Company has been changed from “Ruchi Soya Industries Limited” to “Patanjali Foods Limited” with effect from June 24, 2022. The change of name to Patanjali Foods Limited signifies the commitment of “Patanjali Group” to continue to work towards the benefit of all the stakeholders. The change of name has been done after obtaining requisite approval from the Registrar of Companies, Maharashtra, Mumbai, and issuance of new certificate of incorporation.

Patanjali Foods was earlier acquired by a consortium led by Patanjali Ayurved for ₹4,350 crore through an insolvency process in 2019. Recently, Patanjali Ayurved sold its food retail business to Patanjali Foods Limited for ₹690 crore as part of its goal to concentrate on non-food, traditional medicine and wellness business.

**The powerful competitive edge we get from our parentage has been further enhanced by the name change of Ruchi Soya to Patanjali Foods. This has enhanced our strong promoter pedigree, which has been benefitting us since our inception by giving us access to Patanjali's pan India distribution network, its capabilities and product synergies.**

## Robust Portfolio of Consumer Facing Brands

Following the Company's takeover, we have, in recent years, successfully expanded our product portfolio to include Biscuits, Cookies, Rusks, Breakfast Cereals, Noodles and a wide range of Nutraceutical products.

With the acquisition of Patanjali Ayurved Limited's Food business, our product bouquet has grown manifold in the FMCG segment, where we are leveraging the Patanjali brand

to create a leadership niche for the Company. The rebranding resulting from the acquisition will further strengthen the Company's brand equity in the coming years.

The Company undertakes extensive promotion and advertising to strengthen its brand value and positioning, as well as recall for its brands.

# PATANJALI®



Cookies



Cracker



Cream



Bakery Biscuits



Milk Biscuit



Crunchy



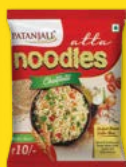
Digestive



Marie



Rusk



Chatpata



Chatpata Cup Noodles



Classic



Desi Masala



Yummy Masala Cup Noodles



Ready-to-eat



Hot Cereals

Nutrela®



Nutrela Honey



Nutrela Gold



Nutrela High Protein  
Chakki Fresh Atta



Soya Chunks

MAHAKOSH®  
FUTURE FIT



Refined  
Soyabean Oil



Kacchi Ghani



Soyumm



Sunlight



Ruchi Star



Sunrich



Ruchi Gold



## GENERAL NUTRITION



Nutrela Daily Energy



Nutrela Daily Active



Nutrela Women's Superfood



Nutrela Men's Superfood



Nutrela Kids Superfood



## SPORTS NUTRITION



Nutrela Weight Gain



Nutrela Isopure Gold



Nutrela 100% Whey Perform 1 Kg

## MEDICAL NUTRITION



Nutrela Bone Health Natural



Nutrela Vit B12 Natural



Nutrela Iron Complex



Nutrela Vit D2 K Natural



Nutrela Omega 3, 6, 7, 9



Nutrela Diabetic Care

# DELIVERING THE BEST QUALITY

Our success in delivering to our promises is driven, in large measure, by our strong focus on quality. We ensure the best-in-class quality of our products through our manufacturing excellence, which remains a key brand strength for Patanjali Foods. Our facilities are designed to facilitate optimal resource utilisation with minimal waste.

**25**

Total processing plants across India  
(19 of these are currently operational)

**10**

Oil crushing & refinery units

**Access to 47 contract manufacturing units\***

**One of the largest refining capabilities of 11000 TPD**

**1**

Biscuit manufacturing plant

**2**

Food Items manufacturing plants\*

**Strong backward integration ensuring efficiency**

\*As of July 01, 2022

## Strategic location of plants

All our production units are strategically located with easy access to National Highways, railway tracks and ports. Our refining plants are located in proximity to ports, providing easier access to imported edible oil, while our crushing units are situated around seed production belts in Madhya Pradesh, Maharashtra and Rajasthan.

## Large manufacturing footprint

- Patanjali Foods biscuits, cookies and rusks products are manufactured at our facility at Bhagwanpur, district Haridwar and at 15 contract manufacturing units at strategic locations across India. These products are sold under the 'Patanjali' brand, pursuant to the Brand License Agreement we signed with Patanjali Ayurved Limited.
- For the noodles and breakfast cereals business, the Assignment Agreement gives us ready access to four contract manufacturing units in Rajasthan, Uttarakhand and Haryana.
- The entire range of Patanjali Foods nutraceutical and wellness products is manufactured by PAL at its modern and state-of-the-art plant located at Patanjali Food and Herbal Park, Village, Padartha, Laksar Road, Haridwar under a contract manufacturing agreement.
- The food products acquired under the Business Transfer Agreement with PAL are manufactured at Padartha in Haridwar and Newasa in Maharashtra.

**Our contract manufacturing facilities have equipped us to effectively meet the market demand for our products without significant capital expenditure.**

## Quality credentials

The Company's manufacturing units follow the highest quality standards, including FSSAI, FSSC 22000, ISO 22000:2018, ISO 14001:2015, ISO 45001:2018, HACCP, Non-GMO, Halal and Kosher certifications. Best-in-class equipment and machinery, streamlined processes, and highly trained and experienced manpower ensure adherence to the highest benchmarks of international quality. We focus stringently on adhering to the various standards and policies related to quality, environment and health & safety.



## Information Technology

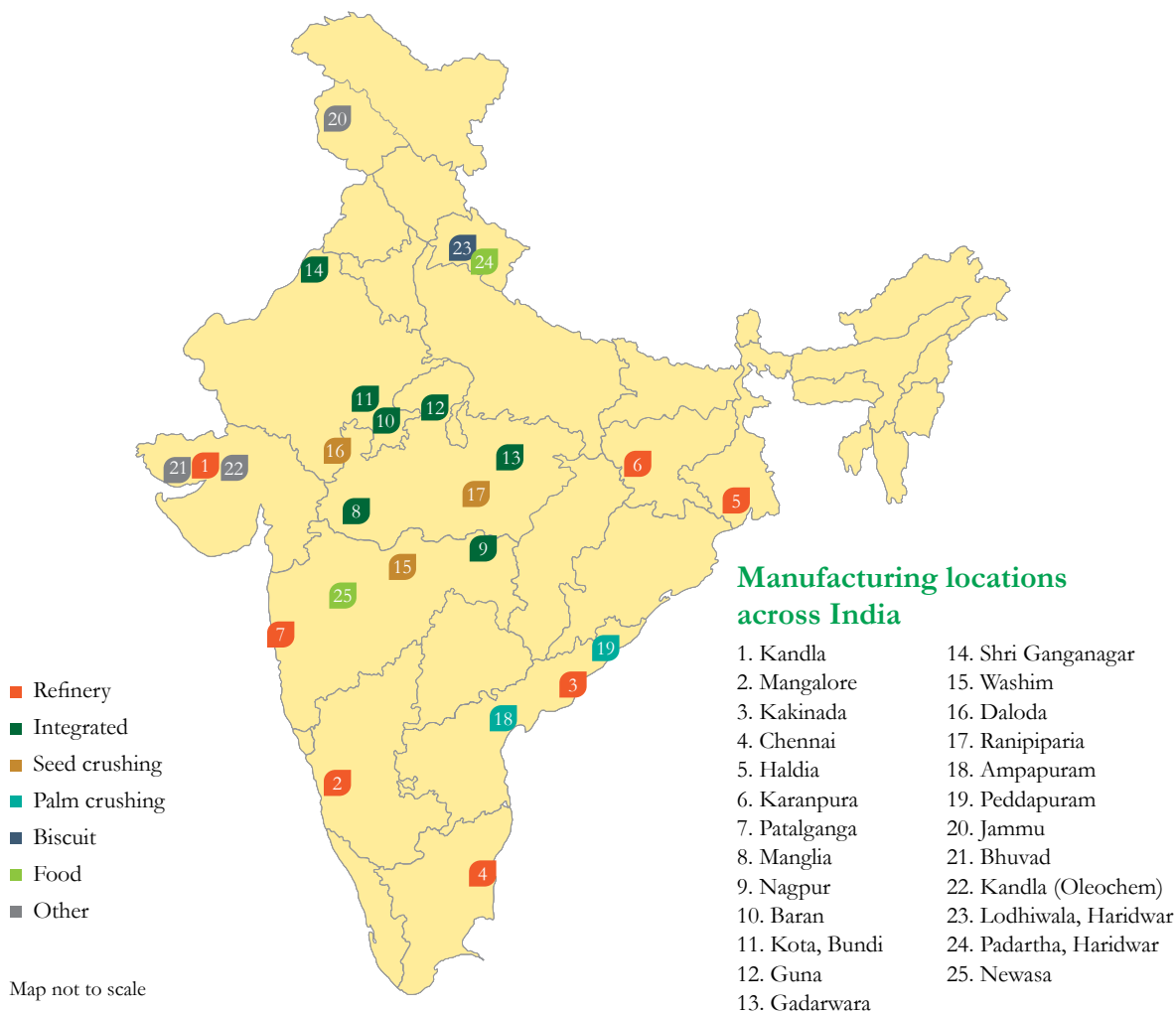
The Company is using cutting-edge SAP platform across all its manufacturing units, business processes and depots. The platform has integrated functions across various business lines and helps to streamline the pan India operations.

## Automated Decision Support

Our data and analytics-driven operations are supported by "Tableau" BI tool, each serving hundreds of reports and dashboards. The Company has recently deployed Data Analytics Tools, such as Tableau, to facilitate business insights across functions and roles. The Company has also set up a compliance management tool which ensures compliance with the provisions of all laws that are applicable to us, adequately and effectively.



## Strategic Manufacturing Locations Pan India



### OILSEED EXTRACTION

Capacity per year  
**3.91 million MT**

Locations  
**10**

### TSP AND SOYA FLOUR

Capacity per year  
**1,85,000 MT**

Locations  
**3**

### EDIBLE OIL REFINING, VANASPATI AND BAKERY FATS

Capacity per year  
**3.93 million MT**

Locations  
**14**

### BISCUITS\*

Capacity per year  
**27,900 MT**

Location  
**1**

### PALM FRUIT PROCESSING

Capacity per year  
**0.90 million MT**

Locations  
**2**

### WIND POWER GENERATION

Capacity per year  
**84.60 MW**

Locations  
**11**

### OIL PALM PLANTATION

Allocated area  
**4.84 lakh hectares\*\***

States  
**10**

### MANUFACTURING STRENGTH

Contract manufacturing units  
**47**

Across States  
**15**

\*With effect from May 2021

\*\*As at June 30, 2022

## Creating efficiencies through backward integration

Patanjali Foods has consciously adopted a backward integration strategy to create one of the largest palm oil plantation companies in India. The strategy is aimed at ensuring uninterrupted procurement of quality raw material for processing. This helps in effectively tackling the price volatility related to procurement from third party vendors. We are striving to gradually increase access to Fresh Fruit Bunches (FFBs) directly from oil palm plantations to reduce dependence on external suppliers.

Our crushing units at Ampapuram (Vijayawada, Andhra Pradesh) and Peddapuram (Kakinada, Andhra Pradesh) are strategically located near regions with high concentrations of oil palm farms to enable logistics and milling cost-efficiencies.

# 59,743 hectares

Area developed for palm plantation  
(As on June 30, 2022)

# 192

Farmer information cum  
FFB collection centres

# 23

Fertilizer Godowns

# 11

State-of-art Nurseries



# ROBUST DOMESTIC DISTRIBUTION NETWORK

A robust, extensive and well-entrenched distribution network equips us to deliver to our consumers across India. We continue to invest in strengthening and expanding our domestic distribution network to enable seamless and timely supply of our products to consumers across the country. We believe the extensive distribution channels to be a key propeller of the Company’s growth strategy.

We are supplying our products across all the states and union territories in India, through more than 9.82 lakh retail outlets and a network of distributors. We are actively using the modern trade and e-commerce channels to augment our nationwide presence. We also have access to Patanjali’s distribution network under a distributor agreement between Patanjali Foods and Patanjali Ayurved Limited.

We remain strategically focused on deepening our distribution penetration in India’s metros, semi-urban and rural markets, where we see a growing opportunity and demand for affordable quality food products in the organised branded market.

**Pan India distribution network**

<b>7,602</b> Distributors	<b>95</b> Sale Depots
<b>1,092</b> Chikitsalaya	<b>305</b> Mega Stores
<b>104</b> Super Distributors	<b>3,260</b> Arogya Kendra
<b>9,82,131</b> Retail Outlets	



## Specialised Distribution for TSP

We have in place a specialised distribution network for our TSP products. This comprises more than 1,000 unique touch points across India.





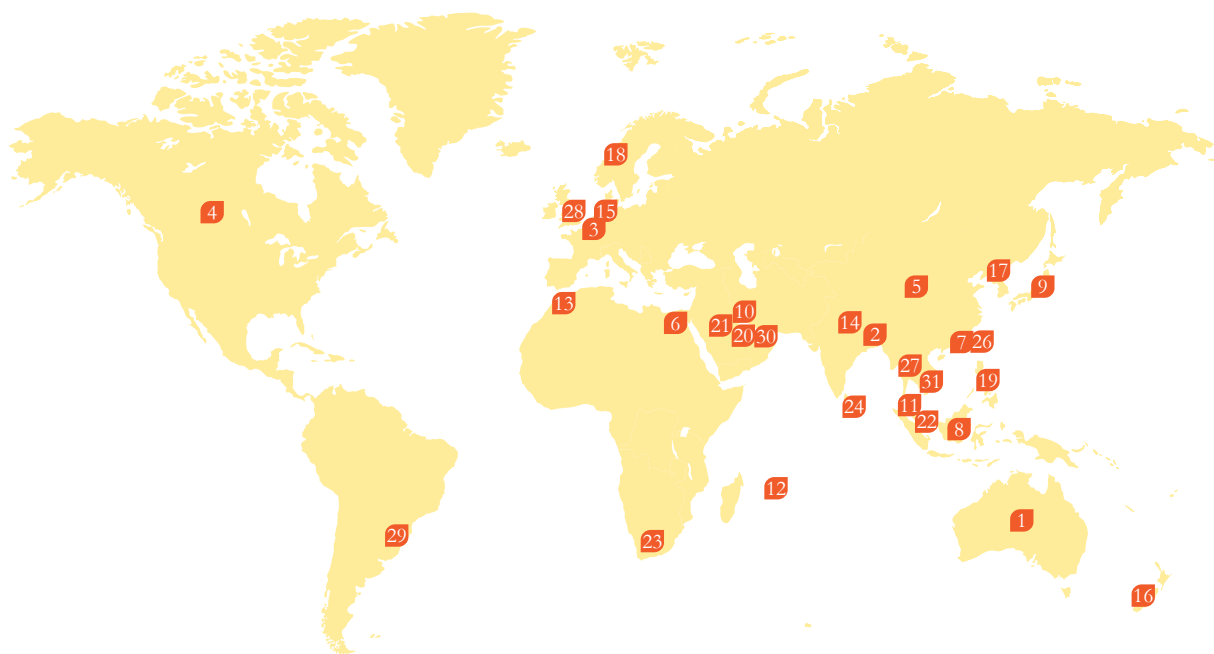
# GROWING INTERNATIONAL FOOTPRINT

Our products are finding immense popularity around the world, and we are continuously expanding the Company's export presence across our product portfolio.

Patanjali Foods has been recognised by the Government of India as "Four Star Export House", in accordance with the provisions of the Foreign Trade Policy 2015 -2020. The Company has been the biggest exporter of soybean meal/De-oiled Cake (DOC) from India consistently for the past two decades. It has also been the highest exporter of value added soya products, such as Soya Lecithin, Soya Flour etc.

We export our products to 31 countries in the world including China, Vietnam, Japan, Indonesia, South Korea, Europe and Middle East. We are among the highest exporters of value-added soya products and by-products to these countries and our products are constantly gaining wide acceptance.

In terms of segments, the maximum exports during the year were from soyabean meal, followed by castor oil.



## Countries where Patanjali Foods exported its products in 2021-22

- |               |               |                 |                  |                    |
|---------------|---------------|-----------------|------------------|--------------------|
| 1. Australia  | 8. Indonesia  | 14. Nepal       | 20. Qatar        | 26. Taiwan         |
| 2. Bangladesh | 9. Japan      | 15. Netherlands | 21. Saudi Arabia | 27. Thailand       |
| 3. Belgium    | 10. Kuwait    | 16. New Zealand | 22. Singapore    | 28. United Kingdom |
| 4. Canada     | 11. Malaysia  | 17. North Korea | 23. South Africa | 29. Uruguay        |
| 5. China      | 12. Mauritius | 18. Norway      | 24. South Korea  | 30. Utd.Arab Emir. |
| 6. Egypt      | 13. Morocco   | 19. Philippines | 25. Sri Lanka    | 31. Vietnam        |
| 7. Hong Kong  |               |                 |                  |                    |



# INNOVATING TO MEET FUTURE NEEDS

At Patanjali Foods, we have prioritised innovation as a key tool to address consumer needs not just for today but for the future too. Our strong innovation capabilities equip us to continuously expand and enhance our product proposition in tandem with the evolving consumer preferences and aspirations.

## R&D prowess

We have a dedicated Research & Development team to explore and develop new methodologies to create healthier, nutrition-rich and more convenient packaged foods, filled with nutrition and taste. It comprises oil technologists, microbiologists, process engineers and analytic chemists. We deploy advanced, high-end processes and technologies to develop breakthrough products that set new industry benchmarks in quality.

**Low-absorb vegetable oils (enabling less absorption of oil) and new offerings in the nutraceuticals segment are some notable examples.**



## Innovating digitally

We actively pursue and leverage the power of the digital to raise our innovation bar. With the implementation of Tableau, we have successfully enhanced data visibility, while (Business Processing Outsourcing) BPOS implementation is helping in seamless tracking of secondary sales and sales at the retailer level. Through geotagging of the farmers' fields, we are helping them in better crop management to ensure quality palm production.

Digitalisation and automation will continue to be key priority area for the Company in our efforts to improve efficiencies, boost productivity and scale the customer and employee engagement levels. In FY2023, we plan to implement an advanced version of SAP (Systems Applications and Products) for better data processing and a more secure data framework in the organisation.



# BUILDING ON OUR BRAND PROMISE

We value our brand equity and take innovative measures to nurture the Patanjali Foods brand. We remain committed to delivering on our brand promise across stakeholder groups. We make regular investments in brand promotion activities and marketing campaigns to engage with consumers in all our product segments and markets.



**Operation Thunder** – This initiative is designed to help the Company penetrate deeper in the rural areas with branded vans loaded with Nutrela TSP for direct retailing in markets with population under 10,000.

**Social Media** – We posted regular interactive posts, including wishes, information, topical posts, to stay connected with users who are active on social media platforms.

**Digital and TV ads** – Advertising was used across Television and digital media, especially during festival seasons, to reach out to consumers.

**Durga Puja Branding** – Since West Bengal is the highest soya consuming state and is very closely associated with Nutrela, we conducted branding activities during Durga Puja to stay connected with the people there. Transit branding was also undertaken during this time.

**Dealer Boards** – This remains a key medium for branding in retail/wholesale markets. We have installed dealer boards for Sunrich and Mahakosh across various states.

**POSM Posters** – Along with Dealer Boards, we have released POSMs (Point of Sales Materials) in selected markets for more visibility.

# DELIVERING INCLUSIVE GROWTH

At Patanjali Foods, we believe in sustainability-led growth to drive long-term value creation for all our stakeholders. We remain focused on ensuring holistic development and progress through impactful initiatives, not just across the organisation but within the communities around which we operate. As a socially responsible corporate, we make regular strategic investments in ensuring ecologically safe operations, and also engage in targeted interventions for the benefit of the society at large.

## Nurturing environmental sustainability

Being responsive to the ecological needs of the communities in the areas of our operations is integral to our inclusive growth philosophy. We are continuously taking bold steps to promote sustainability, which we have embedded as a strategic priority of our business. This year, we generated 84.6 MW of power from Wind energy of which 18.6 is used for captive consumption which is in line with our sustainability goals. We regularly evaluate our operations and investments to ensure that they are aligned with our sustainable business strategy.



During FY 2022, we took the following key initiatives across our operations for the conservation of the environment.

Implementation of continuous air emission monitoring systems

Strengthening of the Bio Diversity around our operations

Revamp of our Energy and Emission roadmap at the plant level

Innovation to manage waste, specially plastic

Launch of water metering projects to understand water usage & improve efficiencies

Replacement of resin at the water softening plants

Installation of meters and push taps to control water usage

Installation of ATFD and MEE Plant to maximise the use of residue water

Installation of Reject Recycle RO plant to reduce wastage of water

Using RO reject water/ blow down water directly in the cooling tower

Captive plants are located in M.P., Gujarat, Maharashtra, T.N. and Karnataka

RRR (Reduce, Reuse and Recycle) approach for efficient use of water



## Promoting welfare through CSR interventions

### Supporting farmers through palm plantation programme

Our community outreach is driven by a host of initiatives aimed at the uplift of the farmers associated with our operations. Our palm plantation programme is structured to ensure the progress of the farming community, which translates into the growth and development of the nation.

The benefits of this programme are manifest in enhanced productivity and income for the farmers, besides maintenance of ecological balance. Our sustained support in terms of inputs and technology helps in improving the farmers' yield. Our nursery operations ensure supply of good quality seeds and other material for nurturing and caring for the palm trees. The association of farmers with us, enabled by the government subsidy, helps in their long-term value creation. Our farmer partnerships are integral to our inclusive welfare approach, and we shall continue to strengthen these through more innovative and impactful initiatives.



### Healing people at Patanjali Wellness Centres

The Patanjali Wellness Centres operational in various states across India are a source of physiological, psychological and spiritual health to people suffering from various incurable diseases and stress. They provide such people with integrated therapy of Ayurveda in the natural environment amid fresh and pure air and lush environs.

The holistic well-being provided to people through these world-class wellness centres is the result of an eclectic mix of various healing therapies, including Naturopathy (the ancient Indian art of healing), Ayurved (Herbal medicine) Yoga (mind body balance), Panchkarma therapies (Body Detox) acupressure , acupuncture and yagya.





# MESSAGE TO SHAREHOLDERS



## PRAGATI KE PATH PAR AGRASAR

**Delivery beyond promise**

---

### Dear Shareholders,

We are pleased to write to you on the performance of Patanjali Foods Limited (Formerly known as Ruchi Soya Industries Limited) for the financial year 2021-22. During the fiscal year 2021-22, the company has delivered robust broad-based growth across all business segments and strong financial performance across all metrics, despite a challenging operating environment.

In addition to delivering excellent financial performance, the company has put in place structural drivers for future growth. In next 3 years, company will witness complete transformation from a commodity based company to a large FMCG & Wellness company with strong international footprints. This transformation will be achieved by focussing on important strategic priorities, creating seamless integrated organisation structure where all BUs and functions operate in coherent manner to achieve larger objectives, investing in talent and capacity building, focus on leveraging digital technology, putting in place stringent corporate governance framework and implementing robust risk management practices. With these building blocks in place, Patanjali Foods is well positioned for accelerated growth and consistent value creation for shareholders going forward. With clear value creation plan, the company will continue to drive earnings, optimise cost and expand into new markets.

The company has its focus on strengthening the existing business segments, increase their market share and profitability, while venturing into new synergetic segments that are aligned strategically, to enhance the business profitability and value creation.

As a part of this, the company acquired Biscuits, Cookies and Rusk business in May, 2021 and Breakfast Cereals and Noodles business in June, 2021. The Company also launched Nutraceutical products in June, 2021. In first quarter of FY 2022-23, the company has also acquired Food business from Patanjali Ayurved Limited that has over 500 SKUs across 8 product categories. Many products are market leaders in their respective segments e.g. cow ghee, chayawanprash, health juices

**In first quarter of FY 2022-23, the company has also acquired Food business from Patanjali Ayurved Limited that has over 500 SKUs across 8 product categories. Many products are market leaders in their respective segments e.g. cow ghee, chayawanprash, health juices, among others.**

(aloevera juice, giloy juice etc.). In addition to this, the company is in process of setting up dedicated export team that will build company's export business in structured manner by building international distribution network. These steps will help the company in not only delivering on promises but will exceed shareholders' expectations.

We would like to take this opportunity to thank our hardworking and committed teams, as well as our loyal customers whose confidence and trust in the Company continues to lead us towards greater growth and value creation. We also extend our gratitude to our shareholders, suppliers, distributors, and all other stakeholders for supporting the Company amid the trials and tribulations of the year gone by.

**Swami Ramdev and  
Acharya Balkrishna**



# MESSAGE FROM THE MANAGING DIRECTOR



**Dear Shareholders,**

**Saadar Pranaam!**

**I am pleased to write to you and present Annual Report for FY 2021 -22 of your Company.**

Patanjali Foods Limited (formerly known as Ruchi Soya Industries Limited), is a large diversified FMCG and FMHG focused company, with strategically located manufacturing facilities and well recognized brands having PAN-India presence. We are one of the largest FMCG companies in the Indian edible oil sector and one of the largest fully integrated edible oil refining companies in India. We are excited about the journey ahead as we contribute towards our society, economy and the nation.

## Robust Financial Results

In another year, marked by ongoing pandemic, high freight charges, port congestion, geo-political developments, Patanjali Foods has navigated a complex environment to mitigate risks, minimize business disruptions and deliver for customers while making important strides in our strategic plans.

The company has recorded a strong performance during the year under review with a focus on enhancing business value that would translate into stakeholders' value. In FY 2021-22, the company achieved a total income of ₹24,284.38 crore, registering a robust growth of 48.23% on year-on-year basis.

The EBITDA stood at ₹1,565.99 crore and Profit before Tax at ₹1,074.38 crore; a growth of 54% and 109% respectively compared to previous year; inspite of unabated increase in input cost.

## Value Creation Roadmap

During the year, we implemented a Value Creation Plan that outlines a clear path between where we are now and where we want to be in five years' time. As part of plan, we will continue to record improved performance in our core business, and will also continue to identify and invest in new businesses.

We have portfolio of brands like Ruchi Gold, Mahakosh, Sunrich, Nutrela, Ruchi Star and Ruchi Sunlight that continues to witness excellent response in market. Our brand basket is a mix of premium, value and mass brands catering to consumers across urban, semi-urban and rural areas. Going forward, the company expects India's smaller towns and rural areas to add to company's topline where there is established trend of gradual shifting from loose products to packaged and branded products. The company will focus on continuous strengthening of brand penetration by investing in innovative campaigns, attractive consumer promotions, analytics based consumer insights and using digital and social media to geo-target consumers in our high focus – high growth zones. There will be focus on expanding e-commerce business through meaningful shopper insights, data analytics, sharp communication and customization.

The Company expanded its FMCG presence with the addition of Biscuits, Cookies and Rusks in May, 2021 by taking over the business from Patanjali Natural Biscuits Private Limited and Noodles and Breakfast Cereals in June, 2021 by taking over the business from Patanjali Ayurved Limited.

As a part of diversification strategy, the company forayed into the Nutraceuticals segment in June 2021. Our nutraceutical product range has unique positioning in the market. The entire product range offers 100% vegetarian nutrition. We are using quality ingredients and these products are GMO free, gluten free with no added artificial flavour or colour. We have used organic ingredients in some products and several of our products are bio-fermented. The products will be distributed PAN India across pharmacies, general stores, e-commerce platforms, health & wellness stores, gyms etc. including Patanjali exclusive stores viz. Mega Stores, Chikitsalayas and Aarogya Kendras. The foray into nutraceutical segment demonstrates Patanjali Food's vision to develop affordable nutrition supplements with an objective to reach masses and contribute to "Healthy India/Swastha Bharat".

Your Company's strategy is to "continue to leverage the Patanjali brand and enhance synergies with Patanjali Ayurved Limited ("PAL") food portfolio". In furtherance of the same, the company has acquired Patanjali's Food business to increase the food portfolio and this will directionally change our growth trajectory. The Food business comprises of 536 SKUs across 8 product categories viz, Staples, Oils, Beverages, Spices & Condiments, Ghee, Honey, Herbal Products and Dry Fruits. The food portfolio is diversified and comprises of both high volume – low margin – moderate growth products such as Staples, Edible Oils etc. and high margin – high growth products such as Cow ghee, Beverages, Dry fruits etc. We are market leaders in products such as cow ghee, Chayawanprash, medicated juices. This acquisition will translate to stronger food portfolio for Patanjali Foods along with synergy across manufacturing, distribution, R&D and human capital.

In next 5 years, we will strive towards making Patanjali Foods a World Class Indian FMCG Company and will create immense value for all shareholders and investors. This will have positive impact on the margin profile as well and will re-position Patanjali Foods from largely commodity oriented company to leading Food company of India.

In addition to consumer facing businesses, Patanjali Foods is one of the largest oil palm plantation company in India with over 59,743 hectares under oil palm cultivation engaging with more than 42,000 farmers across ten states in India. The company has access to over 4.84 lakh hectares of oil palm

plantation. The company is also engaged in renewable wind energy business in the states of Gujarat, Rajasthan, Madhya Pradesh, Maharashtra, Tamil Nadu and Karnataka.

## Looking Forward

As we move forward along our growth trajectory, we see the Company's performance push greater heights, at the back of the Patanjali brand equity and edge. Given the growth in India's FMCG market, and the strength and reach of Patanjali, we are looking at massive expansion across our product verticals in the coming years. We are also aiming to explore new synergistic product lines to harness the burgeoning opportunity for long-term growth.

The future is extremely bright, and with our inherent strength and track record of 100% delivery on our promises, we see Patanjali Foods raise the bar even higher on our operational and financial performance. The company will focus on business expansion and cost optimisation.

Business expansion will be undertaken organically and via mergers and acquisitions (M&A). We will explore organic expansion into adjacent businesses such as soya based snacks, premium oil category, premium biscuit range etc. to broaden our earnings base and increase the recurring income profile of our businesses. The M&A pursuit is part of our strategy to gain scale, access markets and diversify into new marques. We will be on lookout for high growth – high margin consumer facing businesses that fit into our strategic plans.

Cost Optimisation is critical in strengthening our resilience during down cycles. For this, operational excellence initiatives to improve efficiency, reduce cost and enhance margins will be instituted. This includes vendor consolidation measures, process standardisation, online procurement and other controls. Clear plans will be formulated to turn around underperforming businesses.

## Delivery beyond promise

I am confident that with the support and trust of our customers and employees as well as our farmer associates, banks & financial institutions and shareholders, we shall successfully deliver on these plans and continue to fulfill our promises to all our stakeholders. To achieve these goals, we shall also continue to strengthen our collaboration with the government, industry and the broader society as we surge forward.

In conclusion, I would like to thank all of you for your sustained support to the Company and look forward to working closely in the future too, for the realisation of our plans.

Best regards,

**Ram Bharat**



# BOARD OF DIRECTORS



## Swami Ramdev

Swami Ramdevji is a globally renowned global yoga guru, who has scripted a dynamic new story for Indian consumer marketing with his innovative approach and visionary outlook. Author of several books on Yoga, he has influenced and inspired millions of people around the world with his pioneering work. Swamiji studied Sanskrit and Yoga, and earned a postgraduate (Acharya) degree with specialisation in Sanskrit Vyakarana, Yoga, Darsana, Vedas and Upanisads. He also studied Satyarth Prakash in detail. He was appointed as “Brand Ambassador” of Yoga and Ayurveda by the Government of Haryana.



## Acharya Balkrishna

A multi-skilled and dynamic personality, Acharya Balkrishna is the Founder Secretary of Patanjali Yogpeeth Trust. Besides being a great scholar of Ayurveda, Sanskrit language and the Vedas, he is a successful business leader who has made excellent contribution in the field of characterisation of medicinal plants and indigenous medicine identification. A great visionary, he is highly ascetic, simple and easy-going besides being a multi-dimensional person who is dedicated to the service of mankind and is recognised around the world for his work.



## Ram Bharat

A first-generation entrepreneur, Ram Bharat is a business leader who has transformed Patanjali Foods into a successful corporate and a market leader in its niche business space. He has a deep understanding of market trends and consumer preferences and leads from the front to keep the teams at Patanjali Foods motivated and deliver exceptional performance. He is a staunch believer in simple living and high thinking.



## Dr. Girish Kumar Ahuja

Dr. Girish Kumar Ahuja is a Chartered Accountant and academician, who brings to the table 51 years of consulting experience in international and domestic taxation, joint ventures, etc. He is an expert in Direct Taxes and has earned a Doctorate in Financial Sector Reforms - Capital Market Efficiency and portfolio Investment.



## Dr. T. M. Bhasin

Dr. T.M. Bhasin is the Chairman, Advisory Board for Banking and Financial Frauds (ABB&FF), constituted by the Central Vigilance Commission (CVC) in consultation with Reserve Bank of India (RBI). He has a distinguished academic record, with many notable achievements and awards in his highly successful career.



## Justice (Mrs.) Gyan Sudha Misra

Mrs. Justice (Retired) Gyan Sudha Misra is a former judge of the Supreme Court of India. She has also previously held the positions of Treasurer, Joint Secretary, and Member Executive Committee of the Supreme Court Bar Association - the premier association of lawyers in India.

# DELIVERING ON KEY PERFORMANCE INDICATORS

## Historical growth performance\*

### 35.76%

Total Income CAGR

\*After acquisition by Patanjali Group  
(FY 2019-20 to 2021-22)

### 84.81%

EBITDA CAGR

### 89.56%

Profit after tax and before  
exceptional items CAGR

## Performance for FY 2021-22

Total Income (₹ in crore)

### 24,284



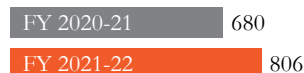
EBITDA (₹ in crore)

### 1,566



Net Profit after tax (₹ in crore)

### 806



EBITDA Margin (in %)

### 6.45%



RoCE (in %)

### 14.13%



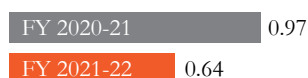
PAT Margin (in %)

### 3.32%



Debt-Equity

### 0.64



Bank Borrowing

### NIL<sup>^</sup>

Dividend

### ₹ 5.0

on Face Value of  
₹ 2.0 i.e. 250% - highest  
amongst peers

<sup>^</sup>As on April 08, 2022

# THE PROMISE OF A BETTER FUTURE

As a visionary and futuristic organisation, Patanjali Foods is focused on exploring, identifying and harnessing emerging opportunities across its business verticals, as well as new areas of synergistic growth. We are also continuously looking for new potential markets for business expansion.

We have mapped out a holistic strategy to leverage these opportunities to build a better future to all our stakeholders. It is a promise which we are dedicated to fulfilling, and which we shall actively strive to deliver actively, going forward.



## Surging on the growth trajectory

The recent acquisition of Patanjali Ayurved's Food retail business is in line with our value-centric promise. It is a strategic proposition crafted to add consumer-facing, high-margin and high-growth business to our portfolio. We believe it will catalyse a new wave of growth opportunity for the Company.

# DELIVERING ACROSS BUSINESS VERTICALS

**Edible Oil,  
By-products and  
Derivatives**

**Pg. 30**

**Oleochemicals**

**Pg. 36**

**Oil Palm  
Plantation**

**Pg. 31**

**Nutraceuticals**

**Pg. 37**

**FMCG  
Scaling Growth**

**Pg. 32**

**Renewable  
Energy –  
Wind Power**

**Pg. 38**



## VERTICAL 1

# Edible Oil, By-products and Derivatives

One of India's largest integrated oilseed solvent extraction and edible oil refining companies, Patanjali Foods continues to make great strides in delivering performance excellence in this business vertical. The segment is driven by our health-centric value proposition of "Fit hai to future hai", which is associated with many of our products.

We are recognised amongst the largest branded oil packaged food companies, with a strong and robust portfolio of brands in various types of cooking oils under categories such as soyabean, mustard, sunflower, palm, cottonseed and groundnut.

## Product portfolio

Edible oils - vegetable oils, including refined palm oil, refined soyabean oil, refined sunflower oil, mustard oil, rice bran oil and other vegetable oils

Vanaspati (hydrogenated fats) and bakery fats

Other by-products and derivative products

Speciality fats



We sell our Refined oils as branded and unbranded cooking oils in retail and bulk, while Vanaspati is sold in retail. Our Bakery products include various types of fats, margarine and cream. The crushing by-products and derivatives in this portfolio encompass oilseed meals and others, primarily used for cattle feed, while our refining by-products are used by various industries including soaps, biodiesel etc.

**Our key brands in the edible oils category include Ruchi Gold - the highest selling palm oil brand in the country and Mahakosh, along with 'Nutrela' – our umbrella brand for premium oil products. Sunlight, Sunrich and Ruchi Star are some of the other notable brands in this segment.**



Vertical revenue growth (₹ crore)		Segment-wise revenue (₹ crore)			
		Seed Extraction	Oils and Vanaspati	Others (Food Products etc.)	Wind Turbine
FY 2022	24,205.37	892.37	21,291.59	1979.48	41.93
FY 2021	16,318.64	1,006.29	14,636.44	640.52	35.39

## VERTICAL / 2

# Oil Palm Plantation

Led by our strong focus on backward integration to support the Government's 'Atmanirbhar Bharat' campaign, we actively continue to nurture our oil palm plantation programme. Our Oil Palm Plantation programme underlines our commitment to the growing 'Self-Reliant India' focus. Through our plantations, we are aiming to reduce the Company's dependence on edible oil imports. The programme is also centred around enabling farmer empowerment, supported by targeted interventions for boosting the income of farmers and improving their living standards.

We are a leading player in oil palm plantation in India, with access to 4.84 lakh hectares of potential oil palm cultivation. We are consciously working towards increasing our access to fresh fruit bunches (FFBs) directly from oil palm plantations. At the same time, we are focused on augmenting the production, sale and marketing of indigenous palm oil.

We see this high-margin, annuity business emerging as a major revenue stream for the company, with minimal investment, in the future.

## Partnering farmers

As part of our backward integration efforts, we work closely with Indian farmers for the development of their capacities and capabilities, which in turn, translates into better income prospects for them. With farmer empowerment a key driver of our Oil Palm Plantation programme, we provide farmers with a variety of services, including quality seed sprouts, fertilizers, pesticides and harvesting tools, along with other necessary inputs for better crop management.

We extend technical support to farmers on many aspects of farming, including installing drip irrigation, geotagging etc. Dissemination of technical knowledge helps the cultivators take adequate and timely measures to improve the yield and quality of their crop.

We have also established oil palm nurseries to supply farmers with quality seedlings and technical guidance while planting and growing oil palm. We guide and support farmers in understanding and taking up intercropping in initial years of plantation so as to augment their income stream during the gestation period. Farmers harvest the FFBs and bring them to collection centres, which transport the FFBs to our processing mills through collection agents.

With a 100% buy back arrangement, as well as timely and regular payments throughout the year, we have helped our farmer associates increase their income 1.5 to 2 times compared to conventional cropping.

The Company also gains significant benefits from this relationship, in the form of smooth supply of quality oil palm while maintaining an asset-light business model. Through this model, we extract a range of products, including crude palm oil, crude palm kernel oil, palm kernel cake and other by-products.

**We have inked MoUs with ten state governments under the Government-promoted public-private partnership model, which gives us access to palm plantations in these states - Andhra Pradesh, Telangana, Arunachal Pradesh, Karnataka, Mizoram, Gujarat, Odisha, Tamil Nadu, Assam and Chhattisgarh.**

## 0.90 MT

Annual palm crushing capacity (3,000 MT Per Day) at our 2 palm oil mills in India.

## 4,84,010 hectares

as on June 30, 2022

Farmers benefitted across 10 states

## 192

FFB collection centres

## 23

Fertiliser godowns set up

## 42,563

Farmers engaged in palm plantation

## 11

State of art Nurseries

VERTICAL 3

FMCG  
Scaling Growth

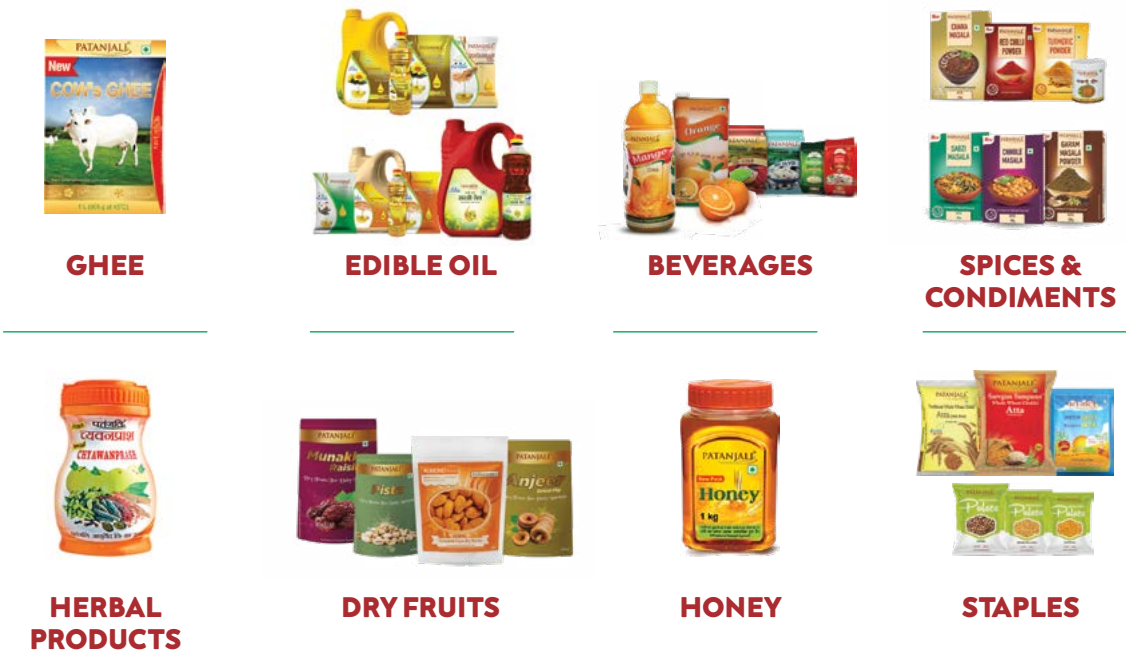
The Company has progressively expanded its presence in the fast-growing FMCG sector. Our aim, in this business, is to increase our share of the Foods Business volume and product offerings, and establish ourselves as a formidable player in the FMCG industry.

OUR FMCG BRAND & PRODUCT PORTFOLIO



PAL FOOD BUSINESS  
8 CATEGORIES > 500 SKUs

242+ PRODUCTS OVER BELOW CATEGORIES



## Our FMCG Growth Trajectory

**Since 1986,**

we are present in the FMCG segment with our popular Nutrela brand of Edible Soya Flour and Textured Soya Protein (TSP), in which we are the pioneers.

**In May 2022,**

we acquired the Foods business from Patanjali Ayurved Limited (PAL), comprising 242+ product categories, to scale exponential growth in this segment.

**In May 2021,**

we acquired Biscuits, Cookies and Rusks business from Patanjali Natural Biscuits Private Limited under a slump sale on going concern basis.

**In June 2021,**

we expanded our FMCG presence with the addition of Noodles and Breakfast Cereals by taking over these products from Patanjali Ayurved Limited under an Assignment Agreement.

### Building scale through PAL acquisition

The acquisition of PAL's Food business with effect from July 1, 2022, has opened new vistas of future growth for the Company. It will translate into exponential increase in the Company's margins and profitability over the next few quarters.

- On May 18, 2022, the Company signed a Business Transfer Agreement (BTA) with PAL to acquire the latter's food retail business.
- The acquisition was made at Fair Market Value (Net) of ₹690 crore on a slump sale basis of which, the first instalment of ₹103.50 crore was paid on May 23, 2022.
- It has paved the way for the Company's strong growth at the back of PAL's widespread and robust distribution network.
- The merger will translate into a stronger food portfolio for Patanjali Foods, along with synergies across manufacturing, distribution, R & D and human capital.
- The PAL Food products are sold under the Patanjali brand, augmenting the customer trust that comes with the brand association.



The acquisition of PAL's food business portfolio will have a positive impact on the margin profile. It will help establish the Company's position as a strong FMCG player, spanning consumer focused brands across price points and a large product portfolio. The expanded foods portfolio of the Company will contribute significantly to its total revenue, going forward.



## Creating new synergies

The key synergies expected to be catalysed by the acquisition are brand equity, formidable distribution network, R&D capabilities and human capital.



### Brand equity

Patanjali's strong brand equity is equated with affordable quality. Patanjali is amongst the most significant success stories in the Indian FMCG space, having achieved a record 100% YoY growth in the past and building a strong home-grown brand. The brand has high trust and following amongst its customers. We will continue to leverage on the well-established brands and existing customers of Patanjali and widen the product offerings in this space which will enhance the revenue contribution from the FMCG vertical.



### Manufacturing Strength

The acquisition provides Patanjali Foods Limited manufacturing facilities in Haridwar, Uttarakhand and Newasa Maharashtra, Transfer of employees, distribution network, customers etc. The Company also gets access to 32 contract manufacturing units spread across 15 states in India under the BTA, which will assist in maintaining cost competitiveness, enhance supply chain efficiencies and serve the customers efficiently.



### Combined Patanjali Foods and Patanjali Ayurved Distribution Network

This encompasses a pan-India network of 95 sale depots, 7,602 distributors reaching out to over 9.82 Lakh retail outlets (General Trade channel), 4,600 modern grocery stores & presence across e-commerce platforms such as Flipkart, Amazon, Big Basket etc.



### R&D capabilities of Patanjali Group

We have got access to Patanjali's state-of-the-art facilities at Haridwar, Uttarakhand, with experienced R&D team.



### Human Capital

11,865 employees (direct and indirect) of Patanjali Foods (including 3,547 employees on the rolls) as on March 31, 2022. Additionally, 1,567 Patanjali Ayurved Limited employees have got transferred across departments post acquisition of food business.

## Future Focus

In this segment, our focus is on investing to further augment Patanjali Food's quality and product range and develop effective pricing to nurture customer loyalty. Growing contribution from high margin products, along with large product portfolio, best-in-class R&D and manufacturing capacities, as well synergies, will continue to drive productivity and efficiency for the Company in this business. This will lead to enhanced growth, going forward.

## Key product strengths

- Legacy of Patanjali brand name and association
- 'Nutrela' brand synonymous with soya chunks in India
- Breakfast Cereals (6 products & 28 SKUs) include Hot cereals and Ready-to-eat cereals
- Catering to a diversified range consumer tastes and segments
- Sell soya flour & TSP to retail customers in India and export them to 31 countries in various pack sizes
- Presence across premium and mass market categories
- Noodles portfolio (6 products & 12 SKUs) includes Instant, Ready-to-cook Noodles and Pastas



Through our Nutrela health portal - [www.nutrelahealth.com](http://www.nutrelahealth.com), we keep the brand connected and engaged with customers. It provides a variety of information on soya, and is packed with diet and fitness plans, recipes, health news etc. Our 'The Soya Cook Book' finds immense popularity among those seeking healthy soya recipes to add to their cuisine.

VERTICAL 4

Oleochemicals

Through our downstream business of Oleochemicals, we efficiently utilise the by-products produced primarily at our edible oil refineries. In this segment, we manufacture products like soap noodles, glycerine, distilled fatty acids at our facility in Gandhidham (Gujarat), in close proximity to the Kandla and Mundra port. We also produce value-based derivatives of castor, soya and palm, which finds its applications in wide arrays of industries like Grease, Lubricants, Paints, Crayons, Personal Care, Rubber, Candle etc.

While palm and glycerine are sold in the domestic markets, soya and castor are being marketed in both India and in other nations. In terms of exports, soya is popular in Europe and Indonesia, and castor has a growing market in Europe, Japan, China, South East Asia, Middle East.

Annual capacity

42,000 MT  
Soap noodles

15,000 MT  
Castor derivatives

35,000 MT  
Split fatty acids

9,000 MT  
Refined glycerine

33,600 MT  
Toilet soap

20  
Countries of export

(As on March 31, 2022)

Chemicals derived from natural sources, including plants, fats and oils, are generally known as oleochemicals. Oleochemicals include fatty acids, fatty esters, fatty alcohols, glycerine and all of their derivatives.

Oleochemicals are widely used in the home and personal care industries, besides being the raw materials or intermediaries for the pharmaceutical, rubber, plastic, and paint and lubricant industries.

The primary focus of the Company is on producing basic oleochemicals (e.g. hydrogenated and distilled products, fatty acids, and glycerin etc.), oleochemical derivatives (e.g. soap noodles, stearic acid, distilled soya fatty acid), including castor oil derivatives (e.g. hydrogenated castor oil, 12 hydroxy stearic acid and ricinoleic acid). These are primarily exported to around 20 countries in the world.

Being renewable, bio degradable and safe for the environment, oleochemicals feedstocks are gaining prominence over their petroleum-based counterparts.

Our Oleochemical plant is designed to ensure vertical integration across each component of the palm oil value chain and soya oil. It utilises by-products of the adjacent Kandla plant and other refining units, thus providing cost benefits in production and easy access to raw materials.



## VERTICAL 5

# Nutraceuticals



## Nutraceuticals

We have taken a major leap in our evolution into a Fast Moving Health Goods (FMHG) player with our foray into the Nutraceuticals and Wellness segment in the first quarter of FY2022. Our products have excellent response in the market, besides opening a new revenue stream for the Company.

We are leveraging Patanjali Group's extensive experience in the FMHG and wellness segment to grow our presence in this business, which holds immense promise of exceptional growth, given the rising consumer demand for health and wellness products.

### Key brands include

**General Nutrition** - Nutrela Daily Energy, Nutrela Daily Active, Nutrela Women's Superfood, Nutrela Men's Superfood, Nutrela Kids Superfood

**Sports Nutrition** - Nutrela Weight Gain, Nutrela Isopure Gold, Nutrela 100% Whey Perform 1 Kg

**Medical Nutrition** - Nutrela Bone Health Natural, Nutrela Vit B12 Natural, Nutrela Iron Complex, Nutrela Vit D2 K Natural, Nutrela Omega 3, 6, 7, 9, Nutrela Diabetic Care

Our products are co-branded under Patanjali and Nutrela brand names, and are 100% vegetarian. Some of them are also certified by FSSAI and Ministry of Ayush. The products are manufactured at the Patanjali Food and Herbal Park, Haridwar, and marketed through various sales channels of Patanjali Foods and Patanjali Ayurved, including Patanjali's 'Order Me' app.

### High Growth Potential

The preventive healthcare segment has seen a major boom, given the changing customer aspirations as well as the renewed focus on health, hygiene and wellness, especially in the wake of the pandemic outbreak. According to a 2022 EY report, the dietary supplements markets in India has grown double digit CAGR of 15%. The Indian Nutraceuticals markets constituted nearly ~3% of the global Nutraceuticals market. Our Company is poised to take the advantage of this as the industry deepens its presence in the country.

# 18

Nutraceutical and wellness products

# 3

Nutrition product categories – General, Sports, Medical



VERTICAL 6

# Renewable Energy – Wind Power

Our promise of long-term growth and value creation for our stakeholders extends beyond the ambit of profitability. We are committed to delivering sustainability-led business growth to them, and are delivering on this commitment by progressively reducing our carbon footprint.

In line with this strategy, we are focusing on sourcing power for our business operations from renewable energy sources. We have developed wind power generation capacities across 11 locations in 6 states, which are rich in wind resource and have a large land mass.

**84.6 MW**  
Total wind power generation capacity

We use the clean energy generated from various wind power projects for captive use as well as sale.

State-wise Wind Power Generation Capacity

STATE	TOTAL MW	PROJECT MODE	AVERAGE PLANT LOAD FACTOR (%)
Maharashtra	2.5	Captive	13.90
Rajasthan	18	Sale	16.74
Madhya Pradesh	48	Sale	20.47
Madhya Pradesh	9.1	Captive	11.11
Tamil Nadu	2.5	Captive	15.36
Gujarat	1.5	Captive	19.89
Karnataka	3	Captive	20.51
TOTAL	84.60		



# CORPORATE INFORMATION

## Patanjali Foods Limited

### Board of Directors

#### Chairman

Acharya Balkrishna

#### Managing Director

Ram Bharat

#### Directors

Swami Ramdev

(Non-Executive Non-Independent Director)

Girish Kumar Ahuja

(Independent Director)

Tejendra Mohan Bhasin

(Independent Director)

Gyan Sudha Misra

(Independent Director)

#### Chief Executive Officer

Sanjeev Kumar Asthana

#### Chief Financial Officer

Sanjay Kumar

(Up to June 30, 2022)

Kumar Rajesh

(w.e.f. July 1, 2022)

#### Company Secretary

Ramji Lal Gupta

#### Auditors

Chaturvedi & Shah LLP

#### Cost Auditors

K. G. Goyal & Co.

### Bankers

(as on March 31, 2022)

State Bank of India

Punjab National Bank

Union Bank of India

Canara Bank

Indian Bank

### Registered Office

Ruchi House

Royal Palms, Survey No. 169,

Aarey Milk Colony,

Near Mayur Nagar,

Goregaon (East)

Mumbai - 400 065, Maharashtra

Phone: (+91-22) 61090100 / 200

Email : [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in)

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

### Corporate Office

601, Part B-2, 6th Floor,

Metro Tower, Vijay Nagar,

A.B. Road, Indore - 452 010

Madhya Pradesh

Phone : (+91 731) 4767109/110

Email: [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in)

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

### Share Transfer Agent

Sarthak Global Limited

170/10, Film Colony,

R.N.T. Marg, Indore - 452 001

Madhya Pradesh

Phone: (+91-731) 4279626 / 2523545

Email: [investors@sarthakglobal.com](mailto:investors@sarthakglobal.com)

# Directors' Report

Dear Members,

Your Board of Directors have pleasure in presenting the Thirty Sixth (36<sup>th</sup>) Directors' Report together with the audited financial statements of the Company for the financial year ended March 31, 2022.

## CHANGE OF NAME

Members of the Company are hereby informed that the Company was acquired by the consortium led by Patanjali Ayurved Limited pursuant to a resolution plan, which was duly approved by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") order(s) dated July 24, 2019 read with order dated September 04, 2019, under corporate insolvency resolution process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 ("Code"). Presently, the Company is part of the Patanjali group which holds 80.82% of the paid up equity share capital of the company.

Members may note that the Company is presently engaged in the business of edible oils, vanaspati, food, nutraceutical and

health products. However, the Company's name "Ruchi Soya Industries Limited" contained only "soya" in its name and hence, it no longer justified with all the commercial activities being undertaken by the Company. Accordingly, to depict the rich legacy and brand name of the Patanjali group in name of the Company, the Board of Directors of the Company at their meeting held on April 10, 2022 decided to change the name of the Company from "Ruchi Soya Industries Limited" to "Patanjali Foods Limited" or any other name as may be approved by Registrar of Companies, Maharashtra, Mumbai. In this regard, the name of the Company is changed from Ruchi Soya Industries Limited to Patanjali Foods Limited pursuant to Special Resolution passed by the members through postal ballot (conducted through remote e-voting) concluded on June 22, 2022 and thereafter the Registrar of Companies, Maharashtra, Mumbai, issued a fresh certificate of incorporation on June 24, 2022 reflecting the new name of the Company. The new symbol issued by BSE Limited and National Stock Exchange of India Limited is PATANJALI.

## FINANCIAL PERFORMANCE

The summarized financial performance highlight is presented in the table below:

Particulars	Financial Year	
	2021-22	2020-21
Total Income (including other income)	24,28,438.22	16,38,297.71
Less: Total expenses other than Finance Cost and Depreciation	22,71,839.53	15,36,460.73
Profit/ (Loss) before Depreciation, Finance Cost and Tax	1,56,598.69	1,01,836.98
Less: Finance Cost	35,487.79	37,071.87
Less: Depreciation, amortization and impairment expenses	13,672.75	13,325.09
Profit for the year before tax	1,07,438.15	51,440.02
Total Tax Expenses	26,807.26	(16,637.16)
Net Profit for the year after tax	80,630.89	68,077.18
Add: Items that will not be reclassified to statement of profit or loss	1,222.70	1,073.95
Add: Items that will be classified to statement of profit or loss	8.68	—
Total comprehensive income for the year	81,862.27	69,151.13

(₹ in Lakh)

## STATE OF COMPANY'S AFFAIRS

Your company has achieved a total income of ₹ 24,28,438.22 lakh during the year under review as against ₹16,38,297.71 lakh in the previous financial year. The net profit after tax of the company for the year under review was ₹ 80,630.89 lakh as against ₹ 68,077.18 lakh for the previous year.

The export of the company during the year under review was ₹ 30,439.59 lakh as compared to ₹ 40,498.44 lakh during the last financial year. Despite of lock down across the country due to second wave of COVID-19 pandemic, most of the plants of your Company were in operation utilizing maximum capacity of the same.

## FUTURE OUTLOOK

The Financial Year 2022 was marked by uncertain and challenging business environment due to continued covid pandemic, geopolitical tensions, continuation of logistic / supply chain disruptions, high inflation, and unprecedented commodity price volatility. Your company successfully navigated through the dynamic business and operating environment and demonstrated superior financial performance.

Your company has put in place elaborate strategic framework with an objective of creating value for stakeholders. The framework lays down clear cut roadmap to transform company's business DNA from largely commodity orientation to FMCG and FMHG orientation. Your company has created multiple growth drivers – and has taken several initiatives to create high margin – high growth business with an aspiration to be internationally recognized leading Food, FMCG and FMHG Company. Some of the Key initiatives include launch of Nutraceutical business vertical and acquisition of Biscuits, Breakfast Cereals and Noodles business. In FY 2022-23, the company has acquired the Food business of Patanjali Ayurved Limited comprising of over 242 products across 8 different categories. Your company is expecting this acquisition to double the share of FMCG business within overall portfolio. In addition, the company is expanding distribution base of FMCG business internationally and constituted specialized team towards exports. Your management is confident that these businesses will create new frontiers of growth for the company. With these new initiatives, your company aspires to become large and diversified conglomerate with multiple growth in revenues over next decade.

Your company has an experienced talent pool that has enabled the Company to grow profitably amid challenging environment. Your company has been recognized 'Great Place to Work'. The continued emphasis on training and capacity building of our resource pool has strengthened company's capability to deliver critical outcome on the vectors of strategic impact, operational efficiency and capital productivity. Decentralized decision making and team empowerment across levels has helped company in attaining operational excellence, being market responsive and agile. Alignment of all company employees to a shared vision and purpose has enabled us to effortlessly execute complex business decisions to emerge in leader position across various businesses in a diverse, complex and continuously evolving Indian market.

The strategic interventions, experienced and dedicated talent pool, and high standards of corporate governance has set the stage for your company to leverage emergent market opportunities that will create value for the stakeholders.

Inspired by this Vision, your directors look forward to the future with confidence and stand committed to create an even brighter future for all stakeholders.

## FURTHER ISSUE OF SHARES

In compliance of the Order dated July 24, 2019 read with Order dated September 04, 2019 passed by Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench under section 31 of the Insolvency and Bankruptcy Code, 2016, your Company had allotted 29,25,00,000 Equity Shares in favour of the shareholders of Patanjali Consortium Adhigrahan Private Limited, which had been amalgamated with your Company. Subsequent to this allotment of 29,25,00,000 Equity Shares, the minimum public shareholding ("MPS") in your Company reduced to 1.13%. Further, to comply with the provisions of minimum public shareholding under Regulation 38 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") and to comply with continuous listing requirement as stipulated under Rule 19A(5) of the Securities Contracts (Regulation) Rules, 1957 ("SCRR"), as amended, the minimum public shareholding has to be increased to 25% within a maximum period of three years from the date of such fall, in the manner specified by SEBI and if the public shareholding falls below 10% (ten per cent), the same shall be increased to at least 10% (ten per cent), within a maximum period of 18 (eighteen) months from the date of such fall, in the manner specified by SEBI which has to be achieved by your Company. Your Company is required to increase its public shareholding so that it can achieve the minimum public shareholding in compliance with the requirements of rule 19A of the Securities Contracts (Regulation) Rules, 1957 (SCRR).

In compliance of the same, your Company has successfully launched the Further Public Offer (FPO) and allotted 6,61,53,846 equity shares amounting to ₹ 4,300 crore. Subsequent to allotment of such shares, the minimum public shareholding reached to 19.18%. Nonetheless, the Promoters are further required to dilute at least 5.82% of their shareholding (in accordance with the methods prescribed under applicable laws) to ensure that your Company achieves 25% public shareholding as envisaged under Rule 19A of the SCRR. In order to achieve the same, that too in a timely manner, your Company is continuously exploring various other options as prescribed by SEBI.

## TRANSFER TO RESERVES

During the year under review, no amount was proposed to be transferred to Reserves. For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2022, please refer to the Statement of Changes in Equity included in the financial statements.



## DIVIDEND

Your Directors recommend payment of dividend at the rate of 0.0001% on 1,79,22,540 – 0.0001% Non-Convertible Redeemable Cumulative Preference Shares of ₹ 100/- each and of ₹ 5/- (Rupee Five Only) per equity share being 250% of face value of ₹ 2/- (Rupee Two Only) for financial year ended March 31, 2022. The payment of dividend is subject to approval of shareholders at 36<sup>th</sup> Annual General Meeting (“AGM”) of the Company.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividend paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the dividend after deduction of tax at source.

The dividend recommended is in accordance with the parameters and criteria as set out in the Dividend Distribution Policy which has been approved by the Board of Directors of the Company. The Dividend Distribution Policy is available at the web link [http://www.patanjalifoods.com/policies/Dividend\\_Distribution\\_Policy\\_of\\_the\\_Company.pdf](http://www.patanjalifoods.com/policies/Dividend_Distribution_Policy_of_the_Company.pdf) in terms of Regulation 43A of Listing Regulations.

## DEPOSITS

During the year under review, your Company has not accepted/renewed any deposits within the meaning of Sections 73 to 76A of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Particulars of loans, guarantees or investments pursuant to Section 186 of the Companies Act, 2013 are provided in the notes to the financial statements.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The provisions of Sections 129, 134 and 136 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and Regulation 33 of Listing Regulations for preparation of consolidated financial statements, are not applicable to your Company. A separate statement containing the salient features of the financial statement of subsidiaries, joint ventures and associates in Form AOC-1 is attached with this annual report.

### Subsidiaries

During the year under review, there was no subsidiary of the Company.

### Associate

GHI Energy Private Limited (“GHI”) was an associate of the Company with the Company holding 49% of the paid up equity

share capital of GHI. However, GHI issued further equity shares on 13<sup>th</sup> May, 2019 without consent of the Company as a result of which Company’s equity shareholding in GHI reduced to 19.34%. On persuasion by the Company, GHI has filed a petition with Hon’ble National Company Law Tribunal, Chennai Bench (“Hon’ble Tribunal”) for reduction of capital under section 66 of the Companies Act, 2013. Accordingly, pending confirmation of the Hon’ble Tribunal of the aforesaid reduction of share capital of GHI, the Company continues to hold only 19.34% in GHI. Upon approval of the capital reduction by the Hon’ble Tribunal and such capital reduction, being effective, the paid up equity share capital of GHI shall stand reduced to the extent of the shares so extinguished and the original shareholding of 49% by the Company in GHI shall stand restored.

## Joint Venture

Ruchi J-Oil Private Limited, a joint venture of the Company, is under voluntary liquidation from August 21, 2018.

The investment of the Company in Indian Oil Ruchi Biofuels LLP, a joint venture of the Company, has been impaired in the books of accounts of the Company in the year 2018-19 as per the provisions of applicable Ind-AS.

## CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL (“KMP”)

### Directors

There was no change in composition of Board of Directors of the Company during the year under review.

As on March 31, 2022, following is the composition of the Board of Directors of the Company:

Sr. No.	Name of Director	Category
1.	Shri Acharya Balkrishna	Non-Executive-Non Independent Director Chairperson
2.	Shri Swami Ramdev	Non-Executive-Non Independent Director
3.	Shri Ram Bharat	Executive – Managing Director
4.	Shri Girish Kumar Ahuja	Non-Executive–Independent Director
5.	Shri Tejendra Mohan Bhasin	Non-Executive–Independent Director
6.	Mrs. Gyan Sudha Misra	Non-Executive–Independent Director

### Key Managerial Personnel

There was no change in composition of KMP during the year under review. However, after closure of financial year Shri

Sanjay Kumar resigned from the office of the Chief Financial Officer (“CFO”) of the Company with effect from June 30, 2022. The Board takes on record the valuable contribution made by him during his tenure with the company.

Shri Kumar Rajesh, Head-Strategic Finance, Special Projects and Treasury Management of the Company has been appointed as Chief Financial Officer (KMP) of the Company with effect from July 1, 2022.

As on date, your Company has following key managerial personnel:

Sr. No.	Name of Key Managerial Personnel	Category
1.	Shri Ram Bharat	Managing Director (MD)
2.	Shri Sanjeev Kumar Asthana	Chief Executive Officer (CEO)
3.	Shri Kumar Rajesh	Chief Financial Officer (CFO)
4.	Shri Ramji Lal Gupta	Company Secretary (CS)

## STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each of the independent directors confirming that he/she meets the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 read with the schedules and rules made thereunder and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and in the Companies Act, 2013.

## POLICY ON DIRECTORS’ APPOINTMENT AND POLICY ON REMUNERATION

Pursuant to Section 134(3)(c) and Section 178 (3) of the Companies Act, 2013, the Policy on appointment of Board Members including criteria for determining qualifications, positive attributes, independence of a Director and the Policy on remuneration of Directors, KMP and other employees is available at the weblink [http://www.patanjalifoods.com/policies/Remuneration\\_and\\_Board\\_Diversity\\_Policy.pdf](http://www.patanjalifoods.com/policies/Remuneration_and_Board_Diversity_Policy.pdf).

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

As prescribed under Section 197(12) of the Companies Act, 2013 (“Act”) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details are given in **Annexure I**.

A statement containing particulars of employees as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 is provided as a separate annexure forming part of this Report. In terms of Section 136 of the Act, the Annual Report and financial statements are being sent to the shareholders excluding the aforesaid annexure. The said annexure is available for inspection at the registered office of the Company during business hours and will be made available to any shareholder on request.

## NUMBER OF MEETINGS OF THE BOARD

There were Fourteen (14) meetings of the Board of Directors held during the financial year under review. For attendance and other details, please refer the Corporate Governance Report which forms part of the Annual Report 2021-22.

## PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provisions of the Act and Listing Regulations.

The Board evaluated its performance after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of board process, information and functioning etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc. The above criteria is as provided in the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The manner in which the evaluation has been carried out has also been explained in the Corporate Governance Report attached as Annexure to this report.

The Company has put in place a policy containing, inter-alia, the criteria for performance evaluation of the Board, its Committees and individual Directors (including independent directors).

## DIRECTORS’ RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including internal financial controls, financial reporting by the Statutory Auditors and the reviews performed by the management and the relevant Board Committee, the Board is of the opinion that the Company’s internal financial control were adequate and effective during financial year 2021-22.

Accordingly, as required under section 134(3)(c) read with section 134(5) of the Act, the Board, to the best of their knowledge and ability, confirm that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- c. the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. the internal financial controls were in place and that such internal financial controls were adequate and were operating effectively; and
- f. the board has devised the proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## AUDITORS AND THEIR REPORTS

### Statutory Auditor

M/s. Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration No. 101720W/ W100355) were appointed as the Statutory Auditors of your Company to hold office from the conclusion of 31<sup>st</sup> AGM till the conclusion of the 36<sup>th</sup> AGM. They will be completing their first term of five consecutive years as the statutory auditors of the company at the conclusion of this 36<sup>th</sup> AGM of the Company.

Pursuant to Section 139(2) of the Act, the Company can appoint an auditors firm for a second term of five consecutive years. M/s. Chaturvedi & Shah LLP have consented to the said re-appointment, and confirmed that their re-appointment, if made, would be within the limits specified under the Act. They have further confirmed that they are not disqualified to be re-appointed as statutory auditor in terms of the provisions of the Act read with rules made thereunder.

The Board has recommended the members to consider their re-appointment as Statutory Auditors of your Company, for a term of five years, from the conclusion of the ensuing 36<sup>th</sup> AGM, till the conclusion of 41<sup>st</sup> AGM of the Company.

M/s. Chaturvedi & Shah LLP, Chartered Accountants, have submitted their Report on the financial statements of the Company for the financial year ended March 31, 2022, which forms part of the Annual Report 2021-22. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation or comments from the Board of Directors of your Company.

### Cost Auditor

The Board of Directors on the recommendation of Audit Committee has re-appointed M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No. 000017) as Cost Auditor, to conduct audit of the cost accounting records of the Company for the financial year ending on March 31, 2023. As required under section 148 of the Companies Act, 2013, a resolution regarding ratification of the remuneration payable to M/s. K.G. Goyal & Co., Cost Accountants, forms part of the Notice convening the 36<sup>th</sup> Annual General Meeting of the Company.

Pursuant to provisions of section 134 of the Companies Act, 2013 read with rule 8(5) of the Companies (Accounts) Rules, 2014, it is confirmed that the Company has made and maintained the cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

### Secretarial Auditor

CS Prashant Diwan, Practicing Company Secretary (FCS: 1403, CP: 1979), was appointed as Secretarial Auditor, to conduct the audit of secretarial records of the Company for the financial year ended on March 31, 2022 pursuant to section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by him in the prescribed Form MR- 3 is annexed to this Report as **Annexure II**.

### Explanations to the observations made in secretarial audit report:

Post closure of the financial year under review, the Company has allotted 6,61,53,846 equity shares of ₹ 2 each at a premium of ₹ 648 per share aggregating to ₹ 4,300 crore through further public offer in favour of non-promoter entities. On allotment of such shares, the public shareholding has reached to 19.18%. The Company is now compliant of minimum public shareholding requirements.

Other observations given by Secretarial Auditor in his secretarial audit report are self-explanatory and do not require further explanation or clarification.

CS Prashant Diwan, Practicing Company Secretary has been re-appointed to conduct the secretarial audit of the Company for the year ending March 31, 2023.

## DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditor, Cost Auditor and Secretarial Auditor of your Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

## INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal control systems include documented policies, checks and balances, guidelines and procedures, that are supplemented by robust internal audit processes and monitored continuously through periodical reviews by management to provide reasonable assurance that all assets are safeguarded; and all transactions entered into by Company are authorized, recorded and reported properly.

Internal control systems are integral to the Company's corporate governance. The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliances as well as an enhanced control consciousness.

The board/ management is of the opinion that the Company has effective internal financial control systems and policies and such controls are operating effectively. The management is taking steps for further strengthening of internal financial controls.

The Board/ management has reviewed the internal controls framework of the Company with an objective to have a robust internal control framework commensurate with the size, scale and nature of business of the Company. The management has initiated steps to implement the robust internal control framework. This framework includes entity-level policies, processes and Standard Operating Procedures (SOP).

The details relating to internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of the Annual Report 2021-22.

## CHANGE IN NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of your Company.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of your 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.

## RISK MANAGEMENT

The Board of your Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan of the Company for identifying and mitigating various risks. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Company recognizes that the emerging and identified risks need to be managed and mitigated to (a) protect its shareholders and other stakeholders' interest; (b) achieve its business objectives; and (c) enable sustainable growth.

The details of various risks that are being faced by the Company are provided in Management Discussion and Analysis Report, which forms part of this Report.

## DETAILS OF POLICY DEVELOPED AND IMPLEMENTED ON CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 of the Act your Company has formed a Corporate Social Responsibility (CSR) Committee to approve activities to be undertaken, expenditure to be incurred and to monitor the performance of the CSR activities undertaken by the Company.

The Company undertakes its CSR activities through Patanjali Yogpeeth Trust. The Company undertakes CSR activities for setting up of Patanjali Wellness Centre at Haridwar, Uttarakhand for promoting naturopathy, yoga and ayurved. These activities are in accordance with the Schedule VII to the Act.

The Board of Directors and the CSR Committee review and monitor from time to time the CSR activities being undertaken by the Company.

In compliance with section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Board of the Company has formed Corporate Social Responsibility ("CSR") Committee. The policy on CSR as approved by the Board of Directors is also hosted on the website of the Company and can be accessed from weblink [http://www.patanjalifoods.com/policies/CSR\\_Policy.pdf](http://www.patanjalifoods.com/policies/CSR_Policy.pdf).

The annual report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time), is set out at **Annexure III** to this report.



## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed to this Report as **Annexure IV**.

## CHANGE IN SHARE CAPITAL

As on March 31, 2022, the total paid-up equity share capital of your Company was ₹ 5,916.82 lakh divided into 29,58,41,007 equity shares of ₹ 2 each fully paid-up and total preference paid-up share capital of your Company was ₹ 45,000 lakh divided into 4,50,00,000 preference shares of ₹100 each fully paid up. During the year under review, there was no change in the share capital of the Company.

The Company has filed Red Herring Prospectus (RHP) and Prospectus with Registrar of Companies (ROC), Mumbai on March 11, 2022 and March 31, 2022 respectively. Post closure of financial year under review, Company has allotted 6,61,53,846 equity shares of ₹ 2 each at a premium of ₹ 648 per share aggregating to ₹ 4,300 crore through further public offer. The Company has also redeemed 2,70,77,460 - 0.0001% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100 each fully paid up amounting to ₹ 270,77,46,000 out of the proceeds of fresh issue of such shares.

As on date of report, consequent to allotment of equity shares and redemption of preference shares, the capital structure of the Company is as follows:

The paid-up equity share capital of your Company is ₹ 7,239.90 lakh divided into 36,19,94,853 equity shares of ₹ 2 each fully paid-up and paid-up preference share capital of your Company is ₹ 17,922.54 lakh divided into 1,79,22,540 - 0.0001% Non-Convertible Cumulative Redeemable Preference Shares of ₹100 each fully paid up.

## ANNUAL RETURN OF THE COMPANY

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on the financial year ended March 31, 2022 is placed on the Company's website at [http://www.patanjalifoods.com/investors\\_annualReturn.php](http://www.patanjalifoods.com/investors_annualReturn.php).

## SECRETARIAL STANDARDS

Your Company has followed Secretarial Standards as issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

## CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements as set out by the Securities and Exchange Board of India ("SEBI"). Your Company has also implemented several best governance practices.

Separate reports on Corporate Governance Compliance and Management Discussion and Analysis as stipulated under Regulation 34 read with Schedule V of the Listing Regulations forms part of the Annual Report 2021-22 along with the requisite certificate issued by Statutory Auditors of your Company regarding compliance of the conditions of Corporate Governance.

## BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report for the year ended March 31, 2022 as stipulated under Regulation 34 of the Listing Regulations is annexed and forms part of the Annual Report 2021-22.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions. During the year under review, the Policy has been amended to incorporate the regulatory amendments in the Listing Regulations. The updated Policy can be accessed on the Company's website at [http://www.patanjalifoods.com/policies/Policy\\_on\\_Materiality\\_of\\_Related\\_Party\\_Transaction.pdf](http://www.patanjalifoods.com/policies/Policy_on_Materiality_of_Related_Party_Transaction.pdf).

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis.

During the year under review, your company has not entered into any contract or arrangement with related parties which could be considered material according to the policy of your Company on materiality of Related Party Transactions. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2021-22 and hence does not form part of this report.

The Company has acquired the food business retail undertaking from Patanjali Ayurved Limited, a related party during current year which has been approved by the shareholders of the

Company by way of postal ballot through remote e-voting on June 22, 2022.

Details of related party transactions entered by the Company during the year 2021-22, in terms of Ind AS-24 have been disclosed in Note No. 35 of the financial statements forming part of this Annual Report.

## DISCLOSURE ON AUDIT COMMITTEE

The Audit Committee as on March 31, 2022 comprises of the following Directors:

Shri Girish Kumar Ahuja (Chairman), Shri Ram Bharat and Shri Tejendra Mohan Bhasin as members. For attendance and other details, kindly refer the Corporate Governance Report, which forms part of the Annual Report 2021-22. All recommendations of Audit Committee were accepted by the Board of Directors.

## VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company has adopted a Vigil Mechanism/ Whistle Blower Policy in terms of the provisions of the Companies Act, 2013 and the Listing Regulations, to provide a formal mechanism to the Directors and employees of the Company to report their genuine concerns and grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics. The policy provides adequate safeguards against victimization of Directors and employees who avail such mechanism and also provides for direct access to the Vigilance Officer and the Chairman of Audit Committee. The Audit Committee of the Board is entrusted with the responsibility to oversee the vigil mechanism. During the year, no personnel was denied access to the Audit Committee. The Vigil Mechanism/ Whistle Blower Policy is available on the website of the Company at [http://www.patanjalifoods.com/policies/Whistle\\_Blower\\_Policy.pdf](http://www.patanjalifoods.com/policies/Whistle_Blower_Policy.pdf).

## DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The aim of the policy is to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. All employees (permanent, contractual, temporary, trainees) are covered under the said policy.

Your company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to redress complaints received, if any, on sexual harassment.

The following is the summary of complaints received and disposed off during the Financial Year 2021-22:

- No. of complaints received: 1
- No. of complaints resolved: 1
- No. of complaints pending for resolution: Nil

## APPLICATION/ PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 ("IBC")

During the year under review, no application was made under IBC against your Company and no proceeding is pending under IBC against the Company.

The Company has filed an application on August 27, 2021 before Hon'ble National Company Law Tribunal at New Delhi ("Hon'ble Tribunal") to initiate Corporate Insolvency Resolution Process of M/s. B. N. Agritech Limited for its operational debt of ₹ 5.40 crore. The same is pending before Hon'ble Tribunal

## DISCLOSURE ON ONE TIME SETTLEMENT

During the year under review, the Company has not entered into any one-time settlement with the Banks or Financial Institutions who have extended loan or credit facilities to the company.

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

There are no significant and material orders passed by any regulator, court, tribunal impacting the going concern status of the Company and its operations in future.

## GENERAL

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

- a. Receipt of any remuneration or commission from any of its subsidiary companies by the Managing Director of the Company.
- b. During the year under review, the Company has not bought back any of its securities/ not issued any sweat

equity shares / not provided any Stock Option Scheme to its employees / not issued any equity shares with differential rights.

- c. There was no revision of the previous year's financial statements during the financial year under review.

## ACKNOWLEDGEMENT

The Directors take this opportunity to thank its investors, shareholders, bankers, distributors and other service providers for their continued support. The Directors would like to convey their gratitude to Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company and look forward to their continued support.

The Directors acknowledge the valuable assistance, support and guidance given by the Securities and Exchange Board of India, Reserve Bank of India, Banks, Ministry of Corporate Affairs, Registrar of Companies, Stock Exchanges and Depositories.

The Directors wish to place on record their appreciation to employees at all levels for their dedication and commitment.

For and on behalf of the Board of Directors of  
**Patanjali Foods Limited**  
(Formerly known as Ruchi Soya Industries Limited)

**Acharya Balkrishna**  
Chairman  
DIN:01778007

Place : Haridwar  
Date : August 10, 2022

## Annexure I

## DETAILS PERTAINING TO REMUNERATION

[As required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1), (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year ended March 31, 2022 and the percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year ended March 31, 2022 is as under:

Name of Director / Key Managerial Personnel	Ratio of remuneration of each Director to the Median remuneration of Employee	% increase in remuneration in the financial year ended March 31, 2022
<b>Executive Director</b>		
Shri Ram Bharat Managing Director	N.A.	N.A.
<b>Non-Executive Directors</b>		
Shri Acharya Balkrishna Non-Executive Non-Independent Director – Chairman	N.A.	N.A.
Shri Swami Ramdev Non-Executive Non-Independent Director	N.A.	N.A.
Shri Girish Kumar Ahuja Independent Director	8.52	N.A.
Shri Tejendra Mohan Bhasin Independent Director	7.27	N.A.
Smt. Gyan Sudha Misra Independent Director	4.01	N.A.
<b>Key Managerial Personnel</b>		
Shri Sanjeev Kumar Asthana Chief Executive Officer	N.A.	Nil
Shri Sanjay Kumar Chief Financial Officer	N.A.	Nil
Shri Ramji Lal Gupta Company Secretary	N.A.	7.5

## Notes:

- No remuneration has been paid to Shri Acharya Balkrishna and Shri Swami Ramdev, Non-Executive Non-Independent Directors during the financial year ended March 31, 2022.
  - Remuneration of Re. 1.00 was paid to Shri Ram Bharat, Managing Director of the Company for the financial year ended March 31, 2022.
  - No remuneration except sitting fees for attending the meetings of Board and its Committees, has been paid to Shri Girish Kumar Ahuja, Shri Tejendra Mohan Bhasin, Smt. Gyan Sudha Misra, Non-Executive Independent Directors during the financial year ended March 31, 2022.
- There were total 3547 permanent employees on the roll of the Company as on March 31, 2022.
  - Average percentage increase already made in the salaries of employees other than the managerial personnel in the financial year ended March 31, 2022 was 10.15 %. The increase in the remuneration of the employees was as per the policy of the Company.
  - It is hereby affirmed that the remuneration is as per the Remuneration & Board Diversity Policy of the Company.
- For and on behalf of the Board of Directors of  
**Patanjali Foods Limited**  
(Formerly known as Ruchi Soya Industries Limited)
- Acharya Balkrishna**  
Chairman  
DIN:01778007
- Place : Haridwar  
Date : August 10, 2022
- The percentage increase in the median remuneration of employees in the financial year ended March 31, 2022 was 8.80% whereas there was no increase in the managerial remuneration of Managing Director during the year ended March 31, 2022.



## Annexure II

### SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To  
The Members  
**Patanjali Foods Limited**  
(Previously known as Ruchi Soya Industries Limited)  
Ruchi House, Royal Palms, Survey No. 169  
Aarey Milk Colony, Near Mayur Nagar  
Goregaon (East), Mumbai – 400 065

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Patanjali Foods Limited** (Previously known as Ruchi Soya Industries Limited) having CIN: L15140MH1986PLC038536 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, 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, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined through digital mode the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings, Overseas Direct Investment and Foreign Direct Investment.;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (d) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Further, as representation made by the management and relied upon by me, during the period under review, provisions of the Food Safety and Standards Act, 2006, to the extent of filing of returns and renewal of requisite license were complied by the Company:

As per the representations made by the management and relied upon by me, during the period under review, provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (ii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- (v) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

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

- (i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to this report to the extent applicable, except Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - The public shareholding of the Company fell below 10% per cent, due to implementation of the resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016). The Public Shareholding of the Company was reduced to 1.103% and the Company was required to increase public shareholding to at least 10% on or before June 17, 2021. However, the Company increased the Public Shareholding to 19.18% by way of Further Public Offer on April 5, 2022.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors, if any, that took place during the period under review, were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and as informed, there were no dissenting members' views and hence not recorded as part of the minutes.

I further report that as per the explanations given to me in the representations made by the management and relied upon by me, 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.

As per the explanations given to me in the representations made by the management and relied upon by me, I further report that, the following are the specific events/ actions took place, having a major bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations, guidelines, etc.,

- (i) The Board of Directors of the Company at its meeting held on 10th May, 2021 approved the signing of the Business Transfer Agreement ("BTA") with Patanjali Natural Biscuits Private Limited (PNBPL) to acquire its business of manufacturing, packing and labelling of biscuits, cookies, rusk and other associated bakery products.
- (ii) The SEBI has issued warning letter dated September 30, 2021 in respect of Non-compliant with Schedule IX of SEBI (ICDR) Regulations. 2018.
- (iii) The Company raised capital from public through FPO (Further Public Offer) offering of Equity shares of ₹ 2/- each aggregating to ₹ 4,300 crore which was open for public from March 24, 2022 to March 28, 2022 and allotted 6,61,53,846 equity shares of ₹ 2/- each at a premium of ₹ 648/- per share on April 5, 2022 and trading started on stock exchanges from April 8, 2022.
- (iv) The Company passed a Special Resolution on June 22, 2022 through Postal Ballot for change of name of the Company from "Ruchi Soya Industries Limited" to "Patanjali Foods Limited".

Further the Company has filed an application with Ministry of Corporate Affairs for change of name of the Company and thereafter the Company has received fresh "Certificate of Incorporation pursuant to change of name" dated June 24, 2022 which was issued by the Registrar of Companies, Maharashtra, Mumbai. The name of the Company stands changed from "RUCHI SOYA INDUSTRIES LIMITED" to "PATANJALI FOODS LIMITED with effect from 24th June, 2022.

- (v) NSE and BSE levied fine of ₹ 5,000/- per day till the date of compliance of Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 i.e. ₹ 76,700/- (including ₹ 11700/- GST) for quarter ended June 30, 2021; ₹ 5,42,800/- (including ₹ 82,800/-

GST) for quarter ended September 30, 2021, ₹ 5,42,800/- (including ₹ 82,800/- GST) for quarter ended December 31, 2021 and ₹ 5,31,000/- (including ₹ 81,000/- GST) for quarter ended March 31, 2022 and the Company paid the aforesaid Fines.

**CS Prashant Diwan**

Practicing Company Secretary

FCS: 1403 CP: 1979

PR: 1683/2022

UDIN: F001403D000776859

Date : August 10, 2022

Place : Mumbai

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure “A”

**SECRETARIAL AUDIT REPORT****Form No. MR-3****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

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

To  
The Members  
**Patanjali Foods Limited**  
(Previously known as Ruchi Soya Industries Limited)  
Ruchi House, Royal Palms, Survey No. 169  
Aarey Milk Colony, Near Mayur Nagar  
Goregaon (East), Mumbai – 400 065

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company.
2. My responsibility is to express an opinion on these secretarial records based on my audit.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
5. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate, Specific and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
7. 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.
8. I have not carried out the physical verification of any records due to prevailing conditions of COVID-19 in the country. I have relied on the records as made available by the Company through digital mode as well as I have also relied on the Management representation made by the Company.

**CS Prashant Diwan**  
Practicing Company Secretary  
FCS: 1403 CP: 1979  
PR: 1683/2022  
UDIN: F001403D000776859

Date : August 10, 2022  
Place : Mumbai



# Annexure III

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

(Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies Corporate Social Responsibility) Rules, 2014

### 1. Brief outline of the Company's CSR policy:

Corporate Social Responsibility (CSR) forms an important part of the Company's overall philosophy of giving back to the society. The Company is committed to bring about positive changes in the society it operates.

The Company has formulated a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare and sustainable development of the Society.

### 2. Composition of the CSR Committee:

The Corporate Social Responsibility Committee is in compliance with the provisions of section 135 of the Companies Act, 2013 and rules made thereunder, as amended from time to time.

The composition of the Corporate Social Responsibility Committee as on year ended March 31, 2022 is as follows:

S. No	Name of Director	Designation	No. of Meetings held during the year	Number of meetings attended
1.	Shri Acharya Balkrishna	Chairman	4	4
2.	Shri Swami Ramdev	Member	4	3
3.	Shri Girish Kumar Ahuja	Member	4	4

### 3. Web-link to the CSR policy on Company's website

The CSR Policy of the Company can be accessed from the weblink [http://www.patanjalifoods.com/policies/CSR\\_Policy.pdf](http://www.patanjalifoods.com/policies/CSR_Policy.pdf).

### 4. Details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014: Not Applicable

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility) Rule, 2014 and amount required for set off for the financial year:

S. No	Financial Year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
		—	—

### 6. Average net profit of the Company as per section 135 (5): ₹ 330,34,18,333

### 7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 6,60,68,367

### (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

### (c) amount required to be set off for the financial year: NIL

### (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 6,60,68,367

### 8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to unspent CSR Account as per section 135(6) Amount	Date of transfer	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) Name of the Fund	Amount	Date of transfer
6,61,00,000	NIL	NA	NA	NA	NA

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

(1) Sr. No.	(2) Name of the project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No)	(5) Location of the project State District		(6) Project duration	(7) Amount allocated for the projects (in ₹)	(8) Amount spent in the current financial year (in ₹)	(9) Amount transferred to unspent CSR account for the project as per section 135(6) (in ₹)	(10) Mode of implem-entation – Direct (Yes/ No)	(11) Mode of Implementation – Through Implementing Agency Name CSR Registration number
1.	Patanjali Wellness Centre	Promoting Healthcare	Yes	Uttara-khand	Haridwar	Three months	6,61,00,000	6,61,00,000	NIL	No	Patanjali Yogpeeth Trust CSR00005364

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

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project State District	(6) Amount spent for the project (in ₹)	(7) Mode of implementation on Direct (Yes/No)	(8) Mode of implementation – Through implementing agency Name CSR Registration number
Not Applicable							

(d) Amount spent in Administrative overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 6,61,00,000/-

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

Sr. No.	Particulars	(in ₹) Amount
(i)	Two percent of average net profit of the company as per section 135(5)	6,60,68,367
(ii)	Total amount spent for the Financial Year	6,61,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	31,633
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	31,633*

\*The Company has not claimed set off of this amount in succeeding financial years.

## 9. (a) Details of unspent CSR amount for the preceding three financial years:

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

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

(1) Sr. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project - Completed/ Ongoing
Not Applicable								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year :**

**(Asset wise details)**

- Date of creation or acquisition of the capital asset(s): NA
- Amount of CSR spent for creation or acquisition of capital asset: NA
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

**11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5): Not Applicable**

For and on behalf of the Board of Directors of  
**Patanjali Foods Limited**  
(Formerly known as Ruchi Soya Industries Limited)

**Ram Bharat**  
Managing Director  
DIN: 01651754

**Acharya Balkrishna**  
Chairman  
Chairman—CSR Committee  
DIN: 01778007

Place : Haridwar  
Date : August 10, 2022

## Annexure IV

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,  
FOREIGN EXCHANGE EARNINGS AND OUTGO**

[As per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

The Company operates in a safe and environmentally responsible manner for the long-term benefit of all stakeholders. The Company works towards minimizing the impact of its operations on the environment and is committed to take effective measures to conserve energy, promote the use of renewable energy and drive energy efficiency in its operations. During the year under review, several steps were taken for conservation of energy, some of which are listed below:

**(A) CONSERVATION OF ENERGY:****(I) Steps taken to use green energy :**

The Company generates 84.6 MW of Power from Wind energy out of which 18.6 MW is used for captive consumption. Power generated from wind farm projects at Maharashtra, Gujarat, Madhya Pradesh, Tamilnadu and Karnataka is utilized in the manufacturing units at Nagpur, Kandla, Manglia, Chennai and Manglore respectively, optimizing the power used from state electricity boards. Husk fired boilers are used at manufacturing facilities at Baran, Sri Ganganagr & Kakinada. The Pedapuram, Ambapuram manufacturing units of the Company utilize the electricity generated from the back pressure turbine to optimize energy cost.

**(II) Steps taken or impact on conservation of energy:****Steam Energy Saving:**

- Regular monitoring of steam trap to save heat/ steam energy.
- Insulation on valves, bend, flanges to avoid heat loss & steam energy saving.
- Condensate recovery system to utilize to save heat/ steam energy.
- Reduction of open steam in process hence to reduce steam energy at refinery.
- Conversion of diesel fuel based boiler to husk based boiler to reduce operational cost.
- Installation of Plate heat exchanger to utilize heat of final crude oil or refined oil to save steam energy.
- To increase turbine utilization vacuum system designed on low pressure & preventing venting of steam.

**(III) Steps taken by the Company for utilizing alternate sources of energy:****Electrical Energy saving:**

- Old & inefficient gear boxes worm reduction replaced by helical type for power saving. Variable frequency drive installed to reduce excess power consumption by motors.
- Halogen lighting replaced by LED to save electrical energy.
- Higher capacity pumps & motors replaced by efficient pumps & motors after conducting audit.
- By automation on cooling tower fan with temperature of water we reduce power consumption.

**Other Areas**

- To reduce effluent water load, the Company installed nozzle centrifuge at palm oil plant to recover oil from effluent water.
- Utilization of agro fuel with coal to reduce operation cost or steam cost.
- Installation of Reject recycle RO plant to reduce wastage of water. Utilization of RO reject water/ blow down water directly in cooling tower of refinery to reduce water consumption in process.
- Continued the physical refining process of oil to reduce chemical consumption.

**(IV) Capital investment on energy conservation equipments: Nil****(B) TECHNOLOGY ABSORPTION:****(I) Efforts made towards technology absorption:**

In order to maintain its leadership position, the Company is continuously focusing on upgrading its product and manufacturing technology as well as acquiring new and advanced technology to meet the emerging expectations of the customers. The R&D department is actively involved in the development and implementation of advanced utility generation system to make manufacturing process efficient and has procured Indigenous Technology of Co-generation (STG set-Steam Turbine & Generator set). An expert consultant has been hired for installation of Co-generation unit (Steam Operated Turbine-Electricity



Generation Unit). The activities are in full consonance with the Company's objective of utilizing the most advanced energy efficient solutions at minimum cost.

**(II) Benefits derived like product improvement, cost reduction, product development or import substitution:**

Introduction of new technologies has helped the Company to achieve more efficient operations, manufacture high quality and safe products, reduce energy cost and better energy utilization. By adoption of latest advanced technologies, the Company intends to capitalize and bookshelf the developed technology for incorporation into the quality products at competitive price for making them more attractive to the end customers. The Company is also taking measures to mitigate all future risks related to technology by taking appropriate emerging technology, green initiatives etc. to meet and exceed all future emissions.

**(III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

The Company has not imported any technology in last three years reckoned from the beginning of the financial year, hence nothing to report under this section.

**(IV) Expenditure incurred on Research and Development:**

Expenditure incurred on research and development are charged under primary heads of accounts and not allocated separately.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The foreign exchange earned in terms of actual inflows during the year ended March 31, 2022 was ₹ 24,330.16 lakh (Previous year ₹ 32,305.76 lakh) and the foreign exchange outgo during the year ended March 31, 2022 in terms of actual outflows was ₹ 8,24,979.67 lakh (previous year ₹ 4,30,650.84 lakh).

For and on behalf of the Board of Directors of  
**Patanjali Foods Limited**  
 (Formerly known as Ruchi Soya Industries Limited)

**Aacharya Balkrishna**  
 Chairman  
 DIN: 01778007

Place : Haridwar  
 Date : August 10, 2022

# Management Discussion and Analysis Report

## Indian Economy

India's economy remained robust in FY 2021-22 despite challenges posed by the recurring waves of Covid-19 during the first and the last quarter of the fiscal. The economy grew by 8.7% in the year under review after witnessing a subdued growth of 6.6% in FY 2020 -21 and 3.7% in FY 2019-20.

The vaccination drive picked-up pace during the year, significantly reducing the social and economic impact of the pandemic. Favorable fiscal and monetary policy further supported the economy during FY 2021-22. The Private Final Consumption Expenditure (PFCE), a metric that gauges the economic consumption and forms more than half of the Indian GDP, saw a growth of 7.9% in FY 2021-22 as compared to a fall of 6% seen in the previous fiscal. In absolute terms, consumption expenditure is just 1.4% above its pre-pandemic (FY 2019-2020) levels, signaling that the consumption demand in the economy is yet to see a durable pick-up.

During FY 2021-22, the global growth was challenged by the impact of Russia-Ukraine war, rising commodity prices, constrained supply chain and volatile financial markets. Imported inflation, in form of higher food and fuel prices, lowered the buying capability of people in both urban and rural India and remains a reason for concern. To counter the impact, the Reserve Bank of India initiated a hike in rates. Despite these challenges, India remains a bright spot amidst the weak global growth, and is estimated to grow in the range of 7.1%-7.5% in FY 2022-23.

India's vision of becoming a \$ 5 trillion economy within a few years and a \$ 10 trillion economy by the end of the decade will have a positive impact on its private consumption. Young population, more women in the workforce, growing middle class, and nuclearization are a few of the many growth drivers (listed below) that will boost sustained consumption in the country.

### Growth drivers of Indian economy

**Population Rise:** India's population is projected to touch 1.5 billion by 2030, surpassing China.

**Rise of middle and high-income group:** According to a research paper by the IMF, absolute poverty in India has stayed below 1% in 2021, despite the Covid-19 pandemic. According to the World Bank projections, the share of poor income group in India's total population declined from 57.4% in 1981 to around 13.4% in 2015. This share has further fallen from 8.4% in 2018 to 5-5.5% in 2020. In absolute terms, poverty in India has been

reduced to around 68-77 million people. The decline in poor income group population is indicative of a rapid rise in the middle and high-income group in India.

**Favourable demographic trend:** As per the United Nations, India's median age will reach 31.4 years by 2030 (from 28.2 years in 2020) versus a global median age of 33.0, indicating a favorable demographic trend.

**Rise in per capita income:** The per capita income of India has maintained an increasing trend since 2012; growing at a healthy CAGR of approximately 10%. The per capita income reached ₹ 1,48,726 in 2019. Given the impact of Covid-19, it is projected to decrease to ₹ 1,37,913 in FY 20. However, it is expected to bounce back to ₹ 1,52,936 in the subsequent year and continue its growth journey at a CAGR of 10.5%.

**Urbanization:** India's urban population has been burgeoning over the past few decades and this trend is expected to continue. According to a United Nations report, nearly 40% of the country's population is expected to live in urban areas by 2030, from around 31% in 2010.

**Discretionary expenditure:** Within consumption expenditure, the share of discretionary spending in India is expected to increase aggressively. The share of discretionary spending in India stood at 56% of the overall expenditure in 2019. This is much lower as compared to advanced economies like the US and the UK where the discretionary expenditure stands at 73% and 74% respectively.

## Business Overview

The Company is well placed to leverage the opportunities arising from the macro-economic changes in the country. The Company is a leading FMCG (Fast Moving Consumer Goods) organization with diversified presence in FMHG (Fast Moving Health Goods). It is well-recognized for its brands and enjoys a PAN India-presence. The Company is a part of the Patanjali Group, one of India's leading FMCG, health and wellness Company. It is present across the entire value chain in the palm and soya segment, with a healthy mix of upstream and downstream business.

With 25 processing plants across India (of which 19 are operational with a crushing capacity of 11,000 MT per day) and access to 47 contract manufacturing units, the Company's key infrastructure is robust. The Company is a pioneer and largest manufacturer of soya foods. Brand "Nutrela", a soya product brand, is a popular household and generic name in

India. The Company is also one of the largest palm plantation companies in the country, which provides secure access to palm oil for seamless backward integration. The integration also extends downstream to the Oleochemicals, other by-product and derivatives business. The Company is also engaged in the business of wind power generation and uses the renewable power generated at the facilities for captive use and sale.

The business verticals include: 1) Edible Oil, 2) Oil Palm Plantation, 3) Edible Soya Flour & TSP, 4) Oleochemicals, 5) Honey and Atta (flour), 6) Noodles and Breakfast Cereals, 7) Biscuits, Cookies and Rusks, 8) Nutraceuticals and Wellness, and 9) Renewable Energy.

## Industry Overview

### Edible Oil Market

India is the world's second-largest consumer and number one importer of vegetable oil, consuming around 23 million tons of edible oil every year. Out of the total requirement, around 10 million tons is estimated to be produced domestically from primary sources (Soybean, Rapeseed & Mustard, Groundnut, Sunflower, Safflower and Niger) and secondary sources (Oil palm, Coconut, Rice Bran, Cotton seeds & Tree Borne Oilseeds). The remaining requirement of 13 million tons is met through imports. The Solvent Extractors' Association of India (SEA) has estimated that India's edible oil consumption would surge to 25-27 million tons by FY 2025-26.

India's edible oil industry is fragmented wherein 13% of oil is sold as loose/unbranded. The edible oil retail market has been growing steadily at a CAGR of 6% in the last five years and is estimated to be around ₹ 1,79,500 crore. Out of the total, the market size of the unbranded market stood at ₹ 23,500 crore. The market is estimated to grow to ₹ 2,38,000 crore by FY 2024-25, with the size of unbranded market at ₹ 24,000 crore, signaling formalization of the sector with organized players gaining more share from the unorganized sector.

In terms of end users, around 18% of the edible oil is consumed by food processing enterprises such as snacks and bakery manufacturers, who buy oil in bulk (loose form in tankers). Almost 20% of the edible oil is consumed by the HoReCa (Hotels, Restaurants and Caterers) segment and 62% of the volume is consumed by the end consumer segment, with each of these segments consuming oil in packets. The edible oil consumption volume is projected to reach around 25 million tons by FY 2025-2026.

In terms of volume, the four key edible oils - palm, soybean, mustard and sunflower - constitute 85-88% of the total edible oil consumption in India. Palm oil is primarily used by the food processing enterprises. It is also used in blended oils for domestic consumption. Palm and soybean oil are

also used by the HoReCa segment. India imports most of its palm oil consumed. Edible oils like soybean oil, mustard oil, and sunflower oil are largely used for domestic consumption. Other edible oils include sesame oil, coconut oil, groundnut oil, rice bran oil, etc.

### Growth Drivers

Growing population, changing tastes and preferences of consumers, shifting consumption pattern towards branded oils, and consistent marketing and distribution initiatives by leading edible oil brands are leading to a rise in consumption of branded edible oils in the country. While a policy push has led to the formalization of the edible oil industry in India and bodes well for the organized players, the low per capita consumption of edible oil suggests enough headroom for growth.

### Company Placement

The Company is one of the largest integrated oil seed solvent extraction and edible oil refining companies in India. It is recognized amongst the largest branded oil companies with a robust brand portfolio of cooking oils including soya bean, mustard, sunflower, palm, cottonseed and groundnut oil.

### Packaged Food Retail Market

The Indian packaged food retail market, estimated at around ₹ 6,00,000 crore is only about 15% of the total food and grocery retail market, which is estimated to be pegged at around ₹ 39,45,000 crore. According to Technopak Research, it is expected to reach ₹ 1,013,000 crore by FY 2024-25.

The Indian food retail market remains dominated by unbranded products. However, with a significant rise in the convenience, availability and affordability of packaged food products across the country, the consumers' perception about it is constantly changing. The urban areas are leading the demand for packaged food, accounting for around 65-70% of the overall demand and encouraging the companies to launch new products and variants in this category. Rural areas are also catching pace and becoming increasingly crucial for driving growth in the Indian packaged food market.

The government is also supporting the industry through production-linked incentive (PLI) scheme, which is being implemented over FY 2022-27.

### Growth Drivers

A change in demographics is powering the transition from unbranded to branded products in the Indian economy. Growing awareness about packaged food amongst the consumers is also pushing its demand. The segment offers ease of availability and convenience to its consumers, a much needed respite for those are otherwise caught up in their modern

fast-paced life. The growth of modern retail sales channels including hypermarkets, supermarkets, and e-commerce platforms is further leading to a higher off-take of packaged food. Premiumization, increased in-home consumption and competition amongst bigger brands are also some of the key factors contributing to product innovation and steadfast growth of the packaged food industry.

### Company Placement

The Company's diversified FMCG product portfolio consists of large number of SKUs and is one of the largest players in the FMCG space. Key products include biscuits, digestive cookies, Paushtik Marie, crackers, whole wheat rusk, noodles, breakfast & cereals. The brands are well positioned in India and are exported to 31 countries across the world.

### Soya Product Markets

The soya market includes products like soya flakes, soya flours, soya grits, soya TVP (Textured Vegetable Protein), soya lecithin, soya distillate, among other value-added products. The Company is a big player in the soya products market and handles the largest volume of soya shipments from India, exporting value-added products to more than 31 countries across the globe. India is a preferred country for soya products due to its soy's non-GMO origin.

Within soya product markets, soya chunks have a huge opportunity size. The soya chunks retail market in India is estimated to be around ₹ 2,000 crore and is expected to jump to ₹ 3,422 crore by FY 2024-25. The market comprises of both branded and unbranded segments with each enjoying almost an equal share in terms of value.

According to Technopak Research, the branded soya chunks market in India stood at ₹ 1,000 crore. This is expected to jump to ₹ 1,900 crore by FY 2024-25. While the branded segment is dominated by Company's Nutrela, the competition primarily comes from unbranded segments.

### Growth Drivers

Soya chunks are positioned as protein-rich vegetarian food. Soya nuggets are said to have 52% protein, much higher than eggs and milk (10-15%). The growth in soya chunks is led by the eastern and northern regions of India which contribute to 80% of the total sales (branded and unbranded). Soya chunks provide an alternative to cottage cheese in the north and to meat in the eastern region. Consumption in the western and southern regions has remained relatively low and wider acceptance in these regions may require advocacy and integration with traditional recipes.

### Company Placement

The Company is one of the highest exporters of value-added soya products and by-products to more than 31 countries in the world. It pioneers soya chunks with a leading (40%) market share in India through its brand 'Nutrela', which was launched three decades ago. Soya flour and TSP are sold to retail consumers in India under the Nutrela brand.

### Oilseed Crush Business

India grows various types of oilseeds on over 28 million hectares of land. The Solvent Extractors' Association of India has pegged the total turnover of the oilseed industry at \$ 35 billion (₹ 2.75 lakh crore).

Oilseed production in the country has lagged in its consumption, resulting in dependence on imports of edible oil. There are approximately 15,000 oilseed-crushing mills across the country. The typical crushing industry has two segments: ghanis (very small-scale, low technology plants) and small-scale expellers. The players in oilseed crushing can be divided into four groups: Large Domestic Players, Small Players with Niche Products, International Commodity Traders, and Feed Manufacturers.

The total capacity for soybean and mustard stood at approximately 25 million MT and 15 million MT respectively.

### Growth Drivers

There is a strong export demand for soybean meal, especially for non-GMO soybean meals. The growth in Indian feed industry at 8% CAGR, with poultry, cattle and aqua feed sectors emerging as major growth drivers will also have a positive impact on the segment. Favorable measures from the government to increase the production and productivity of domestically grown edible oil seeds, with an intention to cut oil import, will also support growth.

### Company Placement

The Company is a key player in the Oilseed Crushing market. The Company has strategically located oilseed crushing and oil refining plants with a crushing capacity of approximately 11,000 MT per day. With the objective to increase refining, the inland oilseed crushing plants are located in key soyabean & mustard seed producing states. The refining plants also use imported crude edible oil and are thereby located at or near the ports.

### Oil Palm Plantation

Globally, nearly 28 million hectares of land is under palm plantation producing approximately 411 million tons of palm fruits every year. The global palm oil market is estimated at 75 million MT, valued at approximately \$ 87 billion. The market is growing at a CAGR of 6.0% and is projected to reach \$ 116



billion by 2025. Indonesia and Malaysia are leaders in palm oil production with a combined share of around 85%.

Palm oil accounts for nearly 38% of India's total domestic edible oil consumption, followed by soya oil at 20%, rape/mustard oil at 14% and sunflower oil at 9%. India is the largest importer of palm oil, followed by China. Palm oil, both crude and refined, form over 60% of India's vegetable oil imports. India imports around 8 million tons of palm oil every year, mainly from Indonesia and Malaysia. In FY 2021, India imported 3.65 million tons and 3.60 million tons palm oil from these countries respectively.

The edible oil deficit has forced India to import edible oil since 1990, with the import volumes surging from just 5 million tons in 2001 to 13 million tons currently. According to Solvent Extractors' Association, in the last 20 years, India's import bill for edible oil has gone up from ₹ 7,000 crore to ₹ 1.17 lakh crore (in FY 2020-21).

### Growth Drivers

Palm oil, being cheaper as compared to other vegetable oils, has been gaining popularity in the last one decade, and is the single largest source of vegetable oil globally. Like other countries, the edible oil consumption in India is also skewed towards palm oil. Palm and its derivatives are used as inputs in many industries with palm oil being more popular in the Hospitality, Restaurants and Catering (HoReCa) segment. Besides its use as edible oil in the food industry, palm oil also serves as a critical raw material for many user industries like FMCG, fuel, food processing and paints. Its by-products also find utility in animal feed and farm compost. In India, crude edible oil is majorly imported, therefore, presenting a huge opportunity for the domestic players. The Government, through various measures, is also incentivizing growing oil palm in India.

### Company Placement

Specified zones for palm cultivation have been allocated to the Company by the government, which assists in backward integration of sourcing palm oil. Out of 4,84,010 hectares of area allotted to the Company across 10 States, 59,743 hectares of area has been developed till June 30, 2022. The Company has also set up two palm oil mills with FFB processing capacity of 125 MT per hour and two palm kernel processing capacity of 180 MT per day in the state of Andhra Pradesh. The Public Private Partnership allows the company to maintain an asset light business model. Procurement and payment processes are completely digitized to enhance operational and cost efficiencies.

### Future outlook

**Expansion of product portfolio:** The Company plans continuous expansion of its product portfolio and provide

differentiated offerings with the objective to capitalize on the emerging trends and strengthen its position in the industry.

**Leverage Patanjali's brand equity:** "Patanjali" is a household brand with a wide product portfolio, robust distribution network and strong brand equity. The brand commands a great recall amongst the Indian consumers due to its image and goodwill, established over the years. The Company intends to leverage its relationship with the Patanjali group and embark on a journey of aggressive growth backed by Patanjali's strong distribution network, economies of scale, in-house manufacturing capabilities, R&D capabilities and experience.

### Brand awareness initiatives and product premiumization:

The Company will continuously allocate significant resources to strengthen 'Nutrale' as well as focus on branding and promotion in order to enhance visibility, market share, and cater to the growing needs and preferences of customers. Aiming to expand the portfolio in premium product category, the Company will include a healthy range of premium oils, which will help to realize higher margins. The existing lines at manufacturing facilities will be utilized for production of such high-margin premium products.

**Expansion in existing and new markets:** The Company will continue its focus on expanding its distribution network for increased penetration in metros, semi urban and rural markets. The sales strategy will encompass dividing the marketing efforts into different segments, with specific attention towards expanding the Company's share in the rural markets. The Company's R&D activities will focus on expanding its product range in the health & wellness segment, with a plan to launch 25+ new products in Nutraceuticals. Within the edible oil segment, the Company plans to launch blended oil variants and expand into Mustard oil. In the honey and flour market, your Company plans to target the premium segment. In the biscuits, noodles and breakfast cereals segment, it intends to capture a sizable share in the fast-growing breakfast, cereals and noodles market by leveraging Patanjali's network and brand presence. The Company also plans to grow its biscuit business across categories.

### Sustainable raw material procurement for efficient backward integration:

The Company intends to continue its focus on backward integration through sustainable raw material procurement and by increasing the overall palm nurseries and palm plantation area under cultivation. Against this backdrop, it will continue to procure raw materials from multiple sources in a timely and cost effective manner. The Company will also work towards securing potential procurement rights for FFBs that may be cultivated by farmers in potential areas as well as enhance its crushing capacity to benefit from this move. The opportunities to secure access to raw materials by way of selective acquisitions

and strategic alliances which will be actively monitored and the procurement process shall be digitized.

### Segment-wise / Product-wise Financial Performance

The identified segments and their performance during the Financial Year 2021-22 is as under:

Segment	Total Revenue (₹ in Lakh)	Profit before interest and taxes (₹ in Lakh)
Seed Extractions	89,236.64	22,875.41
Oils & Vanaspati	21,29,158.79	98,389.01
Others (Food Products, etc.)	1,97,948.56	20,259.25
Wind Power Generation	4,193.52	1,748.46

### Major factors affecting the result of operations

The company understands that its ability to identify and address risks is central to achieving its corporate objectives. Aligned with this, it has adopted a Central Risk Management Policy. The Risk Management Committee is responsible for implementing the transaction and risk management policies

**Availability and price of raw materials:** The Company depends upon commodity markets in India & globally for sourcing of raw materials. This exposes it to various risks like domestic market price volatility, international market price volatility and exchange rate volatility. The Company is cognizant of the fact that the ability to source raw material in a timely and cost effective manner determines profitability. Active and effective hedging strategies are therefore adopted to minimize risk. The risk is also being mitigated by gradually increasing direct access to FFBS from oil palm plantations while reducing the dependence on suppliers. Other than this, the Company has also built a strong relationship with its suppliers, farmers and agents to ensure regular supply of raw materials. E-procurement is done only through a tendering process.

### Foreign exchange and Commodity price fluctuations:

The Company primarily imports crude palm oil. The Company's raw materials, primarily being agricultural products, are produced on a seasonal basis. However, the same are required by the Company throughout the year. A part of these raw materials are purchased during the harvesting season while the balance is purchased on an ongoing basis by the Company, either in spot market or on a forward basis. Typically, the price of raw material which is purchased by the Company during the off-season is higher than the price of raw material purchased by them during the harvesting season as the market price takes into consideration the storage cost, carrying cost and other incidental costs. However, the market price of raw materials may not always behave in this fashion as the market price is also affected by a number of other factors including demand and supply,

export tariffs by exporting countries (such as Malaysia and Indonesia for crude palm oil), import tariffs imposed by India, the global price of raw materials, transportation disruptions, weather conditions, exchange fluctuations, transportation cost, etc. Hence there can be significant fluctuations in the prices of the raw materials. Moreover, there can be difference in commodity prices at domestic and international exchanges as the factors affecting the prices on each exchange are different and also due to exchange rate fluctuation.

**Government policies and levies:** Government policies have a significant impact on the Company's business.

- **Export duties and levies ("Tariffs"):** The Government of India imposes import duty on certain raw materials. Similarly, multiple tariffs are imposed by the exporting nations. Such import duty and tariffs are revised by the Indian and other governments on a time-to-time basis and directly impact the business of your Company. For example, in April 2022, Indonesia and Malaysia imposed a very high export tax/levy on CPO (raw material) and a very low tariff on RBD Palmolein. Indonesia, the major supplier of Palm oil, imposed an export tax plus levy at \$ 575 per MT on CPO, \$ 408 per MT on RBD Palmolein, and \$ 386 for refined Palm Oil. These countries are incentivizing exports of Finished Product (Refined Palmolein) at the cost of Raw Material (CPO). The move impacts the availability of crude palm oil and the prices of refined palm oil. Thus, pricing and availability of imported raw materials can be influenced by the government policies.
- **Import Export Policy:** The Indian import/export policy is regulated by the Directorate General of Foreign Trade. Changes in the Import/Export policy are typically based on either commercial decisions or the trade policy. The trade policy could change based on multiple factors including political relationships between importing and exporting countries. Under the Import/Export policy, the Government of India can also ban imports/exports of certain products.

**Competition:** International and domestic competition may adversely affect the Company's business and results of operations. Some Competitors may have more financial, technical and managerial resources, greater access to raw materials and customers, better know-how, and superior manufacturing facilities as compared to your Company. Competition emerges not only from the branded sector but also from the unorganized sector and from both small and big players. Competition in biscuits segment arises from various domestic and multinational companies in India, some of which have a larger market presence as compared to the Company.

### Internal control Systems

The Company has a well-established and comprehensive internal control system and structure across the value chain to ensure that its assets are safeguarded; transactions are authorized, recorded and reported correctly; and operations are conducted in an efficient and cost-effective manner.

The internal control system is regularly tested and reviewed by an Independent Internal Auditor, commensurate to the size and nature of the business. The Internal Auditor is appointed by the

Audit Committee of the Board. Internal audits are undertaken on a continuous basis, covering various areas, with the intent to cover all material business processes and locations under internal audit. The internal audit programme is reviewed by the Audit Committee at the beginning of the year to ensure that the coverage of the areas is adequate. The reports of the internal auditors are regularly reviewed by the management and corrective action is initiated to strengthen the controls and enhance the effectiveness of the existing systems. Summaries of the reports and actions taken on audit findings are presented to the Audit Committee of the Board.

### Financial Review and Analysis

	(₹ in Lakh)	
	FY 2021-22	FY 2020-21
Total Income (including other income)	24,28,438.22	16,38,297.71
Less: Total expenses other than Finance Cost and Depreciation	22,71,839.53	15,36,460.73
Profit/(Loss) Before Depreciation, Finance Cost and Tax	1,56,598.69	1,01,836.98
Less: Finance Cost	35,487.79	37,071.87
Less: Depreciation and Amortization Expenses	13,672.75	13,325.09
Profit for the year before Tax	1,07,438.15	51,440.02
Total Tax Expenses	26,807.26	(16,637.16)
Net Profit for the year after Tax	80,630.89	68,077.18
Add: Items that will not be reclassified to statement of Profit and Loss	1,222.70	1,073.95
Add: Items that will be reclassified to statement of Profit and Loss	8.68	—
<b>Total Comprehensive Income for the year</b>	<b>81,862.27</b>	<b>69,151.13</b>

### Details of significant changes in the key financial ratios and return on Net Worth

Pursuant to the Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company including explanations thereof are given below:

### Details of Significant Changes in the Key Financial Ratios and Return on Net Worth

Sr. No.	Key Financial Ratios	Financial Years		% of change in Key Financial Ratios	Explanation
		2021-22	2020-21		
1	Debtors Turnover	39.21	45.81	(14.41)	Not Applicable
2	Inventory Turnover	9.06	8.67	4.50	Not Applicable
3	Interest Service Coverage	4.03	2.39	68.62	This increase is due to increase in current year profit before interest and tax.
4	Debt Service Coverage	2.49	2.93	(15.02)	Not Applicable
5	Gearing Ratio	0.64	0.97	(34.02)	This decrease is due to receipt of share application money in current year.
6	Current Ratio	2.82	2.13	32.39	This increase is due to increase in total business activities.
7	Debt Equity Ratio	0.64	0.97	(34.02)	This decrease is due to receipt of share application money in current year.
8	Operating Profit Margin	5.89%	5.40%	9.07	Not Applicable
9	Net Profit Margin	3.32%	4.17%	(20.14)	Not Applicable
10	Return on Net Worth	15.76%	18.32%	(13.97)	Not Applicable

## Information Technology

One of the biggest drivers of a successful business is efficiency, and the ability to automate routine tasks is a great way to increase overall efficiency. The Company's IT systems are vital to the business. And providing the infrastructure & application for this automation and secure enterprise operations through, among others, risk assessment and incident management policies. Three major focus area are Functionality, Infrastructure, Governance.

**SAP – ERP** is being used since decade to manage the core business functions efficiently from Human Resource, accounts and financials, purchasing, inventory, supply chain, sales and customer relationships to reporting and analytics.

**HR-Konnect** is being used as employee self-service tool to manage their personal information, leave, attendance and PMS online.

**B-POS – Real Time Cloud-Based Solutions** which is being used for secondary sales. With this, retailers are managing Inventory & Accounting, GST Reports, E-way bill, E-invoice, Loyalty Programs Management, Schemes & Offers Automation of PFL.

**B-FORCE** is being used for sales force automation. Implemented Key features are Attendance Management, Expense Management, Complaints, Payments, Target Management.

**I-Palm - I-Palm Procurement Monitoring Solution** is being used for automation of FFBs procurement process end to end through HHD (Hand Held Device).

**GEO-TAG** is an application to Capture Land Parcels, Capture GPS coordinates of Farmer's Land Parcels boundaries and link to the Crop Management System. It gives us complete tracking & monitoring of the Field Force.

During the year under review, the following Key projects were implemented:

## SAP Process mapping under new Business acquisition

- Patanjali Natural Biscuits
- Nutraceutical Products

## Human Resource

The company appreciates the contribution of its human capital and recognizes them as a key asset for the business performance. As of March 31, 2022, the Company had 3,547 full time employees. The Company has a focused approach towards employee experience by promoting high performance culture through robust PMS process, key deliverables on Learning & Development and system driven HR processes & practices. The Company got certified as Great Place to Work, wherein it demonstrated excellence in terms of assessment on Respect, Fairness, Credibility, Pride and Camaraderie.

The company is evolving and has started adopting global best practices in HR domain. HR is becoming more of a strategic partner by ensuring that the company hires the right talent, identifying future core capabilities and making a more focused approach towards the growth of the company. The company is focusing on HR deliverables by continuously improving and automating the HRIS system, effectively reskilling and upskilling of the employees through continuous improvement programs, driving leadership, culture and experience.

## Cautionary statement

Certain statements in the 'Management Discussion and Analysis' section may be forward-looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which would be different from what the Board of Directors envisage in terms of future performance and outlook. Investors are cautioned that this discussion contains forward-looking statements that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, dependence on certain businesses, dependence on the availability of qualified and trained manpower and other factors discussed. This discussion and analysis should be read in conjunction with the Company's financial statements and notes on accounts.



# Corporate Governance Report

Pursuant to Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”), the Company’s Report on Corporate Governance for the year ended March 31, 2022 is set out below:

## COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance is based on the principles of integrity, transparency, accountability and commitment to values. Company’s views are not only to comply with the statutory requirements in letter and spirit, but also to aim at implementing the best practices, keeping in view the overall interest of all its stakeholders. Your Company takes Corporate Governance as a critical tool to enhance trust of its Customers, Employees, Investors, Government and the Community at large and achieve its goal of maximizing value for its stakeholders. The Company has adopted a Code of Conduct for Board Members and senior Management.

Ethical dealings, transparency, Integrity, fairness, disclosure and accountability are the main thrust of the working of the Company.

The Company further believes that the concept of corporate governance is founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company has always given its best efforts to uphold and nurture these core values across all operational aspects.

The Company continuously follows the procedure of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability, trusteeship and checks at different levels of the management of the Company.

## BOARD OF DIRECTORS (“BOARD”):

### Composition, Category and size of the Board

The Board of the Company is broad-based and consists of eminent individuals. The Company is managed by the Board of Directors in co-ordination with the Senior Management team.

As on March 31, 2022, the Board of the Company comprises of six (6) directors. The Board has an optimum combination of executive and non-executive directors including one (1) woman independent director. Out of total six (6) directors, one (1) is executive director, two (2) are non-executive directors and three (3) are independent directors. The composition of the Board of Directors of the Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Companies Act, 2013.

### Meetings of Board

During the year, Company’s Board met fourteen (14) times i.e. May 10, 2021, June 2, 2021, June 9, 2021, June 10, 2021, June 29, 2021, August 14, 2021, August 16, 2021, October 20, 2021, November 14, 2021, January 6, 2022, January 7, 2022, February 13, 2022, March 10, 2022 and March 31, 2022. The Company has held a minimum of one board meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the Listing Regulations and provisions of the Companies Act, 2013.

Agenda papers are sent electronically to the directors, well in advance, before the meetings. Draft minutes of the board and committee meetings are circulated to the directors of the Company for their comments and thereafter, noted by the board/ committees at the next meeting.

The following table gives the composition and category of the directors on the Board as on March 31, 2022 their attendance at the board meetings during the year under review and at the last annual general meeting, as also the number of directorships and committee memberships/ chairmanships held by them in other Companies and names of the other Listed Companies where he/she is a director & the category of directorship:

Name of Director	Category	Attendance Particulars		Number of other Directorships and Committee Memberships/ Chairmanships			Name of other Listed Companies & category of Directorship
		Board Meeting	Last AGM	Other Directorship	Committee Memberships	Committee Chairmanships	
Shri Acharya Balkrishna, Chairman and Director	Promoter, Non-Executive	14	Yes	16	0	0	0
Shri Swami Ramdev, Director	Promoter, Non-Executive	14	Yes	1	0	0	0
Shri Ram Bharat, Whole-time Director	Promoter, Executive	14	Yes	16	0	0	0

Name of Director	Category	Attendance Particulars		Number of other Directorships and Committee Memberships/ Chairmanships			Name of other Listed Companies & category of Directorship
		Board Meeting	Last AGM	Other Directorship	Committee Member-ships	Committee Chairmanships	
Shri Girish Kumar Ahuja	Independent Non-Executive	14	Yes	9	9	4	1. Amber Enterprises India Limited (Independent Non- Executive), 2. Unitech Limited (Non-Executive, Nominee) 3. Devyani International Limited (Independent Non- Executive)
Shri Tajendra Mohan Bhasin	Independent Non-Executive	14	Yes	5	7	2	1. PNB Gilts Limited (Non- Executive & Independent), 2. SBI Cards and Payments Services Limited (Non- Executive & Independent) 3. PNB Housing Finance Limited (Non- Executive & Independent) 4. SBI Life Insurance Company Limited (Non- Executive & Independent)
Smt. Gyan Sudha Misra	Independent Non-Executive	14	Yes	5	5	2	1. Indiabulls Real Estate Limited* (Non- Executive & Independent) 2. Indiabulls Housing Finance Limited (Non- Executive & Independent) 3. Yaari Digital Integrated Services Limited* (Non- Executive & Independent) 4. Olectra Greentech Limited (Non- Executive & Independent)

**Notes:**

- Shri Tejendra Mohan Bhasin and Smt. Gyan Sudha Misra were appointed as additional directors in the category of non-executive independent director of the Company for a term of three (3) consecutive years with effect from August 13, 2020 to August 12, 2023.
- Chairmanship/Membership of Committees include only Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies (whether listed or not) other than Patanjali Foods Limited.
- Shri Ram Bharat is the brother of Shri Swami Ramdev, hence, both are related to each other. Except the aforesaid, no other director of the Company is related to any other director on the Board.
- Video conferencing facilities are used by directors, present at different locations, to participate in board/ committee meetings.
- The directorships, held by Directors as mentioned above, do not include directorship(s) in foreign companies and section 8 companies under the Companies Act, 2013.

\*Smt. Gyan Sudha Misra resigned from the office of independent director of Indiabulls Real Estate Limited with effect from April 26, 2022 and of Yaari Digital Integrated Services Limited with effect from June 23, 2022.

All the Directors have informed about their Committee Membership/Chairmanship as mandated by Regulation 26(1) of the Listing Regulations and on the basis of that, none of the Directors on the Board of the Company acts as a member of more than ten (10) Committees or acts as a Chairperson of more than five (5) Committees (considering only Audit Committee and Stakeholders Relationship Committee) in which he/she is a director.

All the Independent Directors have submitted a declaration that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, in compliance with

sub-rules (1) and (2) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, all the existing Independent Directors of the Company have applied online to the Indian Institute of Corporate Affairs ("IICA") for inclusion of their name in the data bank and accordingly have received the Registration Certificate from IICA which is valid as on date.

### Meeting of Independent Directors:

A meeting of the Independent Directors was held on March 07, 2022, without the participation of the Non-Independent Directors and members of the management. The Independent Directors carried out performance evaluation of Non-Independent Directors, the Board of Directors - as a whole, performance of Chairman of the Company (taking into account the views of executive Directors and non-executive Directors) and assessed the quality, contents and timelines of flow of information between the Management and the Board.

### Shares held by Non-Executive Directors:

Sr. No.	Name of Non-Executive Director	No. of shares and convertible instruments held
1.	Shri Swami Ramdev	Nil
2.	Shri Acharya Balkrishna	Nil

### Induction and Familiarisation Programme for Directors

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis. An induction kit is provided to new Directors which includes the Annual Report, overview of the Company, charters of the Committees, annual Board/Committee Meeting calendar, Code of Conduct for Non-Executive Directors including Independent Directors, Company's Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices, etc. Meetings with Business/Functional Heads are organized to provide a brief on the businesses/functions.

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company imparted familiarisation programmes for its Directors including review of long-term strategy, industry outlook, regulatory updates at the Board and Audit Committee Meetings, Cyber Security, Information Technology, Tax, Digital Strategy and Litigation updates. Besides the above, presentation

on Risk Management, update on initiatives undertaken by the Company towards the community during Covid-19 etc. are made at the respective Committee Meetings. The Directors are also regularly updated by sharing various useful reading material/newsletters relating to the Company's performance, operations, business highlights, developments in the industry, sustainability initiatives, customer-centric initiatives, its market and competitive position on the Board Application.

Pursuant to Regulation 46 of the SEBI Listing Regulations, the details of such familiarisation programme are available on the website of the Company at: [http://www.patanjalifoods.com/ind\\_director/Familiarisation\\_programme\\_for\\_Independent\\_Directors.pdf](http://www.patanjalifoods.com/ind_director/Familiarisation_programme_for_Independent_Directors.pdf).

**List of core skills/expertise/competencies identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for it to function effectively and those actually available with the Board and the names of directors who have such skills/expertise/competencies are as follows:**

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of Company's business(es) and sector(s) and the names of directors who have such skills/expertise/competencies:

Sr. No.	Skills/Expertise/Competencies	Names of Directors who have skills/expertise/competencies
1	Leadership and Management Strategy	Shri Swami Ramdev, Shri Acharya Balkrishna and Shri Tajendra Mohan Bhasin;
2	Strategic Planning	Shri Ram Bharat
3	Research & Development and Innovation	Shri Swami Ramdev and Shri Acharya Balkrishna;
4	Expertise in marketing, logistics, import & exports, commercial including taxation, public relations and business development.	Shri Acharya Balkrishna, Shri Swami Ramdev and Shri Ram Bharat;
5	Financial, Regulatory / Legal & Risk Management, Taxation	Shri Girish Kumar Ahuja, Shri Tajendra Mohan Bhasin and Smt. Gyan Sudha Misra

### Information given to the Board

The Board and its Committees have complete access to all relevant information. Such information is submitted either as a part of the agenda papers prior to the meetings or by way

of presentations and discussion material during the meetings. Such information, inter-alia, includes the following:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Minutes of the meetings of Audit Committee and other committees of the board of directors;
- Information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal and serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material defaults in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Any issues which involve possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wages agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholder services such as non-payment of dividend, delay in share transfer etc.

## COMMITTEES OF THE BOARD:

The following Committees of the Board are constituted:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship Committee
- d. Corporate Social Responsibility Committee
- e. Risk Management Committee

## AUDIT COMMITTEE

The Audit Committee is in compliance with the provisions of section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations, 2015, as amended from time to time.

### Constitution and composition:

The composition of the Audit Committee as on March 31, 2022 is as follows:

Name of the Member	Designation	Category
Shri Girish Kumar Ahuja	Chairman	Independent Non-Executive
Shri Ram Bharat	Member	Promoter, Executive
Shri Tejendra Mohan Bhasin	Member	Independent Non-Executive

The Chairman of the Audit Committee has a strong financial and accounting background with immense experience. All the members of the Audit Committee are financially literate and having insight to interpret and understand financial statements. The Company Secretary acts as the Secretary to the Committee.

### Meetings and attendance during the year under review:

During the financial year under review, the Audit Committee met twelve (12) times on May 10, 2021, June 2, 2021, June 9, 2021, June 29, 2021, August 14, 2021, August 16, 2021, October 20, 2021, November 14, 2021, January 6, 2022, January 7, 2022, February 13, 2022, and March 31, 2022. The meetings were scheduled in advance. Shri Girish Kumar Ahuja, Shri Ram Bharat and Shri Tejendra Mohan Bhasin attended all meetings held during the year ended March 31, 2022. The maximum gap between two meetings was not more than 120 days.

The Committee meetings are also regularly attended by Chief Financial Officer, Accounts and Finance executives, Internal Auditor and Statutory Auditor of the Company.

The composition, quorum, powers, role and terms of reference of the Audit Committee inter-alia covers the areas as contemplated under Regulation 18 read with Part C of Schedule



II of the Listing Regulations and Section 177 of the Companies Act, 2013, as applicable.

**The Audit Committee has following powers:**

- a. To investigate any activity within its terms of reference.
- b. To seek information from any employee.
- c. To obtain outside legal or other professional advice.
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee:**

1. Oversight of the company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the

report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties.
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors 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;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistleblower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

21. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary, if any, exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

### Review of information by Audit Committee

The Audit Committee shall mandatorily reviews the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- c. Internal audit reports relating to internal control weakness; and
- d. The appointment, removal and terms of remuneration of Chief Internal Auditor shall be subject to review by the Audit Committee.
- e. Statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

### NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is in compliance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, as amended from time to time.

#### Constitution and composition:

The composition of the Nomination and Remuneration Committee as on March 31, 2022 is as follows:

Name of the Member	Designation	Category
Smt. Gyan Sudha Misra	Chairperson	Independent Non-Executive
Shri Swami Ramdev	Member	Promoter, Non-Executive
Shri Tejendra Mohan Bhasin	Member	Independent Non-Executive

### Meetings and attendance during the year under review:

During the year under review, the Nomination and Remuneration Committee met two (2) times on June 9, 2021 and March 31, 2022 and such meetings were attended by all the members of the Committee.

The composition, quorum, powers, role and terms of reference of the Nomination and Remuneration Committee inter-alia covers the areas as contemplated under Regulation 19 read with para A of Part D of Schedule II of the Listing Regulations and section 178 of the Companies Act, 2013, as applicable

The broad terms of reference of the Nomination and Remuneration Committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
  - 1A. for every appointment of an independent director, the Nomination and Remuneration Committee shall 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. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - a. use the services of an external agencies, if required;
    - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - c. consider the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors for their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

### Performance Evaluation criteria for Independent Directors:

The Company has put in place a policy containing, inter-alia, the criteria for performance evaluation of the Board, its Committees and individual Directors (including Independent Directors) and accordingly, the performance of individual directors, Chairman of the Board, committees and Board as a whole was evaluated during the year under review.

## REMUNERATION OF DIRECTORS:

### Remuneration policy

#### a. Remuneration to Independent Directors and Non-Executive Directors

The Company considers the time and efforts put in by the non- executive directors in deliberations at the Board/ Committee meeting. They are remunerated by way of sitting fees for attending the meeting, as recommended by Nomination and Remuneration Committee and approved by the Board of the Company. The Independent Directors are paid sitting fees for each meeting of the Board and its Committees, attended by them.

#### b. Remuneration to Executive Directors

The appointment and remuneration of Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, Remuneration and Board Diversity Policy and approval of the Board of Directors and Shareholders of the Company.

The Remuneration and Board Diversity Policy is displayed on the Company's website viz. [http://www.patanjalifoods.com/policies/Remuneration\\_and\\_Board\\_Diversity\\_Policy.pdf](http://www.patanjalifoods.com/policies/Remuneration_and_Board_Diversity_Policy.pdf)

### Details of remuneration paid to Directors for the year ended March 31, 2022:

#### a. Executive Directors

Name of Directors	Salary	Comm- ission	Perquisites	Total
Shri Ram Bharat Managing Director (see note below)	1.00	0.00	0.00	1.00

#### Note:

Shri Ram Bharat, Whole time director was designated as Managing Director of the Company with effect from August 19, 2020.

#### b. Non-Executive Directors:

(₹ in Lakh)

Sr. No.	Name of Directors	Category	Sitting fees paid
1	Shri Swami Ramdev	Non- Executive Director	NIL
2	Shri Girish Kumar Ahuja	Independent Director	34.00
3	Shri Acharya Balkrishna	Non- Executive Director	NIL
4	Shri Tejendra Mohan Bhasin	Independent Director	29.00
5	Smt. Gyan Sudha Misra	Independent Director	16.00

### STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is in compliance with the provisions of section 178 of the Companies Act, 2013 and Regulation 20 read with Para B of Schedule II of Listing regulations, as amended from time to time.

#### Constitution and composition:

The composition of the Stakeholders Relationship Committee as on March 31, 2022 is as follows:

Name of the Member	Designation	Category
Shri Tejendra Mohan Bhasin	Chairman	Independent Non-Executive
Shri Acharya Balkrishna	Member	Promoter, Executive
Smt. Gyan Sudha Misra	Member	Independent Non-Executive

#### Note:

- Shri Tejendra Mohan Bhasin was appointed as independent director and chairman of the Stakeholders Relationship Committee with effect from August 13, 2020.
- Smt. Gyan Sudha Misra was appointed as independent director and member of the Stakeholders Relationship Committee with effect from August 13, 2020.

#### Meetings and attendance:

During the year under review, the Stakeholders Relationship Committee met once on November 14, 2021 and such meeting was attended by all the members of the Committee.

The broad terms of reference of the Stakeholders Relationship Committee are as follows:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report,

non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

- b. Review of measures taken for effective exercise of voting rights by shareholders;
- c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.; and
- d. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### Name, designation and address of the Compliance Officer

Shri Ramji Lal Gupta

Company Secretary & Compliance Officer

Patanjali Foods Limited

“Ruchi House”, Royal Palms, Survey No. 169,

Aarey Milk Colony, Near Mayur Nagar,

Goregaon (East), Mumbai 400065, Maharashtra, India

Ph: +91 22 61090100

Email: secretarial@patanjalifoods.co.in

### Detail of complaints received and resolved during the year under review:

The Company and Share Transfer Agents viz. Sarthak Global Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges and other statutory regulatory authorities.

The details of shareholders / investors complaints are as under:

Complaint outstanding as on April 1, 2021	:	1
Complaint received during the financial year ended March 31, 2022	:	49
Complaint resolved during the financial year ended March 31, 2022	:	50
Complaint outstanding as on March 31, 2022	:	0
Complaints not solved to the satisfaction of shareholders	:	0

### RISK MANAGEMENT COMMITTEE

Risk Management Committee is in compliance with the provisions of section 178 of the Companies Act, 2013 and Regulation 21 of the Listing Regulations, as amended from time to time.

### Constitution and composition:

The composition of the Risk Management Committee as on March 31, 2022 is as follows:

Name of the Member	Designation	Category
Shri Acharya Balkrishna	Chairman	Promoter, Non-Executive
Shri Ram Bharat	Member	Promoter, Executive
Shri Sanjeev Kumar Asthana	Member	Chief Executive Officer
Shri Kumar Rajesh	Member	Head (Strategic Finance, Special Projects and Treasury Management)
Shri Girish Kumar Ahuja*	Member	Independent Director

\*Shri Girish Kumar Ahuja was inducted as member of the Risk Management Committee with effect from May 10, 2021.

### Meetings and attendance:

During the year under review, the Risk Management Committee met two (2) times on July 20, 2021 and January 12, 2022 and both the meetings were attended by all the members of the Committee except Shri Acharya Balkrishna who attended one meeting only.

The composition, quorum, powers, role and terms of reference of the Risk Management Committee inter-alia covers the areas as contemplated under Regulation 21 read with para C of Part D of Schedule II of the Listing Regulations and section 178 of the Companies Act, 2013, as applicable.

The broad terms of reference of the Risk management Committee are as follows:

- (1) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the 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 Committee.
  - (b) Measures for Risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;



- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The composition of the Corporate Social Responsibility Committee as on March 31, 2022 is as follows:

Name of the Member	Designation	Category
Shri Acharya Balkrishna	Chairman	Promoter, Non-Executive
Shri Swami Ramdev	Member	Promoter, Non-Executive
Shri Girish Kumar Ahuja	Member	Independent Director

### Meetings and attendance during the year under review:

During the year under review, the Corporate Social Responsibility met four (4) times on August 14, 2021, November 14, 2021,

February 13, 2022 and March 31, 2022 and such meetings were attended by all the members of the Committee.

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is provided on the Company's website at [http://www.patanjalifoods.com/policies/CSR\\_Policy.pdf](http://www.patanjalifoods.com/policies/CSR_Policy.pdf)

The broad terms of reference of the Corporate Social Responsibility Committee are as follows:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in the areas or subjects as specified in Schedule VII of the Act and CSR Rules;
2. To recommend the amount of expenditure to be incurred on the CSR activities;
3. To monitor the CSR Policy of the Company from time to time;
4. To monitor the implementation of framework of CSR Policy;
5. To formulate and recommend to the Board, an annual action plan in pursuance of CSR Policy;
6. To carry out any other function as mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

### GENERAL BODY MEETINGS

#### Annual General Meetings ("AGM"):

#### Location and time, where last three AGMs of the Company were held and details of special resolutions passed:

Date & Time	Venue of the Meeting	Details of Special Resolution Passed
September 24, 2021 3.00 p.m.	Through video conferencing ("VC") / other audio visual means ("OAVM")	No Special Resolution was there in the notice of AGM.
December 21, 2020 4.30 p.m.	Through video conferencing ("VC") / other audio visual means ("OAVM")	<ol style="list-style-type: none"> <li>1. Appointment of Shri Girish Kumar Ahuja (DIN: 00446339), as an Independent Director of the Company.</li> <li>2. To approve the terms and conditions of Covid Facility Agreement containing a clause related to conversion of loan into equity.</li> <li>3. To issue securities of the Company.</li> <li>4. To increase in aggregate investment limits of Non-Resident Indians (NRIs) and Overseas Citizens of India (OCIs) on repatriation basis.</li> </ol>
December 13, 2019 11:00 a.m.	Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4th Floor, 18/20, K Dubhash Marg, Kala Ghoda, Mumbai 400001 (M.H.)	Re-appointment of Shri Vijay Kumar Jain as Executive Director of the Company

### Extra-ordinary General Meeting (EGM)

No EGM was held during the year under review.

### Postal Ballot:

No postal ballot was conducted during the year under review.

The following resolutions were passed through Postal Ballot on June 22, 2022:

- (i) Special Resolution for approval of change in the name of the company and consequent amendments in Memorandum and Articles of Association of the Company.

- (ii) Ordinary Resolution for approval of related party transaction in connection with acquisition of food retail business undertaking from Patanjali Ayurved Limited on a going concern basis by way of slump sale.

- (iii) Approval for related party transactions with Patanjali Ayurved Limited.

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and General Circulars issued by Ministry of Corporate Affairs in this regard on account of the threat posed by Covid-19.

## MEANS OF COMMUNICATION

a. Quarterly Results	: Quarterly results are approved and taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirements of the Listing Regulations.
b. Newspapers wherein results are normally published	: English Newspaper - The Free Press Journal Vernacular Newspaper - Nav Shakti
c. Any website, where results are displayed	: www.patanjalifoods.com
d. Whether the website also displays	
(i) official news releases	: Yes
(ii) presentations made to institutional investors or to the analysts	: Yes

## GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting	:
a. Date	: September 29, 2022
Time	: 2.00 PM
Venue	: The 36th Annual General Meeting of the Company is being conducted through VC/OAVM. In accordance with the provisions of Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Guidance/Clarification dated April 15, 2020, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
b. Financial Year	: Begins on April 1 and ends on March 31 of the following year.
c. Dividend Payment date	: on or before October 28, 2022
d. Name and Address of Stock Exchanges and Stock Codes	: <b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 (M.H.)  <b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 The Company has timely paid the annual listing fee for the financial year ended March 31, 2022 to the BSE and NSE.

**e. Stock Codes:**

i. BSE Limited : 500368

ii. National Stock Exchanges of India Limited : PATANJALI

**f. ISIN of the Company** : INE619A01035

**g. Market Price Data:**

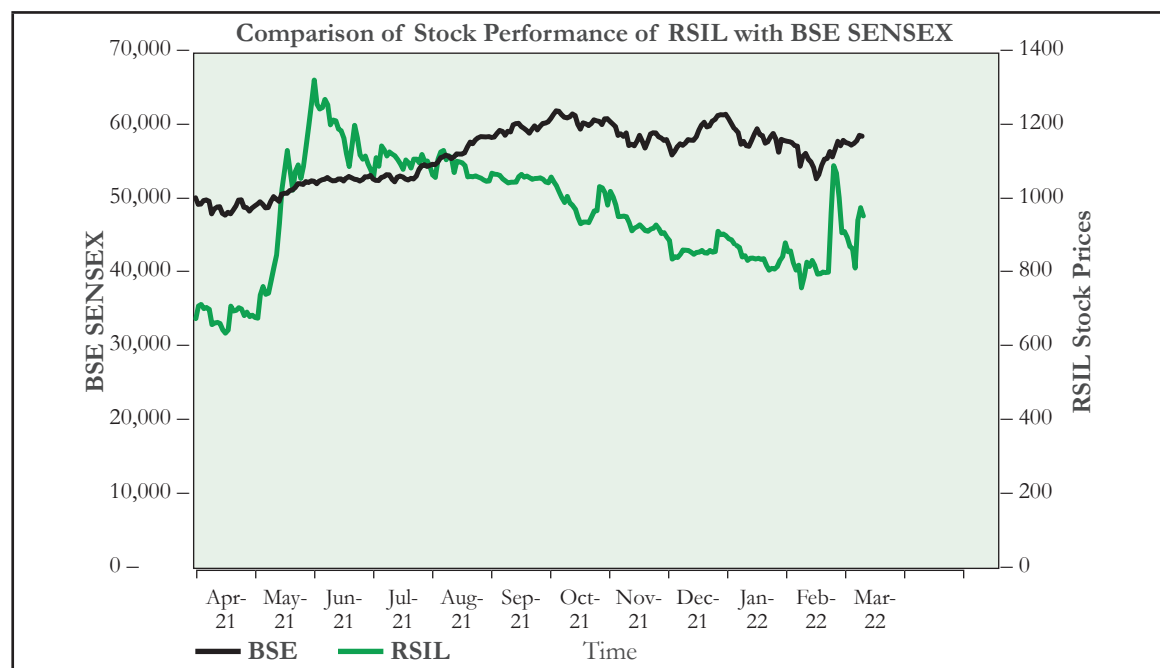
The monthly high and low quotations of equity shares traded on BSE and NSE during the financial year ended March 31, 2022 are as follows:

(₹)

Month	BSE		NSE	
	High	Low	High	Low
April, 2021	740.00	619.00	738.00	634.00
May, 2021	1182.95	660.05	1183.15	671.20
June, 2021	1377.00	1038.65	1376.70	1039.00
July, 2021	1176.00	1039.30	1165.00	1042.00
August, 2021	1182.90	1008.50	1180.00	998.15
September, 2021	1098.95	1036.10	1090.00	1030.00
October, 2021	1081.80	927.00	1072.80	927.00
November, 2021	1085.00	880.00	1174.80	747.60
December, 2021	945.00	829.10	970.00	810.10
January, 2022	945.00	830.00	945.00	825.00
February, 2022	915.00	729.85	910.80	700.05
March, 2022	1139.95	783.45	1144.70	781.10

**h. Share price performance in comparison to broad based indices**

Comparison of Stock Performance of RSIL with BSE Sensex:



- i. **Registrar and Share Transfer Agent** : Sarthak Global Limited  
170/10, RNT Marg, Film Colony,  
Indore 452001 (M.P.)  
Ph: +91 731 4279626 / +91 731 2526388  
Email : investors@sarthakglobal.com  
Website: www.sarthakglobal.com

j. **Share Transfer System:**

All matters pertaining to share transfer and related activities are handled by the Share Transfer Agents of the Company who are fully equipped to carry out the transfer of shares. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective depository participants. The request for dematerialization of equity shares is confirmed/ rejected within an average period of fifteen (15) days. Transmission requests were processed for shares held in dematerialized form and physical form within seven days (7) and twenty one (21) days, respectively, after receipt of specified documents, complete in all respect, and dispatch of share certificates in physical form were generally completed within thirty days (30). As per amended Regulation 40 of Listing Regulations requests for effecting transfer of securities is not processed effective from April 1, 2019 except in case of transmission or transposition unless the securities are held in the dematerialized form with a depository. Members who are holding equity shares of the Company in physical form are therefore advised to dematerialize their equity shares for facilitating transfer of shares. The Company obtains from the Company Secretary in practice half-yearly certificate of compliance with share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the stock exchange(s).

k. **Shareholding pattern as on March 31, 2022**

Category		No. of shares held	% of holding
<b>Promoter Holding</b>			
1	Promoters		
	Indian Promoters	29,25,76,299	98.90
	Foreign Promoters	—	—
2	Persons acting in concert	—	—
	<b>Sub-total (A)</b>	<b>29,25,76,299</b>	<b>98.90</b>
<b>Non-Promoters Holding</b>			
1	<b>Institutions</b>		
	a) Mutual Funds	246	—
	b) Alternate Investment Fund	19,052	0.01
	c) Banks/ FIs/Insurance Companies	121	—
	c) FIIs	14,882	—
	<b>Sub-total (B)</b>	<b>34,301</b>	<b>0.01</b>
2	<b>Non Institutions</b>		
	Indian Bodies Corporate	1,14,854	0.04
	Individuals holding nominal capital up to ₹ 2.00 lakh	26,27,665	0.89
	Individuals holding nominal capital more than ₹ 2.00 lakh	—	—
	Other (Clearing Members, NRIs, HUFs, Trusts, Overseas Corporate Bodies, Foreign Corporate Bodies and EPFA)	4,87,888	0.16
	<b>Sub-total (C)</b>	<b>32,30,407</b>	<b>1.09</b>
	Custodian (depository for shares underlying GD₹)	—	—
	<b>Grand Total (A+B+C)</b>	<b>29,58,41,007</b>	<b>100.00</b>



# 1. Distribution of shareholding as on March 31, 2022

Range	Number of share held	Amount (₹)	% of Capital	Number of shareholders	% of shareholders
001- 500	20,26,814	40,53,628	0.69	93,353	99.37
501 – 1,000	2,40,617	4,81,234	0.08	332	0.35
1,001 – 2,000	1,94,520	3,89,040	0.07	138	0.15
2,001 – 3,000	1,13,696	2,27,392	0.04	46	0.05
3,001 – 4,000	59,058	1,18,116	0.02	17	0.02
4,001 – 5,000	30,670	61,340	0.01	7	0.01
5,001 - 10,000	1,62,631	3,25,262	0.05	21	0.02
10,000 and above	29,30,13,001	58,60,26,002	99.04	28	0.03
<b>Grand Total</b>	<b>29,58,41,007</b>	<b>59,16,82,014</b>	<b>100.00</b>	<b>93,942</b>	<b>100.00</b>

## m. Dematerialisation of shares and liquidity:

The trading in shares of the Company are under compulsory demat segment. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The Company's shares are available for trading in the depository systems of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 29,57,26,019 equity shares of the Company, representing 99.96 % of total issued and listed equity share capital of the Company as on March 31, 2022 were in dematerialized form.

## n. Outstanding GDR/ADR/ Warrants or any convertible instruments, conversion date and likely impact on equity:

There were no GDR/ADR/Warrants or Convertible Instruments outstanding at the end of the year ended March 31, 2022.

## o. Commodity price risk or foreign exchange risk and hedging activities:

### (i) Commodity price risk and hedging activities

The details of commodity price risk and hedging activities are provided in Note No. 40 of Notes to financial statements in the Annual Report.

### (ii) Foreign exchange risk and hedging activities

The details of foreign exchange risk and hedging activities are provided in Note No. 40 of Notes to financial statements in the Annual Report.

## p. Manufacturing Plant locations of the Company:

- Mangliagaon, A.B. Road, Indore (M.P.)
- Baikampady Industrial Area, Mangalore (Karnataka)
- Village Esambe, Taluka Khalapur, Distt.Raigad (Maharashtra)
- Bijoyramchak, Ward No. 9, P.O. Durgachak, Haldia (West Bengal)
- Village Butibori, Tehsil Nagpur (Maharashtra)
- Village Kamati, Gadarwada, Distt. Narsinghpur (M.P.)
- Gram Mithi Rohar, Taluka Gandhidham, Distt.Bhuj (Gujarat)
- Kannigaiper Village, Uthukottai Taluk, Thiruvallur Distt. (Tamilnadu)
- RIICO Udyog Vihar, Sriganganagar (Rajasthan)
- RIICO Industrial Area, Govindpur Bawari, Post Talera Distt. Bundi (Rajasthan)
- Kusmoda, A.B. Road, Guna (M.P.)
- Kota Road, Baran (Rajasthan)
- Rani Piparia, Dist. Hoshangabad (M.P.)
- SIDCO Industrial Estate, Bari Brahmana, Jammu (J&K)

- xv. Village Daloda, Dist. Mandsaur (M.P)
- xvi. Survey No. 178, Surkandi Road, Washim (Maharashtra)
- xvii. Bapulapadu Mandal, Ampapuram Village, Krishna District, Vijaywada (A.P)
- xviii. IDA, ADB Road, Peddapuram, East Godawari District (A.P)
- xix. Village Karanpura, Durgawati, Dist. Kaimur (Bihar)
- xx. Survey No. 162 & 163, Bhuvad, Taluka- Anjar, Dist- Kutch, (Gujarat)
- xxi. Beach Road, Dummalpet, Kakinada (Andhra Pradesh)
- xxii. Village Makhanpur post – Bhagwanpur Tehsil Roorkee (Uttarakhand)
- xxiii. Village Lodiwala Tehsil Bhagwanpur Distt. Haridwar (Uttarakhand)
- xxiv. Padartha, Haridwar (Uttarakhand)
- xxv. Newasa (Maharashtra)

**q. Credit Ratings:**

Facility	Previous Limits ₹ Crore	Present Limits ₹ Crore	Tenure	Previous Ratings (May 2020)	Present
Fund Based					
CC/WCDL	800.00	1095.00	Long Term	BWR BBB+/ Stable	BWR A-/Stable (Upgrade)
Term Loans	2400.00	2372.83			
ECL	—	54.96			
Short-Term Loan	95.25	—	Short Term	BWR A3+	Rating Withdrawn**
Non Fund Based					
BG/LC	(350.00)	(550.00)	Short Term	BWR A3+	BWR A2+ (Upgrade)
Proposed Standby LC	—	100.00			
Total	3295.25	3622.79	Rupees Three Thousand Six Hundred and Twenty Two Crore and Seventy Nine Lakh Only		

\*Non-fund based limits are sub-limits of Cash Credit Limits

\*\*The rating of its short term loan of ₹ 95.25 crore stands withdrawn based on the confirmation of the said facility being closed by the lender.

Note : The Company has repaid all its borrowings under the above facilities on April 08, 2022.

**ADDRESS FOR CORRESPONDENCE:**

The shareholders may send their communications, queries, suggestions and grievances to the Compliance Officer at the following address:

Shri Ramji Lal Gupta  
Company Secretary & Compliance Officer  
Ruchi House, Royal Palms,  
Survey No. 169, Aarey Milk Colony,  
Near Mayur Nagar, Goregaon (East),  
Mumbai - 400065  
Ph: +91 22 61090100  
Email address: rl.gupta@patanjalifoods.com

The shareholders may also e-mail their queries, suggestions and grievances at [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in).

**OTHER DISCLOSURES:**

- a. During the year under review, the Company has not entered into any transaction of material nature with a related party that may have any potential conflict with the interest of the Company. The “Policy on materiality of related party transactions and dealing with related party transaction” as approved by the Board may be accessed from the link [http://www.patanjalifoods.com/policies/Policy\\_on\\_Materiality\\_of\\_Related\\_Party\\_Transaction.pdf](http://www.patanjalifoods.com/policies/Policy_on_Materiality_of_Related_Party_Transaction.pdf).
- b. 1. During the year ended March 31, 2022, (i) penalty of ₹ 76,700/- imposed by BSE and NSE each for non-compliance on minimum public shareholding for the quarter ended June 30, 2021 (ii) penalty of ₹ 5,82,800/- imposed by BSE and NSE each for non-compliance on minimum public shareholding

for the quarter ended September 30, 2021; (iii) penalty of ₹ 5,82,800/- imposed by BSE and NSE each for non-compliance on minimum public shareholding for the quarter ended December 31, 2021; (iv) penalty of ₹ 5,31,000/- imposed by BSE and NSE each for non-compliance on minimum public shareholding for the quarter ended March 31, 2022 under Regulation 38 of the Listing Regulations;

2. During the year ended March 31, 2021 the company has not paid any penalty to Stock exchanges.
3. During the year ended March 31, 2020, (i) penalty of ₹ 11,800/- imposed by BSE and NSE each for not intimating about the meeting of the Board of Directors under Regulations 29(2) and 29(3) of the Listing Regulations; (ii) penalty of ₹ 1,53,400/- imposed by BSE and NSE each for delay in submission of the financial results for the quarter ended June 30, 2019 under Regulation 33 of the Listing Regulations; and (iii) penalty of ₹ 73,160/- and ₹ 80,240/- imposed by BSE and NSE respectively for delay in submission of the Annual Report 2018-19 under Regulation 34 of Listing Regulations.
4. The SEBI has issued warning letter dated September 30, 2021 in respect of SEBI (ICDR) Regulations, 2018

The Company has paid the above penalty amounts to BSE and NSE. Except above, the Company has complied with all the requirements of stock exchanges, SEBI and other statutory authorities on matters related to capital markets during last three years.

- c. The SEBI, vide its order dated August 12, 2020, has revoked its earlier directions (as interim orders dated March 02, 2016 and May 24, 2016 and confirmed vide order dated March 08, 2017) due to which the Company was restrained from buying, selling or dealing in the securities market either directly or indirectly in any manner whatsoever.
- d. The Company has adopted a Vigil Mechanism/Whistle Blower Policy in terms of the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to provide a formal mechanism to the Directors and employees of the Company to report their genuine concerns and grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics. The policy provides adequate safeguards against

victimization of Directors and employees who avail such mechanism and also provides for direct access to the Vigilance Officer and the Chairman of Audit Committee. The Audit Committee of the Board is entrusted with the responsibility to oversee the vigil mechanism. During the year, no personnel was denied access to the Chairman of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company at [http://www.patanjalifoods.com/policies/Whistle\\_Blower\\_Policy.pdf](http://www.patanjalifoods.com/policies/Whistle_Blower_Policy.pdf).

- e. The Company has complied with all the mandatory requirements as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations, to the extent applicable to the Company. The audit reports on the financial statements of the Company do not contain any modified opinion and internal auditors report to the Audit Committee.
- f. Policy for determination of material subsidiary is available on website of the company: [http://www.patanjalifoods.com/policies/Material\\_subsidary\\_policy.pdf](http://www.patanjalifoods.com/policies/Material_subsidary_policy.pdf).
- g. The Company has not raised any fund through preferential allotment or qualified institutions placement during the year under review. Hence the disclosure of details of utilization of the fund as specified under Regulation 32(7A) of the Listing Regulations is not applicable.
- h. The Company has received certificate from practicing Company Secretary certifying that none of the Directors on the Board of the Company for the year ended March 31, 2022 have been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority.
- i. During the year under review, the board had accepted all recommendations of the committees, which were mandatorily required.
- j. Total fees for all services paid by the Company to M/s Chaturvedi & Shah LLP, the Statutory Auditor of the Company for the year ended March 31, 2022, is as follows:

	(₹ in Lakh)
For statutory audit and related services	56.00
For limited review, Interim Audit and certification charges	31.00
For Further Public Offer related payment	210.00

- k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

- i. number of complaints filed during the financial year: 01
- ii. number of complaints disposed off during the financial year: 01
- iii. number of complaints pending as at end of the financial year: Nil

- l. Disclosure by the Company of Loans and Advances in the nature of loans to firms/companies in which Directors are interested by name and amount: Nil

- m. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations, copy of which is attached to this Report.

The CFO and CEO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

- n. Compliance of discretionary requirements as specified in Part E of Schedule II of LODR:

1. **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** The Company has appointed separate persons to the post of the Chairperson, Managing Director and Chief Executive Officer. None of them is related to each other.

2. The Internal Auditor reports directly to the Audit Committee.

## Disclosure of the compliance with Corporate Governance requirements

The disclosure is fully compliant with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable and compliance report on Corporate Governance in the requisite formats, have been submitted to the concerned stock exchanges.

## Declaration by the Managing Director

The Chief Executive Officer of the Company has given a declaration that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended March 31, 2022.

## Compliance Certificate of the Statutory Auditor

Certificate from the Company's Statutory Auditor M/s Chaturvedi & Shah LLP, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

## Demat suspense account/Unclaimed suspense account

The disclosure with respect to demat suspense account/unclaimed suspense account is not applicable as there are no shares issued pursuant to the public issue or any other issue, physical or otherwise during the year ended March 31, 2022 which remained unclaimed and/or lying in the escrow account.

For and on behalf of the Board of Directors of  
**Patanjali Foods Limited**  
 (Formerly known as Ruchi Soya Industries Limited)

**Acharya Balkrishna**

Place : Haridwar

Date : August 10, 2022

Chairman

DIN:01778007



## DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

Pursuant to Regulation 34(3) read with Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Sanjeev Kumar Asthana, Chief Executive Officer of Patanjali Foods Limited (Formerly known as Ruchi Soya Industries Limited (“Company”), hereby declare that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company’s Code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2022.

For **Patanjali Foods Limited**

(Formerly known as Ruchi Soya Industries Limited)

Place : Haridwar

Date : August 10, 2022

**Sanjeev Kumar Asthana**

Chief Executive Officer

## 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  
**Patanjali Foods Limited**  
(Previously known as Ruchi Soya Industries Limited)  
Ruchi House, Royal Palms  
Survey No. 169, Aarey Milk Colony  
Near Mayur Nagar, Goregaon (East)  
Mumbai 400065.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Patanjali Foods Limited (Previously known as Ruchi Soya Industries Limited) having CIN: L15140MH1986PLC038536 and having registered office at Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East) Mumbai 400065 (hereinafter referred to as 'the Company'), produced before me by the Company through digital mode for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to me by the Company, Directors & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, RBI or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1	Ram Bharat	01651754	December 18, 2019
2	Ramdev	08086068	December 18, 2019
3	Acharya Balkrishna	01778007	December 18, 2019
4	Girish Kumar Ahuja	00446339	December 18, 2019
5	Tejendra Mohan Bhasin	03091429	August 13, 2020
6	Gyan Sudha Misra	07577265	August 13, 2020

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 through digital mode. 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.

**Prashant Diwan**  
Practicing Company Secretary  
FCS No.: 1403 / CP No.: 1979

Date : July 29, 2022  
Place : Mumbai

PR: 1683/2022  
UDIN: F001403D000708879

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

To,  
The Board of Directors  
**Ruchi Soya Industries Limited**  
“ RUCHI HOUSE”, Royal Palms,  
Survey No. 169, Aarey Milk Colony,  
Goregaon (E), Mumbai - 400065

May 27, 2022

Dear Sirs,

We, the undersigned, do hereby certify that:

- a. We have reviewed financial statement and the cash flow statement of Ruchi Soya Industries Limited (“the Company”) for the year ended on March 31, 2022 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluate the effectiveness of internal control system of the Company 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 taken or proposed to be taken to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which they 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

Thanking You,  
Your faithfully

For **Ruchi Soya Industries Limited**

(Sanjay Kumar )  
Chief Financial Officer

(Sanjeev Kumar Asthana)  
Chief Executive Officer

## Independent Auditor's Certificate on Compliance with conditions of Corporate Governance as per Provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (As Amended)

To the Members of  
**Patanjali Foods Limited**  
 (Formerly known as Ruchi Soya Industries Limited)

1. The Corporate Governance Report prepared by Patanjali Foods Limited (formerly known as Ruchi Soya Industries Limited) ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("applicable criteria") with respect to Corporate Governance for the year ended March 31, 2022. This certificate is required by the Company for annual submission to the Stock exchanges and to be sent to the shareholders of the Company.

### MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### AUDITOR'S RESPONSIBILITY

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC)

1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### OPINION

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2022, referred to in paragraph 1 above.

### OTHER MATTERS AND RESTRICTION ON USE

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For **Chaturvedi & Shah LLP**  
 Chartered Accountants  
 (Registration No. 101720W/W100355)

**Vijay Napawaliya**  
 Partner

Place : Mumbai  
 Dated: August 10, 2022  
 Membership No. 109859  
 UDIN: 22109859APBDFO5001

# Business Responsibility Report

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Directors present the “Business Responsibility Report” (BRR) of the Company for the financial year 2021-22.

The reporting framework is based on the ‘National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)’ released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of the 9 Principles.

**About Patanjali Foods Limited** (Formerly known as Ruchi Soya Industries Limited): Established in 1986, Patanjali Foods Limited (“Patanjali Foods” or “the Company”) has emerged as an integrated player, from farm to fork with secured access to oil palm plantations in India. The integration also extends downstream to the oleochemicals and other by-products and derivatives business.

Patanjali Foods is a diversified Fast Moving Consumer Goods (“FMCG”) and Fast-Moving Health Goods (“FMHG”) focused company, with 25 strategically located manufacturing facilities (of which 19 are operational processing plants) and well recognized brands having Pan-India presence. Patanjali Foods is one of the largest FMCG companies in the Indian edible oil sector and one of the largest fully integrated edible oil refining companies in India. Further Company has expanded its packaged food portfolio by acquiring the ‘Patanjali’ product portfolio of biscuits, cookies, rusks, noodles, and breakfast cereals. In Fiscal 2022, Patanjali Foods forayed into a niche and a high growth FMHG segment with the launch of Nutraceutical products. Patanjali Foods is also into the wind power generation business, where the renewable power generated is used for sale and for captive use. This also helps company to offset their carbon footprint, to the extent possible.

Patanjali Foods is one of the largest players in terms of allocated zones for palm plantation in India. Today, Patanjali Foods is reckoned as one of the leading players in this segment in India with one of the largest allocated zone for oil palm plantations of 4,84,010 hectares out of which Company has developed 59,743 hectares as of June 30, 2022. In oil palm business, the company produces a range of products including crude palm oil, crude palm kernel oil and palm kernel cake and is aggressively working towards increasing the domestic production of Oil palm which is currently imported for domestic use.

After the acquisition of the Company by the Patanjali Group in December 2019, the Company has made progressive advancement towards economic sustainability, through an appropriate product mix, good understanding of customer requirements, consistently growing its market presence, revenues and profitability following the guiding principles of Business Responsibility (BR) Policies and all applicable laws and regulations. On the front of environment sustainability, initiatives are focused on resource optimization, reduction of waste, energy and emissions across operations. The Company undertakes CSR initiatives in fulfilment of its goals towards social sustainability under various thematic areas including healthcare.

## ABOUT THIS BUSINESS RESPONSIBILITY REPORT:

This Business Responsibility Report of the Company is divided into the following 5 (Five) sections, as per the format prescribed in SEBI Circular No. CIR/CFD/ CMD/10/2015 dated November 4, 2015:

Section A	: General Information about the Company
Section B	: Financial Details of the Company
Section C	: Other Details
Section D	: Business Responsibility (BR) Information
Section E	: Principle-wise Performance

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L15140MH1986PLC038536
2.	Name of the Company	Patanjali Foods Limited (“PFL” / “the Company”/ “Patanjali Foods”) (Formerly known as Ruchi Soya Industries Limited)
3.	Registered address	Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East), Mumbai - 400065, Maharashtra, India
4.	Website	www.patanjalifoods.com



5	E-mail id	secretarial@patanjalifoods.co.in
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC Code: 10402 Description: Edible Oils
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	<p>Based on audited accounts for the financial year ended on March 31, 2022, Oils &amp; Vanaspati, Seed Extraction &amp; Others (Food Products etc.) are the key products that the Company provides.</p> <p>In addition to the above key products, soya foods in form of Textured Soya Protein commonly known as “Nutrela Soya Badi, and Soya Chunks and Soya Granules” has a prominent place and significant command over the market. Further, food products include 100% vegetarian Nutraceuticals &amp; Wellness products launched in the fiscal 2020-21 to meet the nutrition requirements of the consumers. During current fiscal, your Company has also launched biscuits, cookies and rusks, noodles and breakfast cereals under the food products range. The Company also has significant presence in the Oil Palm Plantations &amp; Renewable Energy (wind) sector.</p> <p>The company’s products are gaining wide acceptance with food products across multiple categories, price points and segments to cater to a wide spectrum of consumer preferences. The company proposes to focus on expansion of its FMCG products’ range to establish the Company as a leading FMCG and FMHG player.</p> <p>The current business verticals of PFL, considering launch of key products during current fiscal, are:</p> <ul style="list-style-type: none"> <li>• Edible Oil, its by-products and derivatives</li> <li>• Soya Products - Textured Soya Protein ( TSP), Soya meal</li> <li>• Biscuits, Cookies, Rusks, Breakfast Cereals and Noodles</li> <li>• Nutraceuticals &amp; Wellness</li> <li>• Oil Palm Plantation</li> <li>• Oleochemicals</li> <li>• Renewable Energy – Wind Power</li> </ul>
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	The products of the Company are exported to over 31 countries across the world.
	(b) Number of National Locations	As on date, the Company operates from various manufacturing units at twenty five (25) locations across India for its oilseed crushing, edible oil refining, palm crushing, TSP & edible soya flour, biscuits, cookies, rusks, oleochemicals and food products facilities. In addition, your Company has wind power generation facilities at eleven (11) locations and contract manufacturing tie ups on pan India basis. The details of plant locations of the Company are provided under the head ‘General Shareholders Information’ in the Corporate Governance Report. Apart from aforesaid manufacturing locations your Company’s offices are situated at Mumbai, Indore, Noida, Kolkata, Bengaluru, Gurgaon and Jaipur.

10	Markets served by the Company Local/State/ National/ International	<p>The Company is serving in the domestic market as well as international markets.</p> <p><b>India through domestic operations:</b> To serve the domestic market, as of June 30, 2022, the Company has extensive domestic distribution network of 95 sales depots, 5,970 distributors who in turn reach out to 4,57,788 retail outlets (General Trade channel) in the urban, semi-urban and rural areas of the country in addition to our increasing focus on modern trade and e-commerce platforms. Further, pursuant to the Distributor Agreement, executed with Patanjali Ayurved Limited, being one of your Company's Promoter, the Company has gained access to Patanjali's well-developed pan-India distribution network consisting of around 1,632 Patanjali distributors, 3,260 arogya kendras, 1,092 Patanjali chikitsalayas, 305 Patanjali mega stores and 104 Patanjali super distributors which provide access to 5,24,343 customer touch points.</p> <p><b>International markets:</b> The Company exported its products to over 31 countries, during the year ended March 31, 2022 across the world, which reflects the popularity of Company's brands across the globe.</p>
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## SECTION B : FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (₹)	₹ 5,916.82 lakh as on March 31, 2022
2	Total Turnover (₹) (including other income)	₹ 24,28,438.22 lakh during the financial year 2021-22.
3	Total profit after taxes (₹)	₹ 80,630.89 lakh during the financial year 2021-22.
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Amount spent on CSR activity is ₹ 661 lakh during the financial year 2021-22.
5	List of activities in which expenditure in 4 above has been incurred	The above expenditure is incurred in "promoting health care" as defined in Schedule VII of the Companies Act, 2013.

## SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	As a part of the implementation of Resolution Plan approved by the Hon'ble NCLT vide its order dated July 24, 2019 read with order dated September 4, 2019 under section 31 of the Insolvency and Bankruptcy Code, 2016, the Company has disposed-off its entire equity investment/ ownership interest held in its subsidiaries in the Financial Year 2019-20. However, the transfer of shares of the Ruchi Ethiopia Holdings Limited, one of the overseas subsidiaries is pending for approval from Reserve Bank of India.
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	Not applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	We do not mandate that our suppliers and distributors participate in the Company's BR initiatives. However, they are encouraged to do so.

## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR

#### (a) Details of the Director/Directors responsible for implementation of the BR policy/policies

Name	DIN Number	Designation
Shri Ram Bharat	01651754	Managing Director

### Details of the BR head

Name	DIN Number	Designation	Telephone number	e-mail id
Shri Ram Bharat	01651754	Managing Director	022-61090100	brhead@patanjalifoods.co.in

## 2. Principle-wise (as per NVGs) BR Policy/policies

### (a) Details of compliance (Reply in Y/N)

The Nine principles as per BRR are as given below:-

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for:					Y				
2	Has the policy being formulated in consultation with the relevant stakeholders?					Y				
3	Does the policy conform to any national / international standards? If yes, specify?					Y				
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?					Y				
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?					Y				
6	Indicate the link for the policy to be viewed online?	The policies, which are required to be disclosed on website of the Company are available at <a href="http://www.patanjalifoods.com/policies/Business_Responsibility_policies.pdf">http://www.patanjalifoods.com/policies/Business_Responsibility_policies.pdf</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?					Y				
8	Does the company have in- house structure to implement the policy/ policies.					Y				
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?					Y				
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?					Y				

### Notes:

- The BRR policy is based on National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business.
- The BRR Policy has been approved by the Board of Directors and signed by the Company Secretary.
- The policies are uploaded on our website for communicating it to the internal and external stakeholders. Internal stakeholders are made aware of the policies. External stakeholders are also communicated to, wherever required.

- b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task						Not Applicable			
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

### 3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year?	The BR performance of the Company under various principles is assessed at yearly rests aided by regular updates during the year on its implementation.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	This Business Responsibility Report is available at the website of the Company viz. <a href="http://www.patanjalifoods.com/investors_annualReport.php">http://www.patanjalifoods.com/investors_annualReport.php</a> .  The BR Report is part of Annual Report and is published annually.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Integrity, Ethics, Transparency & Accountability

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No.  Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs /Others?	The Company has adopted separate policies towards its Business Responsibility consisting of a policy relating to ethics, bribery, and corruption. This policy is applicable on the Company and its employees, and it is also extended to all the stakeholders including vendors, suppliers, contractors and others. The Company is committed to achieve highest standards of integrity, transparency, and business ethics in its dealings with all its stakeholders, including employees, customers, value chain partners, regulators, investors, and the community. The Company has also formulated:  (a) <b>Code of Conduct:</b> The Company has defined the Code of Conduct for its Directors, Senior management and employees that covers issues related to ethics, workplace responsibilities and conflict of interest. It also covers all dealings with suppliers, customers, and other business associates.  (b) <b>Whistle Blower Policy &amp; Mechanism:</b>  The Company has adopted a Vigil Mechanism/ Whistle Blower Policy to provide a mechanism for employees and Directors to approach the Vigilance Officer / Chairperson of Audit Committee for reporting unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct or instances of leak of Unpublished Price Sensitive Information.
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2	<p>How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.</p>
	<p>In the financial year 2021-22, the Company received 49 complaints as follows:</p> <ul style="list-style-type: none"> <li>• Quarter 1: 13</li> <li>• Quarter 2: 12</li> <li>• Quarter 3: 16</li> <li>• Quarter 4: 08</li> </ul>
	<p>All complaints have since been resolved. The Stakeholders Relationship Committee of the Company specifically looks into various aspects of interest of shareholders and other security holders of the Company.</p>
	<p>During financial year 2021-22, one complaint pertaining to sexual harassment was received which has since been resolved. The Company has not received any 'Protected Disclosure' nor any are pending to be resolved under Whistle Blower Policy/Vigil Mechanism of the Company about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or any other unethical or improper activity. The Company has not received any other complaint from other stakeholders.</p>

## Principle 2: Sustainable and Safe Goods and Services

1	<p>List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.</p>
	<p>As a responsible Company, providing safe, nutritious, and quality products to consumers in alignment with their preferences, is our utmost priority. The products sold domestically meet the standards as per applicable statutory requirements. The products exported internationally are in compliance with applicable regulations of the relevant countries.</p> <p>The brand, 'Ruchi Gold' has a market leadership position, on account of being India's highest selling palm oil brand.</p> <p>To grow the premium edible oil business, the Company has capitalized on the brand strength of 'Nutrela' brand as an umbrella brand which is used for premium products which are focused on the health and wellness segments.</p>
	<p><b>Nutrela Soya Foods</b> – The Company is a pioneer of soya foods in India. The Company pioneered the concept of soya chunks three decades ago and 'Nutrela' has become a household and generic name for Textured Soya Protein (TSP), throughout India with a 40% market share in branded TSP. Till date, Nutrela is used as a generic name for Textured Soya Protein (TSP) in India. Soya chunks are said to have 52% protein, much higher than eggs and milk which range from 10-15% and are a great source of protein especially for vegetarians.</p> <p><b>Patanjali Brand</b> – The Company has also launched its products viz. Biscuits, Cookies, Rusks, Noodles, Breakfast cereals, Nutraceutical and wellness products using 'Patanjali' brand as per Brand License Agreements with Patanjali Ayurved Limited.</p>
2	<p>For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):</p>
	<p>The company monitors energy and water consumption in its operations (and not product wise). It follows a series of environmental performance indicators to monitor the efforts of responsible resource use. The Company is committed to conservation and optimal utilization of all resources.</p>



(a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?	<p>The resource use is not tracked product wise. Majority of the raw materials are vegetable based and obtained from various plant sources which are renewable sources. The Company has however put in place indicators for use of natural resources such as energy and water in its operations. The Company is committed to attainment of environmental and economic benefits from efficient use of energy, water and waste reduction. The Company understands its obligations relating to social and environmental concerns, risks and opportunities. The Company ensures fulfilment of compliance obligations that relate to its products, environmental aspects and occupational health and safety.</p> <p>The Company works towards reduction and optimal utilization of energy, water, raw material, logistics etc. by incorporating new techniques and innovative ideas.</p>
(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	<p>The Company abides by all the necessary requirements of applicable regulations and ensures environment friendly manufacturing processes, continuously taking adequate measures for conservation and saving of energy &amp; natural resources. The Company's procedures and operations have been established with the goal of maximizing resource conservation and utilization.</p> <p>The Company's products do not have any broad based impact on energy and water consumption by consumers. The Company promotes use of renewable wind electricity for captive consumption as well as sale through power purchase agreements.</p> <p>The retail and institutional customers primarily use the products of the Company and as such the Company does not measure reduction during usage by consumers. The Company is committed to reduction of waste, conservation of raw material through various initiatives and technological upgradation.</p>
<p>3. Does the company have procedures in place for sustainable sourcing (including transportation)?</p> <p>If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.</p>	<p>Yes, the Company endeavors to integrate social, ethical and environmental factors in its operating/ strategic decisions. The Company endeavors to reduce the distance travelled overall by its products, thereby reducing emissions on account of transportation.</p> <p>The Company endeavors to integrate sustainability in the procurement process for its products across its diversified products portfolio. Our manufacturing facilities are located to optimize logistics and reduce the distance travelled overall, thereby reducing emissions on account of transportation.</p> <p>The Company, over the years, has worked towards embedding sustainability in its supply chain to the extent possible and will continue to do so. The Company promotes sustainable large-scale oil palm cultivation in various states of India and it stands as a willing buyer for their produce thus supplementing the farmer's income. In the area of ethical sourcing, we discourage the use of forced labour and child labour. Such interventions not only support sustainable agriculture and enhance productivity, but also contribute to substantial livelihood creation.</p> <p>It is the Company's endeavor to provide consumers and their families with products that are safe and of good quality. All of the Company's products are manufactured to be safe for their intended use.</p>

<p>4 Has the company taken any steps to procure goods and services from local &amp; small producers, including communities surrounding their place of work?</p> <p>If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>Agri produce contributes significantly to Company's consumer products such as edible oils, soya foods, and oil meals. The input raw material which are mostly plant based is sourced locally to the extent possible. All crushing plants are located near to raw material producing centers. The Company exports rapeseed meal and increased thrust towards soymeal exports in order to promote local and small agri producers.</p> <p>India continues to import around 70% of its edible oil requirement and palm oil accounts for over 60% of the total edible oil imports.</p> <p>The Company has stepped up its efforts to make India move towards self-sufficiency in edible oils and save precious foreign exchange as well as promote local farmers. The Company is working closely with oil palm farmers in various states in India and help them to improve capability through training and availability of inputs like saplings, fertilizer etc. The Company has signed assured off-take agreements with more than 42,000 palm plantation farmers spread over 10 states in India. The numbers will continue to grow keeping in mind the Company's mission to increase in the oil palm cultivation in India.</p> <p>To further strengthen to farmer support initiatives, as on June 30, 2022, your company has established 192 farmer information cum FFB procurement centers and 23 fertilizer godowns aggregating to provide farmers with harvesting tools and training in mechanical harvesting for the oil palm plantations. Additionally, the Company has set up state of art nurseries across Andhra Pradesh, Telangana, Karnataka and Arunachal Pradesh, to cater to the need of farmers through distribution of quality seedlings for the Oil Palm Plantations. Further, the Company facilitates the availability of government subsidies to oil palm farmers for plantation material, input and drip irrigation subsidy to ensure increase in production of palm oil in India</p> <p>The Company believes that its manufacturing units must benefit the communities in which they are located. It sources most of the indigenous raw materials from areas near the factories. The Company also obtains services from local &amp; small service providers for maintenance and repairs of building, plant and machineries.</p>
<p>5 Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as &lt;5%, 5-10%, &gt;10%). Also, provide details thereof, in about 50 words or so.</p>	<p>It is Company's ongoing endeavor to minimize the waste generation from its manufacturing operations. Our manufacturing process does not generate any significant process-related wastes. The Company is able to sell a large portion of the by products from the manufacturing process and the balance gets utilized by the downstream plants of the Company.</p> <p>With regards to use of water, the Company continues to focus on an integrated water management approach that includes water conservation and recycling waste water to the extent possible at its units. We continue to follow the 3-R (Reduce, Reuse &amp; Recycle) principle at our manufacturing units.</p> <p>The Company while pursuing energy efficiency programs in the factories also takes initiatives for recycling of wastes generated during production. Consumer products contribute a large part of the Company's sales. It is difficult to reach the end consumers to enhance the recycling process of products. Most of the Company's manufacturing units are committed to minimum discharge. Presently, &lt; 5% of waste is recycled.</p>

### Principle 3: Wellbeing of Employees

Our Company's approach to Human Resources is based on the premise that nurturing people will inevitably nurture our business and committed, capable employees are the foundation of a business enterprise. We enable our employees to achieve their goals in a safe, rewarding and respectful environment and promote a culture where constructive and honest feedback is encouraged.

Employee wellbeing is approached holistically to include health and safety, skills and capabilities, learning and growth opportunities and an engaging work environment. Apart from encouraging employees to learn and grow, the Company also conducts various periodic programmes such as best employee of the quarter, celebrate birthdays and festivals for overall wellbeing of employees.

1	Please indicate the Total number of employees.	3547 employees as on March 31, 2022
2	Please indicate the Total number of employees hired on temporary/ contractual/casual basis.	8318 as on March 31, 2022
3	Please indicate the number of permanent women employees.	49 as on March 31, 2022
4	Please indicate the Number of permanent employees with disabilities.	Nil
5	Do you have an employee association that is recognized by management.	Yes
6	What percentage of your permanent employees is members of this recognized employee association?	10%
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	1	NIL
3	Discriminatory employment	NIL	NIL

8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	<p>At Patanjali Foods along with safety and security training, the Company offers a variety of training programmes through functional modules. The training content is based on the duties and responsibilities in different grades and departments, such as:</p> <ul style="list-style-type: none"> <li>• Quality Management System Training</li> <li>• Fire Fighting Training</li> <li>• System Compliance (GMP, HALAL, KOSHER, Compliance Tool etc.)</li> <li>• COVID-19 Measures to prevent and control</li> </ul>
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The details of safety trainings conducted during the financial year 2021-22 are as follows:

Employee Category	% of Employees that were given safety training*
(a) Permanent Employees	100
(b) Permanent Women Employees	100
(c) Casual/Temporary/Contractual Employees	100
(d) Employees with Disabilities	Not Applicable

\*% is for the employees working at each of the factory premises of the Company.

#### Principle 4: Respect and Responsiveness to all Stakeholders

1	Has the company mapped its internal and external stakeholders? Yes/No	<p>Yes. The stakeholders have been mapped and is an ongoing exercise and is conducted on a regular basis. The key stakeholders are as follows:</p> <ol style="list-style-type: none"> <li>Employees</li> <li>Customers/ Suppliers</li> <li>Lenders</li> <li>Government and regulatory authorities</li> <li>Investors/Shareholders</li> <li>Local Communities</li> </ol> <p>The Stakeholders Relationship Committee of the Company specifically looks into various aspects of interest of shareholders and other security holders of the Company. Also, at plant locations the management engages with other stakeholders to understand and resolve any concern of the stakeholders.</p>
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	The Company is in the process of mapping disadvantaged, vulnerable and marginalized stakeholders viz. communities in and around the areas of its significant operations, and it intends to actively work towards their inclusive growth.
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	No

#### Principle 5: Respect and Promote Human Rights

1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/Others?	<p>Your Company has placed separate policies towards its Business Responsibility which include a policy on promotion of Human Rights. The Company encourages its business partners and third parties with whom it conducts business to abide by this policy. The Company strictly follows highest ethics including protection of human rights while conducting its business activities. The Company's stand on human rights, includes non-discrimination, prohibition of child and enforced labour, freedom of association and the right to engage in collective bargaining.</p> <p>In addition, the Company's Policy for Prevention of Sexual Harassment of Women at workplace is applicable to all the employees including contractual staff and also covers temporary staff and visitors. The Whistle Blower Policy/Vigil Mechanism of the Company also provides a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Board to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or any other unethical or improper activity.</p> <p>The Company has also extended strong support to manpower by providing them personal accident &amp; mediclaim policy as per their roles and responsibilities. The Company abides by all the rules and regulations related to human rights which are applicable in the area of operations. During Covid-19 pandemic, in addition to health insurance, the Company has obtained life insurance policies for its employees working in manufacturing plants, depots, sales and other functions and extended additional medical support to employees for treatment on need basis.</p>
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2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	During the financial year 2021-22, the Company received one complaint pertaining to sexual harassment which has since been resolved.
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## Principle 6: Respect, Protect and Restore the Environment

1	Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.	<p>The policy relating to respecting, protecting and restoring the environment covers the Company only. The Company ensures that it is implemented at all these levels.</p> <p>The Company while dealing with its suppliers/contractors and other concerned parties, always ensures to conduct its dealings in accordance with Policy on Environment Protection. The Company encourages its business partners and third parties with whom it conducts business to abide by this policy.</p>
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	<p>The Company understands the global issue of climate change and has incorporated possible actions to address it. Patanjali Foods continues to evaluate the usage of green fuel for its operations to the extent possible. The Company generates 84.6 MW of Power from Wind energy out of which 18.6 MW is used for captive consumption. Power generated from wind farm projects in the States of Maharashtra, Gujarat, Karnataka, Madhya Pradesh and Tamilnadu is utilized in the manufacturing units at Nagpur, Kandla, Mangalore, Mangliya and Chennai respectively optimizing the power used from state electricity boards. Husk fired boilers are used at manufacturing facilities at Baran, Sri Ganganagar &amp; Kakinada. The Peddapuram and Ampapuram manufacturing units of the Company utilize the electricity generated from the back pressure turbine to optimize energy cost.</p> <p>The Company is having a 360 degree approach to implement the 3R (Reduce, Reuse and Recycle) principle for efficient use of water. We are focused on optimal use of water and after use treatment, discharge and recycle to the extent possible. We are equipping our units with systems and processes for optimal use of water during manufacturing.</p> <p>The company has taken the following initiatives towards mitigating environmental impact, wherever feasible:</p> <p>Water conservation programmes: The Company believes that water is a critical resource and hence works towards minimizing its fresh water requirements through initiatives such as rain water harvesting, use of water efficient fixtures and sewage treatment plants.</p> <p>LED lightings: The company uses LED light fixtures, thereby conserving energy year by year. Further, all the emissions and effluent generated by the Company are monitored on a regular basis and are generally within the permissible limits given by respective State Pollution Control Boards (PCBs). The Company continues to actively engage with the State PCBs and implement the suggestions, if any from time to time.</p>
3	Does the company identify and assess potential environmental risks? Y/N	Yes. The Company assesses potential impacts of its operations on the environment and potential environmental risks are being identified by Risk Management Department. Once risk is identified, steps are taken to measure and mitigate risk to the extent possible.



4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Yes. In line with the National Clean Development Mechanism, the Company has installed LED lights at the plants and offices. The Company submits Form-V (Environmental statement) to State PCB through respective plants under Environment Protection Act and rules made thereunder.
5	Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes. The Company has taken various initiatives on clean technology, energy efficiency, renewable energy etc., to reduce its impact on the environment, for details please refer to Annexure IV of the Board's Report.
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/ SPCB for the financial year being reported?	Yes, the emissions/waste generated by the Company are within the permissible limits given by CPCB/SPCB.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	During the year, the company had received a closure order for its Peddapuram Unit from Andhra Pradesh Pollution Control Board ("APCB") which has since been revoked by the APCB. The Company has also received a show cause notice for levy of environmental compensation of ₹ 5,26,50,000/- (Rupees Five Crore Twenty Six Lakh Fifty Thousand only) from APCB for the same unit. The amount includes compensation for the period prior to commencement of Corporate Insolvency Resolution Process of the Company. The Company has represented for waiver of the same which is pending with the concerned authorities.

#### Principle 7: Responsible and Transparent Policy Advocacy

1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	<p>Your Company is represented in industry and business associations and is a member of following associations:</p> <ol style="list-style-type: none"> <li>1. The Soybean Processors Association of India (SOPA).</li> <li>2. Solvent Extractors' Association of India (SEA).</li> <li>3. Indian Vegetable Oil Producers' Association (IVOPA).</li> <li>4. Oil Palm Developers and Processors Association</li> </ol> <p>The Company engages with industry bodies and associations in a responsible manner and participates in multi-stakeholder debates as needed from time to time. One of the key issues on which the Company engaged with the Government during the year was engaging on the issue of import of refined palm oil which impacts the capacity utilization of India's edible oil industries and put an additional drain on the foreign exchange reserves of the country.</p>
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No;  if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Yes. In order to ensure self-sufficiency of edible oils in the country, the Company regularly engages with various industry bodies, stakeholders and jointly works for the promotion of oil palm in India as required. The Company recognizes the importance of farmers and encourages them to adopt oil palm cultivation in the country. The Company supports, from time to time, initiatives of various organizations engaged in the promotion of oil palm such as Andhra Pradesh State Oil Palm Farmers Welfare Association, Indian Institute of Oil Palm Research, Pedavegi. Such efforts play a pivotal role in area expansion and development of oil palm in India, which ultimately contributes towards the benefit of the farmers and self-sufficiency of edible oil. The Company regularly distributes brochures, pamphlets, flexi banners and quarterly bulletins amongst the oil palm farmers incorporating research of various Institutes, issues of importance for the farmers which ensures efficiencies and enhances productivity of oil palm farmers in India.

## Principle 8: Promote Inclusive Growth and Equitable Development

1	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof	The Company has adopted a Corporate Social Responsibility (CSR) Policy which governs the CSR activities of the Company. During the financial year 2021-22, Patanjali Foods has spent ₹ 661 lakh towards promoting health care.
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	Voluntary social initiatives have been undertaken through support of Company's employees and nearby communities.
3	Have you done any impact assessment of your initiative?	No. However, the efforts of the Company in promoting oil palm cultivation in India have shown promising results. An update on the CSR projects is placed at the Board and CSR Committee meetings for their review and assessment.
4	What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?	<p>The company's pre-eminent position as one of India's leading corporates is based on strong and enduring relationship with farmers that support rural livelihoods. The Company's endeavor is to foster a long-term, fair and transparent relationships with farmers that will help us reduce intermediaries and procure efficiently.</p> <p>Company's palm plantation, soya and mustard business touches the lives of approx. 5-7 lakh farmers in India. The farmer count is expected to increase significantly with additional area under palm cultivation in a span of next 5 years.</p> <p>The Company purchases fresh fruit bunches ("FFBs") from oil palm farmers and work closely with them by providing planting material, agricultural inputs and technical guidance. As on June 30, 2022, we have memoranda of understanding with ten state governments, which provides us access to approximately 4,84,010 hectares under oil palm plantation development out of which we have developed 59,743 hectares. The Company has two palm oil mills, in close proximity to the palm plantations, with aggregate capacity of 125 MT/hr, in which we crush palm fruit to produce Crude Palm Oil which helps to promote self-sufficiency in edible oils for the country.</p> <p>This public private partnership model, which, has been promoted by the government of India, allows us to maintain an asset-light business model, supports the farmers in supplementing their income and generates employment. We work closely with farmers in our designated area to plant oil palm on their farm land and provide technical guidance, assistance, support and assurance to buy the produce from the farmers. The oil palm plantation provides stable income to the farmers for approximately 25 years.</p>
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes. Identification and prioritization of community initiatives is done through participatory exercise at village level. The Company regularly engages with villagers to ensure maximum possible benefits of oil palm plantations to the community and to expand oil palm cultivation area on the land allocated to the Company. The Company conducts periodical visit of expert extension teams to extend necessary advisories to farmers along with monitoring of best management practices in oil palm plantations to ensure high productivity and successful adoption of oil palm cultivation by the farmers. The Company actively participates and conducts awareness campaigns to popularize oil palm cultivation in India. The Company also arranges audio-visual vans for creating visual impact on oil palm cultivation practices for the benefit of the farmers. The Company regularly publishes newsletters /quarterly magazine on oil palm cultivation to share the experience of farmers who are following the best management practices which encourages other farmers in adapting the same for better yields.

## Principle 9: Provide Value to Customer Responsibly

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	A well-established system is in place for dealing with customer feedback and complaints. Customers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms, etc. All complaints are appropriately addressed and all efforts are taken to resolve the same.
2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)	All products comply with the applicable regulations such as the Legal Metrology Act, Bureau of Indian Standards Specifications, Trade Marks Act and Copyright Act, Food Safety and Standards Act, etc. The food products also carry a nutritional information table on the back of pack in compliance with local legislation. The Company displays product information on the products label. The Company also has a website which provides information of its products viz. <a href="http://www.patanjalifoods.com">www.patanjalifoods.com</a> . The Company constantly tries to provide value to its customers and engage with its consumers in a responsible way. The Company tries to provide additional information on the product label wherever possible relating to various active ingredients contained in the product, their benefits, consumer grievance redressal mechanisms, directions for use (including pictorial depiction) etc.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	Post-acquisition of the Company under CIRP, no case has been filed against your Company. However, before acquisition of the Company under CIRP, a complaint was filed against the Company before Competition Commission of India (CCI) wherein no adverse order was passed and CCI was of the opinion that no case of contravention of the provisions of Section 3(1) read with Section 3(3)(a) and 3(3)(b) of the Competition Act is made out against the Company. An appeal against the aforesaid CCI order is sub-judice before Hon'ble High Court of Delhi. After implementation of resolution plan, your Company has approached the Hon'ble High Court of Delhi to quash the aforesaid pending appeal and the same is pending for disposal.
4	Did your company carry out any consumer survey/consumer satisfaction trends?	The Company had always been involved in various type of syndicated research like retail audit, brand health track and small dipstick study to understand the consumer behavior better. Use of the key insights from these research not only helps to solve a marketing problem but also helps in understanding the consumer satisfaction trends. The Company conducts consumer research periodically.

# Independent Auditor's Report

To the Members of  
Ruchi Soya Industries Limited

## Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of **RUCHI SOYA INDUSTRIES LIMITED** ("the Company"), which comprise the standalone balance sheet as at 31st March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and profit (including other comprehensive income), statement of changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matter

Key audit matter are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31st March 2022. This matter was addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter	How our audit addressed the key audit matter
Recoverability of amounts paid against on-going litigations	
Refer Note 33 to the standalone financial statements. Prior to the approval of the Resolution Plan, the Company was a party to certain litigations. Pursuant to the approval of the Resolution Plan, it was determined that no amounts are payable in respect of those litigations as they stand extinguished.	We have performed the following procedures to test the recoverability of payments made by the Company in relation to litigations instituted against it prior to the approval of the Resolution Plan:
The Company had also made certain payments to the relevant authorities in respect of those litigations which were presented as recoverable under "Deposits paid under protest" and "Indirect Tax Refund Receivable" in the standalone financial statements.	<ul style="list-style-type: none"> <li>• Verified the underlying documents related to litigations and other correspondences with the statutory authorities.</li> <li>• Reviewed the provisions of the Resolution Plan to understand the requirements of the said Plan and evaluated the possible impact.</li> <li>• Evaluated whether the accounting principles applied by the management fairly present the amounts recoverable from relevant authorities in financial statements in accordance with the principles of Ind AS.</li> <li>• Discussion with the management on the development in these litigations during the year ended 31st March, 2022.</li> <li>• Obtaining representation letter from the management on the assessment of those matters as per SA 580 (revised) - written representations.</li> </ul>
The estimates related to expect outcome of litigations and recoverability of payments made in respect thereof have high degree of inherent uncertainty in respect of disposal of litigations involving companies admitted to Corporate Insolvency Resolution Process.	
This requires application of significant judgment in the recoverability and therefore we consider this as a significant key audit matter from the perspective of our audit.	

### Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is 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.

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 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 other information identified above, 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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.

In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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 SAs 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial controls 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 the standalone 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 management's 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

- 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year 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

- 1 As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 Further to our comment in the Annexure A, as required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
- (g) In our opinion, the managerial remuneration for the year ended 31st March, 2022 has been paid / provided by the Company to its director in accordance with the provisions of section 197 read with Schedule V to the Act.
- (h) 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, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company, as detailed in Note no. 33 to the standalone financial statements has disclosed the impact of pending litigations on its financial position.
  - (ii) The Company did not have any material foreseeable losses on long term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - (iv) (a) Management has represented to us that, to the best of its knowledge and belief, as disclosed in the standalone

financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) Management has represented to us that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“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;

- (c) Based on our audit procedures conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.
- (v) As stated in note no 48 (iv) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm's Registration No. 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: 27th May 2022

Membership No. 109859

UDIN: 22109859AJRZDX2187

## “Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Ruchi Soya Industries Limited on the standalone financial statements for the year ended 31st March 2022)

(i) In respect of property, plant and equipment and intangible assets:-

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment on the basis of available information.
- (B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
- (b) As explained to us, Property, Plant & Equipment have been physically verified by the management in

a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

- (c) According to the information and explanations given to us and the records examined by us, title deeds in respect of immovable properties disclosed as Property, Plant & Equipment ((other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) in the standalone financial statements are in the name of the Company, except following properties:-

Description of Property	Gross carrying value (₹ in Lakh)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being in the name of Company
Leasehold land	71.56	Ruchi Soya Industries Ltd	No	July 18, 2002	The lease period was up to July 17, 2008 .The company approached the government authority to extend leasehold term for further period. The matter is sub judicial stage.
Freehold land	1763.59	Patanjali Natural Biscuits Private Limited	Yes, Promoter	May 21, 2021	Registration of said land is pending in absence of various NOC's required from State Government.

- (d) According to information and explanations given to us and books of accounts and records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) In respect of its inventories:-

- a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories have been conducted

at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventories, the coverage and procedures of such verification by the management is appropriate. As explained to us and on the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% or more in aggregate of each class of inventories.

- b) As per the information and explanations given to us and examination of books of account and other records produced before us, in our opinion quarterly returns or statements filed by the Company with banks or financial institutions pursuant to terms of sanction letters for working capital limits secured by current assets are in agreement with the books of account of the Company except as disclosed below :

(₹ in Lakh)

For the quarter ended	Particulars of Securities Provided	Amount as per Books of Account	Amount as reported in statement of current assets	Difference
June-2021	Inventories and Trade Receivables	2,92,362.36	2,93,752.08	(1,389.72)
September-2021	Inventories and Trade Receivables	3,30,845.11	3,30,700.73	144.38
December-2021	Inventories and Trade Receivables	3,50,899.30	3,45,897.63	5,001.67

(iii) In respect of investments made in, or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to companies, firms, Limited Liability Partnerships or any other parties: -

a) As per the information and explanations given to us and books of account and records examined by us, during the year the Company has not provided any loans or advances in the nature of loans, not provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other entities. Therefore, the provision of clause 3(iii) (a),(c),(d),(e) and (f) of the Order are not applicable to the Company.

b) In our opinion and according to information and explanations given us and on the basis of our audit procedures, the investment made are, prima facie, not prejudicial to Company's interest. The Company has not provided any guarantees or given security or loans and advances in nature of loans.

(iv) In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. Further, provisions of sections 186 of the Companies Act, 2013 in respect of investments, have been complied with by the Company. The Company has not given any loans or guarantee or security.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the

meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the records of the Company examined by us, undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and any other material statutory dues have been generally regularly deposited with appropriate authorities except in respect of payment of advance tax. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the aforesaid dues, which were outstanding as March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute except as mentioned below:-

Name of the Statute	Nature of the Dues	Amount (₹ In Lakh)	Period to which the amount relates	Forum where Dispute is pending
Income tax act, 1961	Income tax	260,96.82	Assessment year 2020-2021	Commissioner of income tax (appeals)

- (viii) According to the information and explanations given to us and representation given to us by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year. Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company.
- (ix) a) In our opinion and according to the information and explanations given and books of account and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful 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 and records examined by us, the Company has not raised any money by way of term loans during the year.
- d) According to the information and explanations given to us, procedures performed by us, and on an overall examination of the financial statements of the Company, we report, prima facie, that funds raised on the short-term basis has not been utilized for long term purposes by the Company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries, joint ventures or associate companies, therefore question of raising taking any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures does not arise.
- f) In our opinion, and according to the information and explanations given to us, the Company does not have any subsidiaries, joint ventures or associate companies, therefore question of raising any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures does not arise.
- (x) a) Till 31st March 2022, in respect of ongoing further public offering of the Company, it has raised share application money pending allotment from anchor investors which were kept in escrow accounts of the Company. (Refer Note No. 47)
- b) In our opinion and according to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under audit.
- (xi) a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act has been filed by auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion, Company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, wherever applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) a) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act. Therefore, the



provisions of Clause 3(xv) of the Order are not applicable to the Company.

- (xvi) a) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.
- c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) In our opinion, and according to the information and explanations provided to us, the Group does not have any Core Investment Company (CIC).
- (xvii) In our opinion, and according to the information and explanations provided to us, Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause (xviii) of Paragraph 3 of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios as given in note no. 42, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence

supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) With respect to CSR contribution under section 135 of the Act:
- a) According to the information and explanations given to us and on the basis of our audit procedures, in respect of other than ongoing projects, there were no unspent amount that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section 5 of section 135 of the Act.
- b) According to the information and explanations given to us and on the basis of our audit procedures, there were no ongoing projects related to Corporate Social Responsibilities. Therefore, provisions of clause (xx) (b) of Paragraph 3 of the Order are not applicable to the Company.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm's Registration No. 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: 27th May 2022

Membership No. 109859

UDIN: 22109859AJRZDX2187

## “Annexure B” to the Independent Auditor’s Report

Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Ruchi Soya Industries Limited on the standalone financial statements for the year ended 31st March 2022.

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of **RUCHI SOYA INDUSTRIES LIMITED** (“the Company”) as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with 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”) and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls over financial reporting, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to standalone financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

A company’s internal financial control 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 control with reference to financial statements includes 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

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 control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to financial statements

were operating effectively as at 31st March, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm's Registration No. 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: 27th May 2022

Membership No. 109859

UDIN: 22109859AJRZDX2187

# Standalone Balance Sheet

as at March 31, 2022

(₹ in Lakh)

	Notes	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	3,37,087.35	3,43,858.92
(b) Capital work-in-progress	3	2,796.62	2,683.08
(c) Goodwill	4	1,082.42	–
(d) Other Intangible assets	4(a)	1,51,872.02	1,51,585.66
(e) Financial assets			
(i) Investments	5(a)	2,921.26	1,863.06
(ii) Others	5(b)	3,335.61	4,535.74
(f) Deferred tax assets (Net)	34	3,926.98	16,637.16
(g) Income tax assets (Net)	6(a)	3,768.02	6,194.62
(h) Other non-current assets	6(b)	5,687.40	4,713.20
<b>Total Non-current assets</b>		<b>5,12,477.68</b>	<b>5,32,071.44</b>
<b>(2) Current assets</b>			
(a) Inventories	7	2,90,532.95	2,36,336.49
(b) Financial Assets			
(i) Investments	8(a)	1,249.25	1,176.11
(ii) Trade receivables	8(b)	79,622.00	43,842.23
(iii) Cash and cash equivalents	8(c)	37,495.56	4,627.05
(iv) Bank balances other than (iii) above	8(d)	1,64,133.04	34,042.15
(v) Others	8(e)	3,998.01	1,010.89
(c) Other Current Assets	9	58,105.06	47,408.06
<b>Total Current assets</b>		<b>6,35,135.87</b>	<b>3,68,442.98</b>
Assets Classified as held for Sale	10	407.56	367.56
<b>Total Assets</b>		<b>11,48,021.11</b>	<b>9,00,881.98</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	5,915.29	5,915.29
(b) Other Equity	12	6,11,168.75	4,00,325.99
<b>Total Equity</b>		<b>6,17,084.04</b>	<b>4,06,241.28</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13(a)	2,70,553.92	2,87,984.80
(ii) Lease Liabilities	13(b)	77.05	1.56
(iii) Other financial liabilities	13(c)	33,248.20	32,157.12
(b) Other non-current liabilities	14	400.60	449.09
(c) Provision	15	1,122.90	924.05
<b>Total Non-Current Liabilities</b>		<b>3,05,402.67</b>	<b>3,21,516.62</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16(a)	98,961.08	78,007.17
(ii) Lease Liabilities	16(b)	13.70	0.50
(iii) Trade Payables			
(a) Total Outstanding due to Micro and small enterprises.	16(c)	2,766.38	216.22
(b) Total Outstanding due to creditors other than Micro and small enterprises.	16(c)	87,056.27	65,443.96
(iv) Other financial liabilities	16(d)	27,842.59	23,124.58
(b) Other current liabilities	17	8,565.05	6,031.13
(c) Provisions	18	156.33	127.52
<b>Total Current liabilities</b>		<b>2,25,361.40</b>	<b>1,72,951.08</b>
Liabilities directly associated with assets classified as held for sale	19	173.00	173.00
<b>Total Equity and Liabilities</b>		<b>11,48,021.11</b>	<b>9,00,881.98</b>

See accompanying Notes to the financial statements from 1 to 51

As per our report of even date attached

For and On Behalf of Board of Directors

For Chaturvedi &amp; Shah LLP

Chartered Accountants  
Registration No. 101720W/W100355

**Acharya Balkrishna**  
Chairman  
Place: Haridwar  
DIN No. 01778007

**Ram Bharat**  
Managing Director  
Place: Haridwar  
DIN No. 01651754

**Sanjeev Kumar Asthana**  
Chief Executive Officer  
Place: Noida

**Vijay Napawaliya**  
Partner  
Membership no. 109859  
Place: Mumbai

**Sanjay Kumar**  
Chief Financial Officer  
Place: Indore

**Ramji Lal Gupta**  
Company Secretary  
Place: Indore

**Kumar Rajesh**  
Head - Strategic Finance, Special  
Projects and Treasury management  
Place: Mumbai

Date: May 27, 2022

# Statement of Standalone Profit and Loss

for the year ended March 31, 2022

		(₹ in Lakh)		
		Notes	Year ended March 31, 2022	Year ended March 31, 2021
<b>INCOME</b>				
<b>I</b>	Revenue from Operations	20	24,20,537.51	16,31,863.30
<b>II</b>	Other Income	21	7,900.71	6,434.41
<b>III</b>	<b>Total Income ( I+II )</b>		24,28,438.22	16,38,297.71
<b>IV EXPENSES</b>				
	Cost of materials consumed	22	19,38,159.48	13,99,663.27
	Purchases of Stock-in-Trade	23	2,11,193.47	51,802.45
	Changes in inventories of finished goods, work-in-progress and stock in trade	24	(32,541.63)	(34,762.83)
	Employee Benefits Expense	25	18,581.49	13,963.01
	Finance Costs	26	35,487.79	37,071.87
	Depreciation & Amortisation Expenses	27	13,672.75	13,325.09
	Other Expenses	28	1,36,446.72	1,05,794.83
	<b>Total Expenses (IV)</b>		23,21,000.07	15,86,857.69
<b>V</b>	<b>Profit before tax (III-IV)</b>		1,07,438.15	51,440.02
<b>VI Tax expense</b>				
	Current Income Tax	34	14,100.00	–
	Deferred Tax - Charge/(Credit)	34	12,707.26	(16,637.16)
<b>VII</b>	<b>Profit for the year (V-VI)</b>		80,630.89	68,077.18
<b>VIII (A)</b>	<b>Other Comprehensive Income</b>	29		
<b>(i) Items that will not be reclassified to Profit and Loss</b>				
	Remeasurement of gain/(loss) defined benefit plans		164.51	(51.50)
	Gain/(loss) FVTOCI Equity Instruments		1,058.19	1,125.45
<b>(B) Hedge Reserve</b>		29		
<b>(i) Items that will be reclassified to Profit and Loss</b>				
	Net (loss)/gain on cash flow hedges recognised during the year		11.60	–
<b>(ii) Income tax relating to items that will be reclassified to Profit and Loss</b>			(2.92)	–
<b>IX</b>	<b>Total comprehensive income for the year (VII+VIII)</b>		81,862.27	69,151.13
<b>X</b>	<b>Earnings per equity share of face value of ₹ 2 each</b>	36		
	Basic and Diluted earnings per share			
a	Basic (in ₹)		27.26	23.02
b	Diluted (in ₹)		27.26	23.02

See accompanying Notes to the financial statements from 1 to 51

As per our report of even date attached

For and On Behalf of Board of Directors

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration No. 101720W/W100355

**Acharya Balkrishna**

Chairman

Place: Haridwar

DIN No. 01778007

**Ram Bharat**

Managing Director

Place: Haridwar

DIN No. 01651754

**Sanjeev Kumar Asthana**

Chief Executive Officer

Place: Noida

**Vijay Napawaliya**

Partner

Membership no. 109859

Place: Mumbai

**Sanjay Kumar**

Chief Financial Officer

Place: Indore

**Ramji Lal Gupta**

Company Secretary

Place: Indore

**Kumar Rajesh**

Head - Strategic Finance, Special Projects and Treasury management  
Place: Mumbai

Date: May 27, 2022



# Statement of Standalone Changes in Equity (SOCIE)

for the year ended March 31, 2022

## a. Equity share capital

	March 31, 2022		March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
<b>Balance at the beginning of the reporting year</b>	2,958.41	5,916.82	2,958.41	5,916.82
Less : 76,301 (Previous year Treasury Equity Shares)	0.76	1.53	0.76	1.53
<b>Balance at the end of the reporting year</b>	<b>2,957.65</b>	<b>5,915.29</b>	<b>2,957.65</b>	<b>5,915.29</b>

## b. Other Equity

### (i) As at March 31, 2022 [ Refer Note 12 ]

Particulars	Note Reference	Share application money pending allotment	Reserves and Surplus				Item of Other Comprehensive Income		Total
			Capital Redemption Reserve	Securities Premium account	General Reserve	Capital Reserve	Retained Earnings	Hedging Reserve	
<b>Balance at the beginning of the reporting year</b>		–	8,770.98	45,186.45	41,815.51	15,662.53	2,97,719.14	–	(8,828.62) 4,00,325.99
Profit for the year		–	–	–	–	–	80,630.89	–	– 80,630.89
Other Comprehensive Income for the year	29	–	–	–	–	–	164.51	8.68	1,058.19 1,231.38
<b>Total comprehensive income for the year</b>		–	–	–	–	–	80,795.40	8.68	1,058.19 81,862.27
Other changes during the year									
(i) Arising pursuant to Further Public Offer	12A	1,28,980.49	–	–	–	–	–	–	– 1,28,980.49
<b>Balance at the end of the reporting year</b>		<b>1,28,980.49</b>	<b>8,770.98</b>	<b>45,186.45</b>	<b>41,815.51</b>	<b>15,662.53</b>	<b>3,78,514.54</b>	<b>8.68</b>	<b>(7,770.43) 6,11,168.75</b>

# Statement of Standalone Changes in Equity (SOCIE)

for the year ended March 31, 2022

(ii) As at March 31, 2021 [ Refer Note 12 ]

Particulars	Note Reference	Reserves and Surplus				Item of Other Comprehensive Income	Total
		Capital Redemption Reserve	Securities Premium account	General Reserve	Capital Reserve	Retained Earnings	
Balance at the beginning of the reporting year		8,770.98	45,186.45	41,815.51	15,662.53	2,29,693.46	3,31,174.86
Profit for the year		-	-	-	-	68,077.18	68,077.18
Other Comprehensive Income for the year	29	-	-	-	-	(51.50)	1,073.95
Total comprehensive income for the year		-	-	-	-	68,025.68	69,151.13
Balance at the end of the reporting year		8,770.98	45,186.45	41,815.51	15,662.53	2,97,719.14	4,00,325.99

(₹ in Lakh)

As per our report of even date attached

For and On Behalf of Board of Directors

For Chaturvedi & Shah LLP

Chartered Accountants

Registration No. 101720W/W100355

Acharya Balkrishna

Chairman

Place: Haridwar

DIN No. 01778007

Ram Bharat

Managing Director

Place: Haridwar

DIN No. 01651754

Sanjeev Kumar Asthana

Chief Executive Officer

Place: Noida

Vijay Napawaliya

Partner

Membership no. 109859

Place: Mumbai

Date: May 27, 2022

Sanjay Kumar

Chief Financial Officer

Place: Indore

Ramji Lal Gupta

Company Secretary

Place: Indore

Kumar Rajesh

Head - Strategic Finance, Special Projects and Treasury management

Place: Mumbai

# Statement of Standalone Cash flows

for the year ended March 31, 2022

	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>(A) Cash flow from operating activities</b>		
Profit before tax	1,07,438.15	51,440.02
Adjustments for:		
Depreciation and Amortisation Expenses	13,672.75	13,325.10
Net (Gain)/Loss on Sale/Discard of Fixed Assets	(238.17)	66.38
Impairment on investments and Fair value adjustments (net)	22.97	128.76
Interest Income	(3,416.52)	(3,769.32)
Finance costs	35,487.79	37,071.87
(Gain)/Loss on foreign currency transaction/translation	(2,959.98)	270.54
Provision for expected credit loss	345.49	166.92
(Gain)/loss on sale of Investment	–	(49.38)
Income from investment	(96.12)	(116.40)
Excess Provision/Liabilities no longer required written back (Net)	(259.28)	(146.08)
Lease Rental income	(358.35)	(241.53)
<b>Operating profit before working capital changes</b>	<b>1,49,638.73</b>	<b>98,146.88</b>
<b>Working capital adjustments</b>		
(Increase)/ Decrease in inventories	(54,196.46)	(1,00,875.00)
(Increase)/ Decrease in trade and other receivables	(44,876.10)	(11,956.15)
Increase/ (Decrease) in trade and other payables	33,528.64	39,282.78
<b>Cash generated from operations</b>	<b>84,094.81</b>	<b>24,598.51</b>
Income Tax	(11,673.40)	(510.64)
<b>Net cash flows from operating activities</b>	<b>72,421.41</b>	<b>24,087.87</b>
<b>(B) Cash flow from investing activities</b>		
Payment to acquire Biscuit Business	(6,002.50)	–
Payment for Purchase and Construction of CWIP, Property, Plant and Equipment	(4,043.30)	(2,134.07)
Proceed from sale of investment	–	100.70
Proceed from disposal of fixed assets	664.20	86.87
(Increase)/ Decrease in Other Balance with Banks	(1,30,060.99)	(3,457.04)
Interest income	636.88	1,005.46
Lease Rental income	358.35	241.53
<b>Net cash flows used in investing activities</b>	<b>(1,38,447.36)</b>	<b>(4,156.55)</b>
<b>(C) Cash flow from financing activities</b>		
Proceeds from equity share application money	1,29,732.47	–
Proceeds from long term borrowings	–	8,000.00
Proceeds from short term borrowings (net)	18,392.52	(1,607.59)
Repayment of long term borrowings	(16,640.39)	(3,437.39)
Payment related to further public offering	(2,718.28)	–
Finance Cost	(29,866.09)	(33,592.83)
Payment of unclaimed dividends	(3.23)	(5.77)
Payment of lease liability	(2.54)	(40.68)
<b>Net cash flows from/(used in) financing activities</b>	<b>98,894.46</b>	<b>(30,684.26)</b>

# Statement of Standalone Cash flows

for the year ended March 31, 2022

	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>32,868.51</b>	<b>(10,752.94)</b>
Cash and cash equivalents at the beginning of the year	4,627.05	15,379.99
<b>Cash and cash equivalents at the end of the year</b>	<b>37,495.56</b>	<b>4,627.05</b>
<b>Reconciliation of Cash and Cash equivalents with the Balance Sheet</b>		
Cash and Bank Balances as per Balance Sheet [Note 8c]		
Cash in hand	31.52	38.85
In Current Accounts	37,464.04	4,415.81
In Deposit Accounts with less than or equal to 3 months maturity	—	172.39
<b>Cash and Cash equivalents as at the year end</b>	<b>37,495.56</b>	<b>4,627.05</b>

## Notes:

1. Previous year figure have been regrouped and rearranged wherever necessary.
2. The above statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 “Statement of Cash Flow”.
3. Changes in Liabilities arising from financing activities on account of Non-Current (Including Current Maturities and other liabilities of preference shares) and Current Borrowings

	(₹ in Lakh)	
	Year ended March 31, 2022	Year ended March 31, 2021
Opening Balance of Liabilities arising from Financing Activities	3,93,364.47	3,91,339.68
Cash Flows	1,752.13	2,955.02
Ind- AS Adjustment	(783.02)	(930.23)
<b>Closing Balance of Liabilities arising from Financing Activities</b>	<b>3,94,333.58</b>	<b>3,93,364.47</b>

As per our report of even date attached

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration No. 101720W/W100355

**Vijay Napawaliya**

Partner

Membership no. 109859

Place: Mumbai

Date: May 27, 2022

For and On Behalf of Board of Directors

**Acharya Balkrishna**

Chairman

Place: Haridwar

DIN No. 01778007

**Sanjay Kumar**

Chief Financial Officer

Place: Indore

**Ram Bharat**

Managing Director

Place: Haridwar

DIN No. 01651754

**Ramji Lal Gupta**

Company Secretary

Place: Indore

**Sanjeev Kumar Asthana**

Chief Executive Officer

Place: Noida

**Kumar Rajesh**

Head - Strategic Finance, Special Projects and Treasury management

Place: Mumbai

# Notes

to Financial Statement for the year ended March 31, 2022

## Note 1-2

### 1 CORPORATE INFORMATION

Ruchi Soya Industries Limited ('the Company') is a Public Limited Company engaged primarily in the business of processing of oil-seeds and refining of crude oil for edible use. The Company also produces oil meal, food products from soya, nutraceutical products, biscuits and value added products from downstream and upstream processing. The Company is also engaged in trading in various products and generation of power from wind energy. The Company has manufacturing plants across India and is listed on the BSE Limited and National Stock Exchange of India Limited (NSE). The Company's registered office is at Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (E), Mumbai – 400065, Maharashtra.

### 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### (A) BASIS OF PREPARATION

##### a Statement of Compliance

The financial statement of the Company have been prepared to comply with Indian Accounting Standard including the rules notified under the relevant provisions of the Companies Act, 2013, as amended from time to time and presentation and disclosures requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

The financial statements were approved by the Board of Directors of the Company in their meeting held on May 27, 2022.

##### b Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All amounts have been rounded to the nearest lakh, unless otherwise indicated.

##### c Basis of Measurement

These financial statements have been prepared on a historical cost convention basis, except for the following:

- (i) Certain financial assets and liabilities that are measured at fair value.

- (ii) Assets held for sale- Measured at the lower of (a) carrying amount and (b) fair value less cost to sell.
- (iii) Net defined benefit plans- Plan assets measured at fair value less present value of defined benefit obligation.

#### Determining the Fair Value

While measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

##### d Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, expenses and disclosures of contingent assets and liabilities at the date of these financial statements.

These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements.



# Notes

to Financial Statement for the year ended March 31, 2022

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as given below:-

## 1 Impairment test of non financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

## 2 Recoverability of Receivables

The Management makes estimates related to the recoverability of receivables, whose book values are adjusted through an allowance for Expected losses/ Provision for Doubtful debts. Management specifically analyses accounts receivable, customers' creditworthiness, current economic trends and

changes in customer's collection terms when assessing the adequate allowance for Expected losses/ Provision for Doubtful debts, which are estimated over the lifetime of the debts.

## 3 Recognition and measurement of Provisions and Contingencies

Provisions and liabilities are recognized in the year when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

### Contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position.

## 4 Recognition of Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences. The Company uses judgements to determine the amount of deferred tax that can be recognised, based upon the likely timing and level of future taxable profits & business developments.

# Notes

to Financial Statement for the year ended March 31, 2022

## 5 Measurements of Defined benefit obligations plan

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## 6 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

## 7 Income Taxes

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the year in which such determination is made.

## 8 Depreciation / Amortisation and useful lives of Property Plant and Equipment (PPE) / Intangible Assets

PPE / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any

reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation /amortisation for future periods are revised if there are significant changes from previous estimates.

## 9 Global health pandemic on Covid-19

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In assessing the recoverability of Company's assets such as financial asset and non-financial assets, the Company has considered internal and external information. The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements and the Company expects to recover the carrying amount of all the assets.

## e Current and non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

**An asset is classified as current when it is:**

- (a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Expected to be realised within twelve months after the reporting year, or
- (d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

**A liability is classified as current when it is:**

# Notes

to Financial Statement for the year ended March 31, 2022

- (a) Expected to be settled in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Due to be settled within twelve months after the reporting year, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

## (B) SIGNIFICANT ACCOUNTING POLICIES

### a PROPERTY, PLANT AND EQUIPMENT:

#### (i) Recognition and measurement

Property, Plant and equipment are measured at cost (which includes capitalised borrowing costs) less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate

items (major components) of property, plant and equipment and depreciated accordingly.

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

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

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

- (ii) On transition to Ind AS as on April 1, 2015 the Company has elected to measure certain items of Property, Plant and Equipment [Freehold Land, Building and Plant and Equipment's] at Fair Value and for other Property, Plant and Equipment these are measure at cost as per Ind AS. The same are considered as deemed cost on the date of transition to Ind AS.

#### (iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### (iv) Depreciation, Estimated useful life and Estimated residual value

Depreciation is calculated using the Straight Line Method, pro rata to the period of use, taking into account useful lives and residual value of the assets. The useful life of assets & the estimated residual value, which are different from those prescribed under Schedule II to the Companies Act, 2013, are based on technical advice as under:

Assets	Estimated useful life's	Estimated Residual Value
Plant & Equipment's	5 to 40 years	3 to 25 Percent
Windmills	30 years	19 Percent

# Notes

to Financial Statement for the year ended March 31, 2022

Depreciation is computed with reference to cost. Depreciation on additions during the year is provided on pro rata basis with reference to month of addition/installation. Depreciation on assets disposed/discarded is charged up to the date of sale excluding the month in which such assets is sold.

The assets residual value and useful life are reviewed and adjusted, if appropriate, at the end of each reporting year. Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the statement of Profit and Loss.

## b INTANGIBLE ASSETS

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

### (i) Recognition and measurement

Computer software's have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses.

Acquired brands / Trademarks have indefinite useful life and as on transition date April 1, 2015 have been Fair valued based on reports of expert valuer, which is considered as deemed cost on transition to Ind AS. The same are tested for impairment by comparing its recoverable amount with its carrying amount annually and whenever there is an indication that it may be impaired.

### (ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including

expenditure on internally generated goodwill and brands, when incurred is recognised in statement of profit and loss.

### (iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in statement of profit and loss. Computer software are amortised over their estimated useful life or 5 years, whichever is lower. The contract manufacturing rights are amortized over the five years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

## c IMPAIRMENT OF ASSETS

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the statement of profit and loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

## d FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity instrument of another Company. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options.

### (i) Financial assets

Initial recognition and measurement

# Notes

to Financial Statement for the year ended March 31, 2022

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit and loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

## Subsequent Measurement

### Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

### Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

### Financial Assets measured at Fair Value Through Profit and Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

## In case of investments

### In Equity instruments

- For subsidiaries, associates and Joint ventures - Investments are measured at cost and tested for impairment periodically. Impairment (if any) is charged to the Statement of Profit and Loss.
- For Other than subsidiaries, associates and Joint venture - Investments are measured at Fair value through Other Comprehensive Income [FVTOCI].

### In Mutual fund

Measured at Fair value through Profit and Loss (FVTPL).

### Debt instruments

The Company measures the debt instruments at Amortised Cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest [SPPI] are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of the hedging relationship, is recognised in statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the Effective interest rate method.

### Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

### Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure:



# Notes

to Financial Statement for the year ended March 31, 2022

- a) Financial assets that are debt instruments and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

- For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. Expected Credit Loss Model is used to provide for impairment loss.

## (ii) Financial liabilities

### Classification

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit and loss-[FVTPL]; and
- those measured at amortised cost. [AC]

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and

borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts are approximate at their fair value due to the short maturity of these instruments.

### Financial liabilities at fair value through profit and loss [FVTPL]

Financial liabilities at fair value through profit and loss [FVTPL] include financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated at the initial date of recognition, only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

# Notes

to Financial Statement for the year ended March 31, 2022

## Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of borrowings using the effective interest method. Processing/Upfront fee are treated as prepaid asset netted off from borrowings. The same is amortised over the period of the facility to which it relates.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any non cash assets transferred or liability assumed, is recognised in Statement of profit and loss as other gains or (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of liabilities for at least twelve months after the reporting year.

Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the same is classified

as current unless the lender agreed, after the reporting year and before the approval of financial statements for issue, not to demand payment as a consequence of the breach.

## Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid at the year end. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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 realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, futures, interest rate swaps, forward commodity contracts and other

# Notes

to Financial Statement for the year ended March 31, 2022

derivative financial instruments to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. 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 commodity contracts are recognized in the statement of profit and loss under operating income / other expenses.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

## i) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in statement of profit and loss immediately,

together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in statement of profit and loss. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

## ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to statement of profit and loss when the hedged transaction affects profit or loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold or terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction.

## Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to

# Notes

to Financial Statement for the year ended March 31, 2022

make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

## e INVENTORIES

Inventories are measured at the lower of cost and net realisable value after providing for obsolescence, if any, except for Stock-in-Trade [which are measured at Fair value] and Realisable by-products [which are measured at net realisable value]. The cost of inventories is determined using the weighted average method and includes expenditure incurred in acquiring inventories, production or conversion and other costs incurred in bringing them to their respective present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. The comparison of cost and Net Realisable value is made on an item by item basis.

Net realisable value is estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to selling prices of finished products.

## f CASH AND CASH EQUIVALENT

For the purpose of presentation in the statement of the cash flows, cash and cash equivalent includes the cash on hand, deposits held at call with financial institutions other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts

or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## g CONTRIBUTED EQUITY

Equity shares are classified as equity. Incidental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## h DIVIDENDS

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

## i EARNINGS PER SHARE

### (i) Basic earnings per share

Basic earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted average number of Equity shares, (excluding treasury shares).

### (ii) Diluted earnings per share

Diluted earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted average number of Equity shares (excluding treasury shares) considered for basic earning per shares including dilutive potential Equity shares.

## j FOREIGN CURRENCY

### (i) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currencies of the Company at the exchange rate prevailing at the date of the transactions. Monetary assets (other than investments in companies registered outside India) and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

# Notes

to Financial Statement for the year ended March 31, 2022

Investments in companies registered outside India are converted at rate prevailing at the date of acquisition. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Difference on account of changes in foreign currency are generally charged to the statement of profit & loss except the following:

The Company has availed the exemption available under Para D13AA of Ind AS - 101 of "First time adoption of Indian Accounting Standards". Accordingly, exchange gains and losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such asset.

## k REVENUE RECOGNITION

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services. The Company also derives revenue from power generation through wind energy.

### (i) Sale of Goods/ Services

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and receivable is recognized when it becomes unconditional.

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and claims, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

### Contract balances

#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

#### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

### (ii) Other Operating Revenue

Income from sale of wind power is recognised on the basis of units wheeled during the period. Incomes from carbon credits are recognised on credit of Carbon Emission Reduction (CER) by the approving authority in the manner in which it is unconditionally available to the



# Notes

to Financial Statement for the year ended March 31, 2022

generating Company. Gain/loss on contracts settlements of raw materials purchases with suppliers are accounted in the statement of profit and loss.

## (iii) Other Income

Other income is comprised primarily of interest income, dividend income, gain/loss on investments and gain/loss on foreign exchange and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Claims for export incentives/ duty drawbacks, duty refunds and insurance are accounted when the right to receive payment is established. Incentives on exports and other Government incentives related to operations are recognised in the statement of profit and loss after due consideration of certainty of utilization/ receipt of such incentives. Revenue from insurance claims are accounted for in the year when recovery can be ascertained with reasonable certainty or are accounted for on actual receipts basis in case of uncertainty. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in other income.

## 1 GOVERNMENT GRANTS

- (i) Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.
- (ii) Government grant relating to purchase of Property, Plant and Equipment are included in "Other current/ non-current liabilities" as Government Grant - Deferred Income and are credited to statement of profit and loss on a straight line basis over the expected life of the related asset and presented within "Other operating Income".

## m EMPLOYEE BENEFITS

### (i) During Employment benefits

#### (a) Short term employee benefits

Short-term employee benefits are expensed as the related service is

provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### (ii) Post Employment benefits

#### (a) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which a Company pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered Provident Fund scheme.

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

#### (b) Defined benefit plans

The Company pays gratuity to the employees who have completed five years of service with the company at the time when employee leaves the Company.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the periods during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post employment are charged to Other Comprehensive Income.

# Notes

to Financial Statement for the year ended March 31, 2022

## (c) Employee separation cost

The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

## n INCOME TAXES

Income tax expense comprises current and deferred tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in the other comprehensive income or in equity.

### (i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or subsequently enacted at the Balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

### (ii) Deferred tax

Deferred tax is recognised 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.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have enacted or substantively enacted by

the end of the reporting year. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting year. Deferred tax is recognised to the extent that it is probable that future taxable profit will be available against which they can be used.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Company.

## o BORROWING COSTS

General and specific Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the year in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation. All other borrowing costs are charged to the statement of profit and loss for the year for which they are incurred.

## p LEASES

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an

# Notes

to Financial Statement for the year ended March 31, 2022

identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

## q NON-CURRENT ASSETS HELD FOR SALE:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

## r PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of

resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

## s SEGMENT REPORTING

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

## t BIOLOGICAL ASSETS

Biological Assets are measured at fair value less costs to sell, with any changes therein recognised in the Statement of Profit & Loss.

## u FAIR VALUE MEASUREMENT:

The Company measures financial instruments at fair value at each balance sheet date.

# Notes

to Financial Statement for the year ended March 31, 2022

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market

participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by

using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

## v BUSINESS COMBINATION AND GOODWILL/CAPITAL RESERVE:

The Company uses the pooling of interest method of accounting to account for common control business combination and acquisition method of accounting to account for other business combinations.

The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity.

In assessing control, potential voting rights are considered only if the rights are substantive.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

In case of Pooling of interest method of accounting, the assets and liabilities of the combining entities recognises at their carrying amounts. No adjustment is made to reflect the fair value or recognise any new assets and liabilities. The financial information in the financial statements in respect of prior periods restates as if the business combination had occurred from the beginning of the preceding period. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.

# Notes

to Financial Statement for the year ended March 31, 2022

Accounting Standards Issued but not Effective

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to Company from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination

- iii. Ind AS 109 – Financial Instrument

- iv. Ind AS 16 – Property, Plant and Equipment

- v. Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets

- vi. Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the Company's financial statements.



# Notes

to Financial Statement for the year ended March 31, 2022

## Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021

Consequent to above, the Company has changed the classification/presentation of (i) current maturities of long-term borrowings (ii) Lease liability (iii) security deposits, in the current year.

The current maturities of long-term borrowings has now been included in the “Current borrowings” line item. Previously, current maturities of long-term borrowings was included in ‘other financial liabilities’ line item.

The lease liabilities has now been included in the separate “Lease liabilities” line item. Previously, lease liability was included in ‘other financial liabilities’ line item.

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in ‘other financial assets’ line item. Previously, these deposits were included in ‘loans’ line item.

Further, An amount has also been reclassified from trade payable to current borrowing.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance Sheet (extract)	(₹ in Lakh)		
	March 31, 2021 (as previously reported)	Increase/ (decrease)	March 31, 2021 (restated)
Borrowing (current)	61,025.20	16,981.97	78,007.17
Lease liability (current)	—	0.50	0.50
Other financial liabilities (current)	39,709.91	(16,585.33)	23,124.58
Trade Payables (current)	66,057.32	(397.14)	65,660.18
Lease liability (non-current)	—	1.56	1.56
Other financial liabilities (non-current)	32,158.68	(1.56)	32,157.12
Loans (non-current)	3,447.06	(3,447.06)	—
Other financial assets (non-current)	1,088.68	3,447.06	4,535.74

# Notes

to Financial Statement for the year ended March 31, 2022

## 3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Free Hold Land	Buildings	Plant & Equipment	Windmills & Fixtures	Furniture & Fixtures	Vehicles	Office Equipment's	Right of use of assets		Total
								Leasehold Land	Land	
A. Year ended March 31, 2022										
Gross carrying amount										
Opening gross carrying amount as at 1 April, 2021	1,60,661.55	60,345.39	1,65,105.99	55,245.85	924.03	1,637.23	2,858.49	1,430.81	85.14	4,48,294.48
Add : Additions	84.36	135.62	2,516.36	—	13.45	33.88	239.64	—	90.21	3,113.52
Add : Slump Purchase as per BTA [Refer Note 46 (iii)]	1,679.23	1,361.89	1,241.46	—	28.92	—	10.61	—	—	4,322.11
Less : Deductions	206.69	2.94	362.76	346.03	7.60	—	17.03	—	—	943.05
Closing gross carrying amount	1,62,218.45	61,839.96	1,68,501.05	54,899.82	958.80	1,671.11	3,091.71	1,430.81	85.14	4,54,787.06
Accumulated depreciation and impairment										
Opening accumulated depreciation and impairment as at 1 April, 2021	—	14,356.57	59,901.75	24,642.21	812.10	1,521.63	2,650.29	467.66	83.35	1,04,435.56
Add : Depreciation charge during the year	—	2,143.73	9,069.65	1,848.32	23.67	17.88	99.98	28.73	0.53	13,234.02
Add : Impairment	—	33.10	333.06	—	—	—	—	—	—	366.16
Less : Deductions	—	0.46	189.54	123.89	6.35	—	15.79	—	—	336.03
Closing accumulated depreciation and impairment	—	16,532.94	69,114.92	26,366.64	829.42	1,539.51	2,734.48	496.39	83.88	1,17,699.71
Net carrying amount	1,62,218.45	45,307.02	99,386.13	28,533.18	129.38	131.60	357.23	934.42	1.26	3,37,087.35
B. Year ended March 31, 2021										
Gross carrying amount										
Opening gross carrying amount as at 1 April, 2020	1,60,661.55	60,225.45	1,63,818.86	55,067.75	939.29	1,703.71	2,878.02	1,430.81	85.14	4,46,810.58
Add : Additions	—	119.94	1,510.78	178.10	2.63	45.31	49.15	—	—	1,905.91
Less : Deductions	—	—	223.65	—	17.89	111.79	68.68	—	—	422.01
Closing gross carrying amount	1,60,661.55	60,345.39	1,65,105.99	55,245.85	924.03	1,637.23	2,858.49	1,430.81	85.14	4,48,294.48
Accumulated depreciation and impairment										
Opening accumulated depreciation and impairment as at 1 April, 2020	—	12,258.70	50,861.44	22,790.13	772.11	1,589.35	2,635.30	438.93	49.67	91,395.63
Add : Depreciation charge during the year	—	2,097.87	9,132.47	1,852.08	53.75	31.34	78.77	28.73	33.68	13,308.69
Less : Deductions	—	—	92.16	—	13.76	99.06	63.78	—	—	268.76
Closing accumulated depreciation and impairment	—	14,356.57	59,901.75	24,642.21	812.10	1,521.63	2,650.29	467.66	83.35	1,04,435.56
Net carrying amount	1,60,661.55	45,988.82	1,05,204.24	30,603.64	111.93	115.60	208.20	963.15	1.79	3,43,858.92
Capital work in progress as on March 31, 2022 (Net of impairment of ₹ 500.00 Lakh)										
Capital work in progress as on March 31, 2021 (Net of impairment of ₹ 800.00 Lakh)										
									2,796.62	2,683.08

# Notes

to Financial Statement for the year ended March 31, 2022

## 3 Property, plant and equipment (Contd..)

Notes :-

(i) Movement of Capital work in Progress are as below :-

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	2,683.08	2,520.39
Add : Addition during the year	2,589.71	2,580.03
Add : Slump Purchase as per BTA [Refer Note 46 (iii)]	2.28	-
Less : Capitalised during the year	2,478.45	2,417.34
Closing balance at the end of year	2,796.62	2,683.08

(ii) Details of Capital work in Progress (CWIP) are as below :-

(A) CWIP ageing schedule as at March 31, 2022

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress	1,869.08	435.43	-	-	2,304.51
Project temporarily suspended	-	-	-	492.11	492.11
Total	1,869.08	435.43	-	492.11	2,796.62

(B) CWIP completion schedule as at March 31, 2022

Capital Work in Progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
<b>Projects in Progress</b>					
Godown	186.39	-	-	-	186.39
Packing-Filling And Capping Machine Installation	242.94	-	-	-	242.94
Modification Work At Refinery	207.27	-	-	-	207.27
Boiler Modification	543.63	-	-	-	543.63
Miscellaneous assets at various plant location	40.84	-	-	-	40.84
	1,221.07	-	-	-	1,221.07
<b>Project Temporarily Suspended</b>					
Salamatpur Unit *#	-	-	-	492.11	492.11
	-	-	-	492.11	492.11
Total	1,221.07	-	-	492.11	1,713.18

(C) CWIP ageing schedule as at March 31, 2021

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress	1,565.66	303.40	16.82	2.49	1,888.37
Project temporarily suspended	-	-	-	794.71	794.71
Total	1,565.66	303.40	16.82	797.20	2,683.08

# Notes

to Financial Statement for the year ended March 31, 2022

## 3 Property, plant and equipment (Contd..)

### (D) CWIP completion schedule as at March 31, 2021

(₹ in Lakh)

Capital Work in Progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in Progress					
Boiler Capacity Enhancement	79.25	—	—	—	79.25
Triple Effect Evaporator System	69.18	—	—	—	69.18
Haldia Pipe Line	372.42	—	—	—	372.42
Dry Dewaxing Plant	252.48	—	—	—	252.48
Packing-Filling And Caping Machine Installaiton	90.14	—	—	—	90.14
Modification Work At Refinery	146.14	—	—	—	146.14
Palm Oil Mill Expansion	102.32	—	—	—	102.32
Miscellaneous assets at various plant location	67.18	—	—	—	67.18
	1,179.11	—	—	—	1,179.11
Project Temporarily Suspended					
Salamatpur Unit *#	—	—	—	492.11	492.11
P&M -Biomass Gasification 1 MW #	297.94	—	—	—	297.94
	297.94	—	—	492.11	790.05
Total	1,477.05	—	—	492.11	1,969.16

\* Includes ₹ 492.11 Lakh related to Salamatpur Unit which was acquired from M.P. Commercial Tax Department through public auction in 2008 but possession of which has not been handed over to the company, for which company has filed an application in H'ounrable High Court of Madhya Pradesh which is pending for adjudication.

# Net of Impairment.

### (iii) Title deeds of Immovable Properties not held in name of the Company as at March 31, 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value ₹ in Lakh	Title deeds held in the name of	Whether title deed holder is a promoter,director or relative of promoter/ director of employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment	Lease Hold Land	71.56	Ruchi Soya Industries Ltd	No	July 18, 2002	The lease period was up to July 17, 2008 .The company approached the government authority to extend leasehold term for further period. The matter is sub judicial stage.
Property Plant and Equipment	Free Hold Land	1,763.59	Patanjali Natural Biscuits Private Limited	Yes	May 21, 2021	Registration of said land is pending in absence of various NOC's required from State Government.

# Notes

to Financial Statement for the year ended March 31, 2022

## 3 Property, plant and equipment (Contd..)

(iv) Title deeds of Immovable Properties not held in name of the Company as at March 31, 2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value ₹ in Lakh	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director of employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment	Lease Hold Land	71.56	Ruchi Soya Industries Ltd	No	July 18, 2002	The lease period was up to July 17, 2008. The company approached the government authority to extend leasehold term for further period. The matter is sub judicial stage.
Property Plant and Equipment	Free Hold Land	4.73	Mukesh Kumar S/O Chotu Lal	No	December 15, 2009	Seller is not traceble
Property Plant and Equipment	Free Hold Land	1,763.59	Patanjali Natural Biscuits Private Limited	Yes	May 21, 2021	Registration of said land is pending in absence of various NOC's required from State Government.

(v) The Company in accordance with the Indian Accounting Standard (Ind AS -36) on “Impairment of Assets” carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of review carried out by the management, the management has provided for impairment amounting to ₹ 366.16 Lakh (Previous Year ₹ NIL) on property, plant and equipment during the year ended March 31, 2022.

(vi) Property, plant and equipment are pledged/hypothecated as security [Refer note 13(a) and 16(a)]

(vii) Buildings include ₹ 0.02/- Lakh [ Previous Year ₹ 0.02/- Lakh] being cost of Shares in Co-operative Societies. Title deeds in respect of shares amounting to ₹ 0.01/- Lakh are in the process of transfer.

## 4 GOODWILL

(₹ in Lakh)

Particulars	Goodwill	Total
<b>A. Year ended March 31, 2022</b>		
Gross carrying amount		
<b>Opening gross carrying amount as at 1 April, 2021</b>	—	—
Addition : Slump Purchase as per BTA [Refer Note 46 (iii)]	1,082.42	1,082.42
<b>Closing gross carrying amount</b>	<b>1,082.42</b>	<b>1,082.42</b>
<b>Accumulated amortisation</b>		
<b>Opening accumulated amortisation</b>	—	—
Amortisation charge during the year	—	—
Closing accumulated amortisation	—	—
<b>Closing net carrying amount</b>	<b>1,082.42</b>	<b>1,082.42</b>
<b>B. Year ended March 31, 2021</b>		
Gross carrying amount		
<b>Opening gross carrying amount as at 1 April, 2020</b>	—	—
Additions	—	—
<b>Closing gross carrying amount</b>	<b>—</b>	<b>—</b>
<b>Accumulated amortisation</b>		
<b>Opening accumulated amortisation</b>	—	—
Amortisation charge during the year	—	—
<b>Closing accumulated amortisation</b>	<b>—</b>	<b>—</b>
<b>Closing net carrying amount</b>	<b>—</b>	<b>—</b>



# Notes

to Financial Statement for the year ended March 31, 2022

## 4(a) OTHER INTANGIBLE ASSETS

(₹ in Lakh)

Particulars	Trade Marks / Brands (Refer notes below)	Computer Software	Contract Manufacturing rights	Total
<b>A. Year ended March 31, 2022</b>				
Gross carrying amount				
Opening gross carrying amount as at 1 April, 2021	1,51,584.00	1,437.45	–	1,53,021.45
Additions	–	1.93	357.00	358.93
Closing gross carrying amount	1,51,584.00	1,439.38	357.00	1,53,380.38
Accumulated amortisation				
Opening accumulated amortisation	36.00	1,399.79	–	1,435.79
Amortisation charge during the year	–	13.07	59.50	72.57
Closing accumulated amortisation	36.00	1,412.86	59.50	1,508.36
Closing net carrying amount	1,51,548.00	26.52	297.50	1,51,872.02
<b>B. Year ended March 31, 2021</b>				
Gross carrying amount				
Opening gross carrying amount as at 1 April, 2020	1,51,584.00	1,420.79	–	1,53,004.79
Additions	–	16.66	–	16.66
Closing gross carrying amount	1,51,584.00	1,437.45	–	1,53,021.45
Accumulated amortisation				
Opening accumulated amortisation	36.00	1,383.39	–	1,419.39
Amortisation charge during the year	–	16.40	–	16.40
Closing accumulated amortisation	36.00	1,399.79	–	1,435.79
Closing net carrying amount	1,51,548.00	37.66	–	1,51,585.66

Notes:-

- (I) All the intellectual property rights, including brands, trademarks, copyrights, registered in the name of Company and/or used by the Company. After the corporate insolvency resolution process all such intellectual property rights continue to be solely and exclusively owned and used by the Company. The Company does not expects any impacts of application/petition filed in relation to ownership and/or usage by the Company of the intellectual property rights, including arbitration petition filed.
- (II) Intangible assets are pledged/hypothecated as security [Refer note 13(a) and 16(a)].

## 5(a) FINANCIAL ASSETS

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
<b>Non-Current Financial Investments</b>		
<b>Investments In Joint Ventures ( Measured at cost ) [ Refer Note 5a - D below]</b>		
<b>A Investment in Equity Instruments: (fully paid up)</b>		
<b>In Joint Venture</b>		
22,060 [ Previous Year 22,060 ] Equity Shares of ₹ 10/- each fully paid in Ruchi J-Oil Private Limited (Refer Note 32)	154.26	154.26
	154.26	154.26

# Notes

to Financial Statement for the year ended March 31, 2022

## 5(a) Financial Assets (Contd..)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
<b>B Investment in Equity Instruments - Other than Joint Venture (Designated at Fair value through Other Comprehensive Income (FVTOCI) [Refer Note 29 (A) 1 (ii)]</b>		
<b>a) Quoted</b>		
i) 8,83,500 [ Previous Year 8,83,500 ] Equity Shares of ₹ 10/- each fully paid up in National Steel & Agro Industries Limited	39.16	37.84
ii) 4,00,000 [ Previous Year 4,00,000 ] Equity Shares of ₹ 10/- each fully paid up in Anik Industries Limited	115.40	57.60
iii) 2,73,24,239 [ Previous Year 2,73,24,239 ] Equity Shares of ₹ 1/- each fully paid up in Ruchi Infrastructure Limited	2,571.19	1,584.81
iv) 17,71,700 [ Previous Year 17,71,700 ] Equity Shares of ₹ 10/- each fully paid up in IMEC Services Limited	33.85	21.79
v) 1,19,300 [ Previous Year 1,19,300 ] Equity Shares of ₹ 10/- each fully paid up in Sarthak Global Limited	6.50	5.65
vi) 1,80,000 [ Previous Year 1,80,000 ] Equity Shares of ₹ 2/- each fully paid up in Blue Chip India Limited	0.87	0.68
vii) 35,000 [ Previous Year 35,000 ] Equity Shares of ₹ 10/- each fully paid up in Sharadraj Tradelink Limited	—	—
viii) 21,500 [ Previous Year 21,500 ] Equity Shares of ₹ 10/- each fully paid up in Hereld Commerce Limited [Impairment ₹ 0.41 Lakh (Previous Year ₹ NIL)]	—	0.41
<b>b) Unquoted</b>		
i) 25,000 [ Previous Year 25,000 ] Equity shares of ₹ 10/- each fully paid-up in Ruchi Infotech Limited	—	—
ii) 6,00,000 [ Previous Year 6,00,000 ] Equity shares of ₹ 10/- each fully paid-up in Steeltech Resources Limited [ Formerly known as Ruchi Acroni Industries Limited ]	—	—
iii) 35,000 [ Previous Year 35,000 ] Equity shares of ₹ 10/- each fully paid-up in E-DP Marketing (P) Limited	—	—
iv) 16,100 [Previous Year 16,100 ] Equity Shares of ₹ 10/- each fully paid up in National Board of Trade Private Limited	—	—
<b>Total</b>	<b>2,766.97</b>	<b>1,708.77</b>
<b>C Investment in Government Securities measured at Amortised cost</b>		
National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	0.03	0.03
<b>Total</b>	<b>0.03</b>	<b>0.03</b>
<b>GRAND TOTAL</b>	<b>2,921.26</b>	<b>1,863.06</b>
Aggregate amount of quoted investments - Cost	10,774.61	10,774.61
Fair Market Value of quoted investments	2,766.97	1,708.77
Aggregate amount of unquoted investments	154.29	154.29
Aggregate amount of Impairment of unquoted investments	(68.67)	(68.67)
<b>Category-wise Non-current Investment</b>		
Financial assets carried at AC	0.03	0.03
Financial assets measured at cost	154.26	154.26
Financial assets measured at FVTOCI	2,766.97	1,708.77

- D** Investment in Other than Joint ventures are measured at FVTOCI and is charged/added to “Other Comprehensive Income”. Fair Valuation of unlisted securities is determined based on the valuation reports and in case of listed securities the same is determined based on the prevailing market prices.

# Notes

to Financial Statement for the year ended March 31, 2022

## 5(b) OTHER FINANCIAL ASSETS

	As at March 31, 2022	As at March 31, 2021
(₹ in Lakh)		
<b>Security and Other Deposits</b>		
Considered good- Unsecured	2,276.83	3,447.06
Interest Accrued but not due		
On Investments	0.04	0.03
On Fixed Deposits With Bank	111.94	72.30
Other Receivables [Refer Note 31]	515.71	515.71
Fixed Deposit with banks more than 12 months maturity		
– Against Margin Money [ Under lien ]	431.06	500.63
– Others	0.03	0.01
	3,335.61	4,535.74

## 6(a) INCOME TAX ASSETS (NET)

	As at March 31, 2022	As at March 31, 2021
(₹ in Lakh)		
Advance income tax including tax deducted at source (Net of provisions)	3,768.02	6,194.62
	3,768.02	6,194.62

## 6(b) OTHER NON-CURRENT ASSETS

	As at March 31, 2022	As at March 31, 2021
(₹ in Lakh)		
<b>Unsecured, considered good (unless otherwise stated)</b>		
Capital advances	1,075.04	380.38
Other loans and advances		
– Deposits paid under protest (Refer Note 30 C)	4,376.97	4,307.72
– Prepaid expenses	235.39	25.10
	5,687.40	4,713.20

## 7 INVENTORIES

	As at March 31, 2022	As at March 31, 2021
(₹ in Lakh)		
a) Raw Materials (including packing material)		
Goods in transit	61,006.18	53,379.04
others	90,146.22	77,843.15
b) Work-in-progress	885.23	726.98
c) Finished goods		
Goods in transit	5,295.69	812.04
others	1,07,244.46	91,071.52
d) Stock- in- Trade [ Refer Note (i) below]	97.64	239.28
e) Realisable by-products	15,725.93	3,857.50
f) Stores and Spares		
Goods in transit	81.02	16.52
others	5,514.21	5,389.23
g) Consumables		
Goods in transit	103.37	70.73
others	4,433.00	2,930.50
	2,90,532.95	2,36,336.49

# Notes

to Financial Statement for the year ended March 31, 2022

## 7 Inventories (Contd..)

- (i) The following inventories are measured at Fair Value

Particulars	(₹ in Lakh)	
	March 31, 2022 Fair Value	March 31, 2021 Fair Value
Stock-in-trade	97.64	239.28

**Valuation Techniques :** Stock-in-Trade are measured at fair value are based on quotations from Solvent Extractor's Association of India ( Non Government Organisation) recognised by Ministry of Agriculture, Government of India.

- (ii) Inventories are pledged/hypothecated as security [Refer note 13(a) and 16(a)]

## 8(a) CURRENT INVESTMENTS

	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>A Investment in Preference Shares measured at Amortised cost [Refer Note Below]</b>		
<b>Unquoted</b>		
10,46,435 [Previous Year 10,46,435 ] 6% Non Cumulative, Non Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up in GHI Energy Private Limited	1,046.43	950.32
<b>B Investments in Unquoted share measured at fair value through Profit and Loss [ FVTPL]</b>		
4,40,050 [ Previous Year 4,40,050] Equity Shares of ₹ 10/- each fully paid up in GHI Energy Private Limited	202.82	225.79
<b>TOTAL</b>	<b>1,249.25</b>	<b>1,176.11</b>
Aggregate amount of unquoted investments	2,352.38	2,352.38
Fair value adjustments for Investments	(1,103.12)	(1,099.11)

Note :-

The above said preference shares were due for redemption on December 28, 2021. GHI Energy Private Limited extended the last date of redemption of preference shares by seven years. Hon'ble National Company Law Tribunal, Chennai bench, stayed the operation of special resolution extending tenure of above said preferences shares. In view of management, no provision for impairment is required, at this stage.

## 8(b) TRADE RECEIVABLES

	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Considered good- Unsecured*	79,182.58	43,279.88
Considered having significant increase in credit risk	1,777.89	1,827.24
Credit impaired	1,32,176.15	1,31,904.24
	2,13,136.62	1,77,011.36
Less: Allowance for credit impaired/Expected credit loss	1,33,514.62	1,33,169.13
	79,622.00	43,842.23

Note :-

- (i) \*Trade Receivables Considered good include ₹ 39,625.67 Lakh [Previous Year ₹ 19,533.71 Lakh] due to related parties. [ Refer Note 35]

# Notes

to Financial Statement for the year ended March 31, 2022

## 8(b) Trade Receivables (Contd..)

(ii) Trade Receivables Ageing Schedule are as below :-

(₹ in Lakh)

Particulars	Not Due	Outstanding from due date of payment as on March 31, 2022					Total
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – considered good	77,128.66	2,053.92	–	–	–	–	79,182.58
Undisputed trade receivables – which have significant increase in credit risk	–	606.38	1,171.51	–	–	–	1,777.89
Undisputed trade receivables – credit impaired	–	–	736.68	206.83	1.92	245.72	1,191.15
Disputed trade receivables – credit impaired	–	–	3.93	61.37	143.55	1,30,776.15	1,30,985.00
<b>Sub Total</b>	<b>77,128.66</b>	<b>2,660.30</b>	<b>1,912.12</b>	<b>268.20</b>	<b>145.47</b>	<b>1,31,021.87</b>	<b>2,13,136.62</b>
Less: Allowance for credit impaired/Expected credit loss	–	395.14	1,683.94	268.20	145.47	1,31,021.87	1,33,514.62
<b>Total</b>	<b>77,128.66</b>	<b>2,265.16</b>	<b>228.18</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>79,622.00</b>

(₹ in Lakh)

Particulars	Not Due	Outstanding from due date of payment as on March 31, 2021					Total
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – considered good	37,592.51	5,687.37	–	–	–	–	43,279.88
Undisputed trade receivables – which have significant increase in credit risk	–	716.66	1,110.58	–	–	–	1,827.24
Undisputed trade receivables – credit impaired	–	–	231.60	163.74	4.21	366.62	766.17
Disputed trade receivables – credit impaired	–	–	–	543.99	21.59	1,30,572.49	1,31,138.07
<b>Sub Total</b>	<b>37,592.51</b>	<b>6,404.03</b>	<b>1,342.18</b>	<b>707.73</b>	<b>25.80</b>	<b>1,30,939.11</b>	<b>1,77,011.36</b>
Less: Allowance for credit impaired/Expected credit loss	–	738.51	757.98	707.73	25.80	1,30,939.11	1,33,169.13
<b>Total</b>	<b>37,592.51</b>	<b>5,665.52</b>	<b>584.20</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>43,842.23</b>



# Notes

to Financial Statement for the year ended March 31, 2022

## 8(c) CASH AND CASH EQUIVALENTS

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Balances with Banks		
i) In Current Accounts	37,464.04	4,415.81
ii) In Deposit Accounts with less than or equal to 3 months maturity	–	172.39
Cash in hand	31.52	38.85
	37,495.56	4,627.05

## 8(d) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Earmarked Unclaimed Dividend Accounts	3.40	6.63
In Escrow Accounts [Refer Note (i) Below]	16,307.54	16,307.54
In Escrow FPO Accounts [Refer Note 47 & (ii) Below]	1,29,732.46	–
In Deposit Accounts		
Original Maturity less than or equal to 3 months		
– Against Margin Money [Under lien]	9,730.45	7,594.97
More than 3 months but less than or equal to 12 months maturity		
– Against Margin Money [ Under lien ]	8,359.17	10,132.99
– Others	0.02	0.02
	1,64,133.04	34,042.15

Note :

- Bank balances in current accounts includes amount payable to financial and operational creditors aggregating to ₹ 16,307.54 Lakh (Previous year ₹ 16,307.54 Lakh) is kept in separate escrow accounts. As per escrow agreement any amount unpaid in this Account is deemed to be utilised and the Company has no right, title and claim on the same.
- Bank balances in current accounts includes share application money pending allotment to ₹ 1,29,732.46 Lakh (Previous year ₹ NIL) is kept in separate escrow accounts.

## 8(e) OTHER FINANCIAL ASSETS

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Unsecured considered good		
Security and Other Deposits	2,702.82	85.97
Interest Accrued but not due		
On Fixed Deposits with Banks	735.77	506.55
On Other deposits	29.91	33.40
Derivative Assets		
– Commodity Contracts	190.56	19.67
Unbilled Revenue	269.78	365.30
Others	69.17	–
	3,998.01	1,010.89

# Notes

to Financial Statement for the year ended March 31, 2022

## 9 OTHER CURRENT ASSETS

	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
a) Advances recoverable in cash or in kind or for value to be received		
Unsecured- Considered good [ Refer Note (i) below ]	33,368.92	24,401.18
Unsecured- Credit impaired	203.57	203.57
	33,572.49	24,604.75
Less: Allowance for credit impaired	203.57	203.57
	33,368.92	24,401.18
b) Gratuity excess of Planned assets over obligations [ Refer Note 18]	726.87	283.98
c) Balances with government authorities	10,076.01	10,897.53
d) Indirect Tax Refund Receivable (Refer Note 30 C)		
Considered Good	5,683.30	6,720.58
Considered Doubtful	4,259.12	4,259.12
	9,942.42	10,979.70
Less: Allowance for credit impaired	4,259.12	4,259.12
	5,683.30	6,720.58
e) Other Receivables (includes licence in hand, export incentive receivable and subsidy receivable)	4,490.03	4,036.57
f) Prepaid expenses [ Refer Note (ii) below ]	3,759.93	1,068.22
	58,105.06	47,408.06

### Note :

- The above advances includes advance of ₹ 1,453.88 Lakh (Previous year ₹ 2,054.96 Lakh) are due by private companies in which director of the Company are director and/or shareholder and ₹ 2.03 Lakh (Previous year ₹ 0.18 Lakh) due by officer of the Company. [Refer Note 35]
- This includes ₹ 2,718.28 Lakh (Previous year ₹ Nil) payment made in relation to further public offering (FPO) which will be adjusted against issue proceeds, as per IND AS, on completion of FPO.

## 10 ASSETS CLASSIFIED AS HELD FOR SALE

	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Property, Plant & Equipment	397.56	357.56
Other Advances	10.00	10.00
	407.56	367.56

### Note:

The Company has entered into an agreement on December 5, 2016 to sale 18.1890 acres land situated at Taluka Alibagh, District Raigad for consideration of ₹ 345.77 Lakh. As per the terms of the agreement, the Company is required to bear the conversion expenses upto ₹ 3.75 Lakh per acre and also carry out certain improvements over the said land which shall be reimbursed by the purchaser. The Company has received part of the consideration by way of advance payment. The Company has also entered into contract for the purpose of undertaking the improvements agreed upon and paid an advance to the contractor. The Collector of Alibagh has sent notices to the Company regarding the condition of not putting the land for industrial use in 15 years period. The company has filed an appeal in the case with the Principal bench of Hon'ble National Company Law Appellate Tribunal to quash the notices. The Corporate Insolvency Resolution Process [“CIRP”] was initiated in respect of Company under the provisions of the IBC by an order of the Hon'ble National Company Law Tribunal, Mumbai dated December 8, 2017 delivered on December 15, 2017 and a moratorium as per Section 14 of the Code was declared. The Resolution Plan was approved by the Hon'ble National Company Law Tribunal, Mumbai and a moratorium was in effect till September 6, 2019. The matter is pending at Hon'ble National Company Law Tribunal, Mumbai. Therefore, the Company continues to disclose the land and the advances paid for improvement of land and classify it as assets held for sale [Refer Note 10] and the amount of advance received from the buyer has been classified as Liabilities directly associated with assets classified as held for sale [Refer Note 19], till the final outcome of the said matter.

# Notes

to Financial Statement for the year ended March 31, 2022

## 11 EQUITY SHARE CAPITAL

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(a) <b>Authorised</b>		
i) <b>Equity Shares</b>		
2,11,20,50,000 (Previous Year 2,11,20,50,000) of face value of ₹ 2/- each	42,241.00	42,241.00
ii) <b>Cumulative Redeemable Preference Share</b>		
5,30,64,000 ( Previous Year 5,30,64,000) of face value ₹ 100/- each	53,064.00	53,064.00
	95,305.00	95,305.00
(b) <b>Issued, Subscribed and paid-up [ Refer Note (h) below]</b>		
<b>Equity Shares</b>		
29,58,41,007 ( Previous Year 29,58,41,007) of face value of ₹ 2/- each fully paid-up [ Refer Note (a) of SOCIE ]	5,916.82	5,916.82
Less: 76,301 Treasury Equity Shares [Previous year 76,301]	1.53	1.53
	5,915.29	5,915.29

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	%	No. of Shares	%
<b>EQUITY SHARES</b>				
Patanjali Ayurved Limited	14,25,00,000	48.17%	14,25,00,000	48.17%
Yogakshem Sansthan	6,00,00,000	20.28%	6,00,00,000	20.28%
Patanjali Parivahan Private Limited	5,00,00,000	16.90%	5,00,00,000	16.90%
Patanjali Gramudyog Nayas	4,00,00,000	13.52%	4,00,00,000	13.52%

(d) Details of shares held by promoters in the Company.\*

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	%	No. of Shares	%
<b>EQUITY SHARES</b>				
Patanjali Ayurved Limited	14,25,00,000	48.17%	14,25,00,000	48.17%
Yogakshem Sansthan	6,00,00,000	20.28%	6,00,00,000	20.28%
Patanjali Parivahan Private Limited	5,00,00,000	16.90%	5,00,00,000	16.90%
Patanjali Gramudyog Nayas	4,00,00,000	13.52%	4,00,00,000	13.52%
Ruchi Soya Industries Limited Beneficiary Trust	76,301	0.03%	76,301	0.03%

\* There is no change in promoters share holding during the year ended March 31, 2022.

(e) **Rights, Preferences and Restrictions attached to shares**

Equity Shares: The Company has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(f) For reconciliation of number of shares outstanding at the beginning and at the end of the year - [Refer Note (a) of SOCIE.]

(g) 76,301 Equity shares of the Company are held by Ruchi Soya Industries Limited Beneficiary Trust for the benefit of the Company and its successor. The investment Cost of acquisition of these treasury shares have been netted of from the Equity Share Capital and Securities premium account as per the provisions of Ind AS. The Dividend of earlier period received by the Trust in respect of these shares is included under the head 'Dividend' under 'Other Income'.

# Notes

to Financial Statement for the year ended March 31, 2022

## 11 Equity share capital (Contd..)

- (h) During the year ended March 31, 2020, in consideration for the amalgamation of the Patanjali Consortium Adhigrahan Private Limited, the Company has issued: -

1 (one) equity shares of face value of ₹ 2 for every 1 (one) equity share of face value of ₹ 7 of SPV, aggregating 29,25,00,000 equity shares of ₹ 5,850.00 Lakh are issued.

1 (one) 0.0001% cumulative redeemable preference share of face value of ₹ 100 each for every 1 (one) 0.0001% cumulative redeemable preference share of face value of ₹ 100 each of the SPV, aggregating 4,50,00,000 preference share of ₹ 45,000.00 Lakh are issued.

1 (one) 9% cumulative non-convertible debenture of face value of ₹ 10,00,000 for every 1 (one) 9% cumulative non-convertible debenture of face value of ₹ 10,00,000 each of SPV, aggregating 4,500 debentures of ₹ 45,000.00 Lakh are issued.

## 12 OTHER EQUITY

		(₹ in Lakh)	
		As at March 31, 2022	As at March 31, 2021
<b>A</b>	Share Application Money Pending Allotment [Refer Note 47]	1,28,980.49	—
<b>B</b>	Capital Redemption Reserve	8,770.98	8,770.98
<b>C</b>	Securities Premium Account	45,186.45	45,186.45
<b>D</b>	General Reserve	41,815.51	41,815.51
<b>E</b>	Capital Reserve	15,662.53	15,662.53
<b>F</b>	Retained Earnings	3,78,514.54	2,97,719.14
<b>G</b>	Hedging Reserve	8.68	—
<b>H</b>	Equity Instruments through Other Comprehensive Income [Refer Note 29 (A) I (ii)]	(7,770.43)	(8,828.62)
	<b>TOTAL</b>	<b>6,11,168.75</b>	<b>4,00,325.99</b>
<b>A</b>	<b>Share Application Money Pending Allotment</b>		
	Balance as at the beginning of the year	—	—
	Add/Less: Movement during the year	1,28,980.49	—
	<b>Balance as at the end of the year</b>	<b>1,28,980.49</b>	<b>—</b>
<b>B</b>	<b>Capital Redemption Reserve</b>		
	Balance as at the beginning of the year	8,770.98	8,770.98
	Add/Less: Movement during the year	—	—
	<b>Balance as at the end of the year</b>	<b>8,770.98</b>	<b>8,770.98</b>
<b>C</b>	<b>Securities Premium Account</b>		
	Balance as at the beginning of the year	45,186.45	45,186.45
	Add/Less: Movement during the year	—	—
	<b>Balance as at the end of the year</b>	<b>45,186.45</b>	<b>45,186.45</b>
<b>D</b>	<b>General Reserve</b>		
	Balance as at the beginning of the year	41,815.51	41,815.51
	Add/Less: Movement during the year	—	—
	<b>Balance as at the end of the year</b>	<b>41,815.51</b>	<b>41,815.51</b>
<b>E</b>	<b>Capital Reserve</b>		
	Balance as at the beginning of the year	15,662.53	15,662.53
	Add/Less: Movement during the year	—	—
	<b>Balance as at the end of the year</b>	<b>15,662.53</b>	<b>15,662.53</b>
<b>F</b>	<b>Retained Earnings</b>		
	Balance as at the beginning of the year	2,97,719.14	2,29,693.46
	Add: Net Profit for the year	80,630.89	68,077.18

# Notes

to Financial Statement for the year ended March 31, 2022

## 12 Other Equity (Contd..)

	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Less: Remeasurement of the defined benefit plans through other comprehensive income [Refer Note 29 (A) I (i)]	(164.51)	51.50
<b>Balance as at the end of the year</b>	<b>3,78,514.54</b>	<b>2,97,719.14</b>
<b>G Hedging Reserve</b>		
Balance as at the beginning of the year	—	—
Add/Less: Movement during the year (Net of tax)	(8.68)	—
<b>Balance as at the end of the year</b>	<b>8.68</b>	<b>—</b>
<b>H Equity Instruments through Other Comprehensive Income [ Refer Note 29 (A) I (ii)]</b>		
Balance as at the beginning of the year	(8,828.62)	(9,954.07)
Add/Less: Movement during the year	1,058.19	1,125.45
<b>Balance as at the end of the year</b>	<b>(7,770.43)</b>	<b>(8,828.62)</b>
	<b>6,11,168.75</b>	<b>4,00,325.99</b>

### I NATURE AND PURPOSE OF RESERVES

#### (i) Capital Redemption Reserve

Capital Redemption Reserve was created out of profits of the Company for the purpose of redemption of shares.

#### (ii) Securities Premium Account

Securities Premium account is created on recording of premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

#### (iii) General Reserve

The same is Created out of Surplus profits transferred as per the provisions of the Act, it is utilised as per provisions of the Act.

#### (iv) Capital Reserve

Capital Reserve amounting to ₹ 15,662.53 Lakh was created on :

- amalgamation with Palm tech India Ltd by ₹ 1,087.07 Lakh, and
- On 3,53,25,000 share warrants issued in an earlier year on preferential basis by ₹ 2,241.69 Lakh. Holders of 64,00,000 warrants exercised the option and were allotted equity shares. Holders of balance 2,89,25,000 warrants did not exercise their option which was lapsed, on expiry on 18 months from the date of issue of warrants. Consequently, the amount of ₹ 2,241.69 Lakh paid by these warrant holders were forfeited and transferred to capital reserve.
- ₹ 12,333.78 Lakh arising pursuant to amalgamation of Patanjali Consortium Adhigrahan Private Limited, a special purpose vehicle with and into the Company.

#### (v) Retained Earnings

The same is created out of profits over the years and shall be utilised as per the provisions of the Act.

#### (vi) Equity Instruments through Other Comprehensive Income

The company has elected to recognise changes in fair value of certain class of investments in other comprehensive income. These fair value changes are accumulated within this reserve and shall be adjusted on derecognition of investment.



# Notes

to Financial Statement for the year ended March 31, 2022

## 13(a) BORROWINGS

### At Amortised Cost

(₹ in Lakh)		
	As at March 31, 2022	As at March 31, 2021
<b>A Term Loans from Banks [ Refer Note E and G below ]</b>		
Secured		
– Rupee Loans #	2,07,720.21	2,24,993.50
<b>B Working Capital Loans from Banks [ Refer Note F and G below ]</b>		
Secured		
– Rupee Loans	–	1,777.78
<b>C 0.0001% Non-Convertible Cumulative Redeemable Preference Share</b>		
Unsecured		
4,50,00,000 of face value of ₹ 100/- each fully paid-up	17,833.71	16,213.52
<b>D 9% Unsecured Non-Convertible Cumulative Debentures</b>		
4,500 of face value of ₹ 10,00,000/- each fully paid-up	45,000.00	45,000.00
	<b>2,70,553.92</b>	<b>2,87,984.80</b>

# Net off of upfront fees amounting to ₹ 1,055.79 Lakh (Previous year ₹ 1,206.50 Lakh).

### E Term loans referred to in (a) above and current maturities of long term borrowings referred in Note 16 (a)

₹ 2,26,200.00/- Lakh (including current maturities of ₹ 17,424.00/- Lakh) are secured by way of first pari passu charge on all immovable and movable non current assets, present and future, of the Company. First pari passu charge over all the rights, titles, interest, benefits, claims and demand whatsoever, present or future. First pari passu charge on intangibles, goodwill, uncalled capital, present and future. Second pari passu charge over all current assets (both present & future). Pledge of 100% of fully paid up equity shares of the Company held by the promoters, on a pari passu basis, to lenders. Assignment of all rights of RSIL in and under the Take or Pay Agreement between Patanjali Ayurved Limited and RSIL. Letter of comfort backed by board resolution issued by Patanjali Ayurved Limited, Patanjali Parivahan Pvt Ltd, Yogakshem Sansthan and Patanjali Gramudyog Nayas, and Personal Guarantees of the Directors of Patanjali Ayurved Limited.

### Maturity Profile of Term Loans from banks is as under

		(₹ in Lakh)	
Financial Year	Amount	Financial Year	Amount
2022-23	17,424.00	2026-27	36,048.00
2023-24	23,424.00	2027-28	42,000.00
2024-25	30,000.00	2028-29	43,704.00
2025-26	33,600.00		

Term Loans are repayable in door to door 9.5 years from the date of first disbursement. In case, repayable is not completed within door to door 9.5 years, the promoter will infuse additional resources to liquidate the term loans.

The term loans agreement, inter-alia, include an option to convert the outstanding amounts into equity shares of the Company in the event of default under the Facility Agreements or any other finance documents.

### F Working capital loans referred to in (b) above and current maturities of Working capital loans referred in Note 16 (a)

- (i) Working Capital Loans are secured by first pari passu charge over all current assets (both present & future) of the Company. Second pari passu charge on all immovable and movable non current assets, present and future. Second pari passu charge over all the rights, titles, interest, benefits, claims and demand whatsoever, present or

# Notes

to Financial Statement for the year ended March 31, 2022

## 13(a) Borrowings (Contd..)

future. First pari passu charge on intangibles, goodwill, uncalled capital, present and future. Pledge of 100% of fully paid up equity shares of the Company held by the promoters, on a pari passu basis, to lenders. Assignment of all rights of RSIL in and under the Take or Pay Agreement between Patanjali Ayurved Limited and RSIL. Letter of comfort backed by board resolution issued by Patanjali Ayurved Limited, Patanjali Parivahan Pvt Ltd, Yogakshem Sansthan and Patanjali Gramudyog Nayas, and Personal Guarantee of the Directors of Patanjali Ayurved Limited.

- (ii) Working Capital Loans are repayable in 24 months from the date of loan disbursement. In case, repayable is not completed within 24 months, the promoter will infuse additional resources to liquidate the working capital loans.
- (iii) The above working capital loan, inter-alia, include an option to convert the outstanding amounts into equity shares of the Company in the event of default under the Facility Agreements or any other finance documents.

Maturity Profile of Working capital loans from banks is as under

Financial Year	Amount
2022-23	1,722.22

(₹ in Lakh)

G Interest rates on above term loans and working capital loan from 6.95% to 10.60% p.a.

H (i) **Preference Share:** 45,000,000 Nos. 0.0001% Non-Convertible Redeemable Cumulative Preference Share of ₹ 100/- each were issued to the Patanjali Ayurved Limited in accordance with the Resolution Plan as approved by the Hon'ble NCLT Mumbai. The same are repayable on December 16, 2031.

(ii) **Reconciliation of number of shares:-**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Preference Shares</b>		
Balance at the beginning of the year	4,50,00,000	4,50,00,000
Add/Less: Movement during the year	—	—
<b>Balance at the end of the year</b>	<b>4,50,00,000</b>	<b>4,50,00,000</b>

(₹ in Lakh)

Details of shares held by shareholders holding more than 5% Preference share in the Company:-

Particulars	March 31, 2022	%	March 31, 2021	%
<b>PREFERENCE SHARES</b>				
Patanjali Ayurved Limited	4,50,00,000	100	4,50,00,000	100

Details of shares held by promoters in the Company:-

Particulars	March 31, 2022	%	March 31, 2021	%
<b>PREFERENCE SHARES</b>				
Patanjali Ayurved Limited	4,50,00,000	100	4,50,00,000	100

I **Debentures:** 4,500 Nos. 9% Unsecured Non-Convertible Cumulative Debentures of ₹ 10,00,000/- each were issued to the Patanjali Ayurved Limited in accordance with the Resolution Plan as approved by the Hon'ble NCLT Mumbai. The same are repayable on December 15, 2029.

# Notes

to Financial Statement for the year ended March 31, 2022

## 13(b) LEASE LIABILITIES

	As at March 31, 2022	As at March 31, 2021
Lease Liabilities (Refer Note (i) below)	77.05	1.56
	77.05	1.56

(i) The following is the movement in lease liabilities during the year :

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	2.06	40.12
Add: Addition during the year	90.21	–
Add: Finance cost accrued during the year	1.80	2.62
Less: Payment of lease liabilities	2.54	40.68
<b>Closing Balance</b>	<b>91.53</b>	<b>2.06</b>

The following is the contractual maturity profile of lease liabilities:

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	13.70	0.50
One year to five years	77.05	1.56
<b>Total</b>	<b>90.75</b>	<b>2.06</b>

## 13(c) OTHER FINANCIAL LIABILITIES

	As at March 31, 2022	As at March 31, 2021
Other Liability *	24,818.58	27,372.50
Interest accrued	8,429.62	4,784.62
	33,248.20	32,157.12

\* represents difference between issue price and fair value of preference shares to be amortised over the tenure.

## 14 OTHER NON CURRENT LIABILITIES

	As at March 31, 2022	As at March 31, 2021
(a) Government Grants - Deferred Income [Refer Note (i) below]	400.60	449.09
	400.60	449.09
<b>Note: (i) Government Grants - Deferred Income</b>		
Opening Balance	499.22	549.36
Less: Released to profit and loss [Refer Note 20(C) (ii)]	49.37	50.14
<b>Closing balance</b>	<b>449.85</b>	<b>499.22</b>
Classified under Non-Current Liabilities [Refer Note 14 (a)]	400.60	449.09
Classified under Current Liabilities [Refer Note 17 (c)]	49.26	50.13

# Notes

to Financial Statement for the year ended March 31, 2022

## 15 PROVISIONS

	As at March 31, 2022	As at March 31, 2021
i) Provision for Compensated absences [Refer Note 18]	1,122.90	924.05
	1,122.90	924.05

## 16(a) BORROWINGS

	As at March 31, 2022	As at March 31, 2021
<b>At Amortised Cost</b>		
<b>A Loans repayable on demand</b>		
<b>Secured</b>		
From Banks		
– Working Capital Loans	72,002.50	61,025.20
<b>B Current maturities of long term borrowings</b>		
Rupees loans		
– Term loans	17,424.00	11,001.50
– Working capital loans	1,722.22	5,583.33
<b>C Other Borrowings [Refer Note D(iv)]</b>		
<b>Unsecured</b>		
Working Capital (TReDS)	7,812.36	397.14
	98,961.08	78,007.17

- D (i) Working Capital Loans and Short term loan are secured by first pari passu charge over all current assets (both present & future) of the Company. Second pari passu charge on all immovable and movable non current assets, present and future. Second pari passu charge over all the rights, titles, interest, benefits, claims and demand whatsoever, present or future. First pari passu charge on intangibles, goodwill, uncalled capital, present and future. Pledge of 100% of fully paid up equity shares of the Company held by the promoters, on a pari passu basis, to lenders. Assignment of all rights of RSIL in and under the Take or Pay Agreement between Patanjali Ayurved Limited and RSIL. Letter of comfort backed by board resolution issued by Patanjali Ayurved Limited, Patanjali Parivahan Pvt Ltd, Yogakshem Sansthan and Patanjali Gramudyog Nayas, and Personal Guarantee of the Directors of Patanjali Ayurved Limited.
- (ii) Working Capital Loans are repayable on demand and Short term loan To be repayable in 12 months. In case, repayable is not completed within 12 months, the promoter will infuse additional resources to liquidate the short term loan.
- (iii) The above short term loans and working capital loan, inter-alia, include an option to convert the outstanding amounts into equity shares of the Company in the event of default under the Facility Agreements or any other finance documents.
- (iv) Represents amount due under factoring services on TReDS platform for MSME's as per RBI guidelines.

## 16(b) LEASE LIABILITIES

	As at March 31, 2022	As at March 31, 2021
Lease Liabilities [Refer note 13(b) (i)]	13.70	0.50
	13.70	0.50

# Notes

to Financial Statement for the year ended March 31, 2022

## 16(c) TRADE PAYABLES

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Micro and Small Enterprises	2,766.38	216.22
Related parties [Refer Note 35]	7,727.04	647.97
Others	79,329.23	64,795.99
	89,822.65	65,660.18

### Note:

- (i) The Company has identified (based on information available) Micro, Small and Medium Enterprises as those registered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act").

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid	4,960.21	189.02
Interest due and the unpaid interest	6.71	170.69
Interest paid	—	—
Payment made beyond the appointed day during the year	46,726.27	2,285.94
Amount of interest due and payable for period of delay in making payment excluding interest specified under MSMED Act	—	—
Interest accrued and remaining unpaid	6.71	170.69
Amount of further interest remaining due and payable in succeeding year	—	—

Note : Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

- (ii) Trade Payables Ageing Schedule are as below :-

(₹ in Lakh)

Particulars	Unbilled Due	Outstanding from due date of payment as on March 31, 2022					Total
		Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Total outstanding dues of micro,small & medium Enterprises	—	4,058.82	899.62	—	—	—	4,958.44
Total outstanding dues of Creditors other than micro,small & medium Enterprises #	5,650.04	35,431.35	43,407.52	180.86	82.15	112.29	84,864.21
Disputed dues of micro, small and medium enterprises	—	—	—	—	—	—	—
Disputed dues of creditors other than micro, small and medium enterprises	—	—	—	—	—	—	—
<b>Total</b>	<b>5,650.04</b>	<b>39,490.17</b>	<b>44,307.14</b>	<b>180.86</b>	<b>82.15</b>	<b>112.29</b>	<b>89,822.65</b>



# Notes

to Financial Statement for the year ended March 31, 2022

## 16(c) Trade Payables (Contd..)

(₹ in Lakh)

Particulars	Unbilled Due	Outstanding from due date of payment as on March 31, 2021					Total
		Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Total outstanding dues of micro,small & medium Enterprises	–	172.06	187.62	–	0.03	–	359.71
Total outstanding dues of Creditors other than micro,small & medium Enterprises #	9,313.45	22,279.79	33,437.11	125.75	38.56	105.81	65,300.47
Disputed dues of micro, small and medium enterprises	–	–	–	–	–	–	–
Disputed dues of creditors other than micro, small and medium enterprises	–	–	–	–	–	–	–
<b>Total</b>	<b>9,313.45</b>	<b>22,451.85</b>	<b>33,624.73</b>	<b>125.75</b>	<b>38.59</b>	<b>105.81</b>	<b>65,660.18</b>

# The unbilled amount have not been bifurcated into MSME and Others and aggregate amount have been reported under Others due to constraints in accounting system.

## 16(d) OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Liability against CIRP Payables [Refer note (ii) & (iii) below]	16,307.54	16,307.54
Share Application Money Refundable [Refer note 47]	751.97	–
Interest accrued	1,252.23	1,436.68
Unclaimed Dividends [Refer note (i) below]	3.40	6.63
Agency & Other Deposits [Refer note (iv) below]	6,087.69	1,973.68
Provision for Sales Scheme	5.21	755.30
Creditors for capital expenditure [Refer note (iv) below]	242.65	97.79
Retention Money Payable [Refer note (iv) below]	2,227.95	1,743.28
Others [Mainly includes Employee Dues] [Refer note (iv) below]	963.95	803.68
	<b>27,842.59</b>	<b>23,124.58</b>

### Note:

- There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.
- Includes ₹ 10,064.58 Lakh payable to DBS Bank Limited and ₹ 2,918.47 Lakh payable to ICICI Bank Limited pursuant to on-going case at Hon'ble Supreme Court which are mentioned below.

DBS Bank: DBS Bank. had filed an application before Hon'ble National Company Law Tribunal, Mumbai ("NCLT") seeking a prayer to set-aside the decision of Committee of Creditors of the Company to the extent of the distribution of proceeds of the Resolution Plan and to restrain the Resolution Applicant from distributing the proceeds of the Resolution Plan. NCLT ordered against DBS Bank by dismissing the application. NCLT order was challenged before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") and NCLAT dismissed the appeal. NCLAT order has now been challenged before Supreme Court by DBS Bank. Since, there was no stay or order against the distribution

# Notes

to Financial Statement for the year ended March 31, 2022

## 16(d) Other Financial liabilities (Contd..)

of proceeds of Resolution Plan, the proceeds have been distributed in terms of Escrow Agreement and the Resolution Plan has been successfully implemented. There is no further liability of the Company or the Resolution Applicant towards DBS Bank.

ICICI Bank: The erstwhile Resolution Professional, Mr. Shailendra Ajmera, had filed an application before Hon'ble National Company Law Tribunal, Mumbai ("NCLT") seeking a prayer to reverse the preferential transactions undertaken by ICICI Bank Limited. NCLT vide its order dated March 12, 2019 directed ICICI Bank Limited to reverse the said transactions and deposit in the bank account of the Company, the amount withdrawn in such preferential transactions. ICICI Bank Limited had subsequently challenged the order of NCLT before National Company Law Appellate Tribunal ("NCLAT"). NCLAT passed the order in favour of ICICI Bank Limited by setting aside the order of NCLT. NCLAT order has now been challenged by the erstwhile Resolution Professional before Supreme Court which is still pending. The Company had filed an application before the Supreme Court seeking substitution of Resolution Professional of the Company with Ruchi Soya Industries Limited since the corporate insolvency resolution process has been completed. The said application has been allowed by the Supreme Court and RSIL is now the Appellant.

Liability against CIRP Payables is amount payable to financial and operational creditors is kept in separate escrow accounts. As per escrow agreement any amount unpaid in this Account is deemed to be utilised and the Company has no right, title and claim on the same.

- (iii) Pursuant to the Resolution Plan, liabilities related to foreign financial and operational creditors are partially/fully extinguished. In respect of write back pertaining to foreign creditors, advances and loans process of obtaining approval from Reserve Bank of India (RBI) are still in process.
- (iv) Other financial liabilities includes (a) Agency & other deposits ₹ 5.00 Lakh [Previous year ₹ 5.00 Lakh] (b) Creditors for capital expenditure ₹ 75.66 Lakh [Previous year ₹ NIL] (c) Retention money payable ₹ 0.30 Lakh [Previous year ₹ NIL] (d) Others ₹ 0.05 Lakh [Previous year ₹ NIL] due to Related parties. [Refer Note 35]

## 17 OTHER CURRENT LIABILITIES

	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
(a) Customers' Advances [Refer Note (i) below]	4,542.46	4,157.84
(b) Government Grant - Deferred Income [Refer Note 14 (a)]	49.26	50.13
(c) Others (Including Statutory Dues Payable)	3,973.33	1,823.16
	<b>8,565.05</b>	<b>6,031.13</b>

Note:

- (i) Customer advances include ₹ 20.23 Lakh [Previous Year ₹ NIL] due to related parties. [Refer Note 35]

## 18 PROVISIONS

	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
i) Provision for Compensated absences	156.33	127.52
	<b>156.33</b>	<b>127.52</b>

The Company contributes to the following post-employment defined benefit plans in India.

# Notes

to Financial Statement for the year ended March 31, 2022

## 18 Provisions (Contd..)

### A. Defined Contribution Plans:

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the specified rate as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Company is limited to the amount contributed and it Company has no further contractual, or any constructive obligation. The Company has recognised ₹ 983.51 Lakh [Previous Year ₹ 745.40 Lakh] towards contribution to Provident Fund and ₹ 45.00 Lakh [Previous Year ₹ 55.90 Lakh] towards Employee State Insurance in Profit and Loss account.

### B. Defined Benefit Plan:

#### a) Gratuity

Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination/resignation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number completed years of service. The gratuity plan is a funded plan and Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

#### b) Leave Obligations

The leave obligations cover the Company's liability for casual, sick & earned leave. The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	(₹ in Lakh)			
	March 31, 2022		March 31, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined benefit obligation	3,065.02	1,279.23	2,961.91	1,051.57
Fair value of plan assets	3,791.88	–	3,245.89	–
Net defined benefit (obligation)/assets	726.86	(1,279.23)	283.98	(1,051.57)
Non-current [Refer Note 15]	–	(1,122.90)	–	(924.05)
Current	726.86	(156.33)	283.98	(127.52)

### Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

# Notes

to Financial Statement for the year ended March 31, 2022

## 18 Provisions (Contd..)

(₹ in Lakh)

Particulars	March 31, 2022		March 31, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Defined benefit obligations</b>				
Opening balance	2,961.91	1,051.57	2,775.38	1,010.12
Current service cost	278.87	165.67	220.98	139.07
Interest cost (income)	202.76	83.53	187.11	69.24
	3,443.54	1,300.77	3,183.47	1,218.43
<b>Included in OCI</b>				
Liability Transferred in Acquisitions	154.42	18.18	–	–
Demographic assumptions	(7.92)	(0.99)	–	–
Financial assumptions	(106.85)	(45.85)	5.09	1.85
Experience adjustment	(36.34)	268.70	70.24	161.32
	3,446.85	1,540.81	3,258.80	1,381.60
<b>Other</b>				
Contributions paid by the employer	–	(261.58)	–	(330.03)
Benefits paid	(381.83)	–	(296.89)	–
<b>Closing balance</b>	<b>3,065.02</b>	<b>1,279.23</b>	<b>2,961.91</b>	<b>1,051.57</b>

(₹ in Lakh)

Particulars	March 31, 2022		March 31, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Fair value of plan asset</b>				
Opening balance	3,245.89	–	3,080.01	–
Interest income	217.92	–	193.53	–
	3,463.81	–	3,273.54	–
<b>Included in OCI</b>				
Assets Transferred in Acquisitions	154.42	–	–	–
Experience adjustment	13.40	–	23.83	–
	3,631.63	–	3,297.37	–
<b>Other</b>				
Contributions paid by the employer	542.10	–	245.41	–
Benefits paid	(381.83)	–	(296.89)	–
<b>Closing balance</b>	<b>3,791.90</b>	<b>–</b>	<b>3,245.89</b>	<b>–</b>
<b>Represented by</b>				
Net defined benefit asset	726.87	–	283.98	–
Net defined benefit liability	–	1,279.23	–	1,051.57
	726.87	1,279.23	283.98	1,051.57
<b>Expense recognised in Statement of Profit and Loss</b>				
Current service cost	278.87	165.67	220.98	139.07
Net Interest cost	(15.15)	83.53	(6.41)	69.23
Actuarial (gain)/loss on obligation for the year	–	221.85	–	163.18
<b>Expense recognised in Statement of Profit and Loss</b>	<b>263.72</b>	<b>471.05</b>	<b>214.57</b>	<b>371.48</b>
<b>Expense recognised in Other Comprehensive Income (OCI)</b>				
Actuarial (gain)/loss on obligation for the year	(151.11)	–	75.33	–
Return on plan assets excluding interest income	(13.40)	–	(23.83)	–
<b>Net (Income)/ Expense for the year recognized in OCI [ Refer Note 29 A (I) (i)]</b>	<b>(164.51)</b>	<b>–</b>	<b>51.50</b>	<b>–</b>

# Notes

to Financial Statement for the year ended March 31, 2022

## 18 Provisions (Contd..)

### C. Plan assets

Plan assets comprise the following

(₹ in Lakh)

Particulars	March 31, 2022		March 31, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Investment in LIC India</b>				
Insurer managed fund (100%)	3,791.90	–	3,245.89	–
	3,791.90	–	3,245.89	–

### D. Defined benefit obligations

#### i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Discount rate	7.23%	6.85%
Salary escalation rate	7.50%	7.50%
Rate of return on plan assets	7.23%	6.85%
Retirement Age	60 Years	60 Years to 64 Years
Attrition Rate	For service 4 years and below 12.00% p.a. For service 5 years and above 2.00% p.a.	For service 4 years & below 10.31% p.a. & For service 5 years and above 2% p.a.
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)

The discount rate is based on the prevailing market yields of Government Securities (G. Sec.) as at the Balance Sheet date for the estimated term of the obligations.

Estimates of future salary increases have been done on the basis of current salary suitably projected for future, beginning one year after the valuation date, the period is validated based on the available information as to the salary revision date other than the date one year after the valuation date, taking into consideration the general trend in inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

#### Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. 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.

**Salary 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.

**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.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.



# Notes

to Financial Statement for the year ended March 31, 2022

## 18 Provisions (Contd..)

**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.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company

### Maturity Profile of Defined Benefit Obligation

(₹ in Lakh)		
Projected Benefits Payable in Future Years From the Date of Reporting	March 31, 2022	March 31, 2021
1st Following Year	182.08	235.66
2nd Following Year	130.50	139.74
3rd Following Year	222.11	199.28
4th Following Year	248.70	204.19
5th Following Year	184.79	251.16
Sum of Years 6 To 10	1,472.43	1,325.12
Sum of Years 11 and above	4,362.72	3,720.88

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows :

### ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakh)				
Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(254.69)	294.61	(237.51)	273.83
Future salary growth (1% movement)	281.73	(249.32)	259.42	(230.52)
Employee Turnover (1% movement)	(9.25)	9.89	(11.12)	12.35
Average Expected Life	12 Years	12 Years	12 Years	12 Years

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

### iii) Expected Contributions in next year

(₹ in Lakh)		
Particulars	March 31, 2022	March 31, 2021
Provident Fund	1,125.59	788.77

## 19 LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakh)		
	As at March 31, 2022	As at March 31, 2021
Other Current Liabilities (Refer Note 10)	173.00	173.00
	173.00	173.00

# Notes

to Financial Statement for the year ended March 31, 2022

## 20 REVENUE FROM OPERATIONS

	(₹ in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A Sales of products</b>	23,85,799.17	16,12,651.31
<b>B Sale of Services</b>		
Processing charges received	1,841.79	622.98
<b>C Other Operating revenue</b>		
(i) Income from Plant usage	15,520.84	15,000.00
(ii) Government grants [Refer Note 14 (a)]	49.37	50.14
(iii) Income from Power generation	4,193.51	3,538.87
(iv) Net Gain of Contract Settlement	13,132.83	–
	24,20,537.51	16,31,863.30

## 21 OTHER INCOME

	(₹ in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A Interest Income (under the effective interest method)</b>		
– On Fixed Deposits	613.35	771.73
– Others	249.24	443.66
– Redeemable Preference Shares	2,553.93	2,553.93
<b>B Net Gain on sale of Investment</b>	–	49.38
<b>C Net Gain on Sale/Discard of Fixed Assets</b>	238.17	–
<b>D Lease Rental income</b>	358.35	241.53
<b>E Other Non-Operating Income</b>		
– Excess Provision/Liabilities no longer required written back	259.28	146.08
– Net (Gain) on Sale/Loss on foreign currency transaction/translation	2,959.98	–
– Income of investment	96.12	116.40
– Other Receipts	364.81	706.62
<b>F Export Incentive</b>	207.48	1,405.08
	7,900.71	6,434.41

## 22 COST OF MATERIALS CONSUMED

	(₹ in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Raw Material	18,68,629.36	13,53,462.13
b) Packing Material	69,530.12	46,201.14
	19,38,159.48	13,99,663.27

## 23 PURCHASES OF STOCK-IN-TRADE

	(₹ in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchases of Stock-in-Trade	2,11,193.47	51,802.45

# Notes

to Financial Statement for the year ended March 31, 2022

## 24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

	(₹ in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Finished goods</b>		
Opening Stock	95,741.06	61,340.83
Closing Stock	1,28,266.08	95,741.06
	(32,525.02)	(34,400.23)
<b>Work-in-progress</b>		
Opening Stock	726.98	550.46
Closing Stock	885.23	726.98
	(158.25)	(176.52)
<b>Traded goods</b>		
Opening Stock	239.28	53.20
Closing Stock	97.64	239.28
	141.64	(186.08)
	(32,541.63)	(34,762.83)

## 25 EMPLOYEE BENEFITS EXPENSE

	(₹ in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salary, Wages and Bonus	16,440.68	12,272.53
Contribution to Provident and Other Funds	1,030.90	805.18
Gratuity [Refer Note 18]	263.72	214.57
Compensation Absences [ Refer Note 18]	471.05	371.48
Staff Welfare expenses	375.14	299.25
	18,581.49	13,963.01

## 26 FINANCE COSTS

	(₹ in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expense	33,194.12	35,073.01
Other borrowing costs	673.48	525.87
Redeemable Preference Shares	1,620.19	1,472.99
	35,487.79	37,071.87

## 27 DEPRECIATION AND AMORTISATION EXPENSES

	(₹ in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Plant, property and Equipment	13,234.02	13,308.69
Amortisation on Intangible assets	72.57	16.40
Impairment on Plant, property and Equipment	366.16	—
	13,672.75	13,325.09

# Notes

to Financial Statement for the year ended March 31, 2022

## 28 OTHER EXPENSES

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Manufacturing Expenses</b>		
Manufacturing expenses	12,513.21	8,811.28
Consumables	8,653.51	7,089.57
Consumption of Stores & Spares parts	6,966.53	4,549.75
Power & Fuel (net of recoveries)	23,259.64	17,080.66
Lease Rental expenses	2,794.91	2,567.91
Repairs and Maintenance		
– Plant & Machinery	2,487.20	2,537.32
– Buildings	189.09	192.98
– Others	653.34	603.72
	57,517.43	43,433.19
<b>Selling and distribution expenses</b>		
Freight & forwarding (net of recoveries)	39,930.56	34,116.45
Export expenses	829.83	1,286.51
Advertisement & sales promotion	15,132.03	2,493.10
	55,892.42	37,896.06
<b>Establishment and Other expenses</b>		
Rates & Taxes	614.50	834.98
Insurance	1,871.95	1,442.39
Payment to Auditors [Refer Note I below]	91.40	118.50
Legal & Professional	811.43	719.58
Corporate Social Responsibility (CSR) [Refer Note II below]	661.00	1,000.00
Directors Sitting Fee	79.00	33.50
Net Loss on Sale/Discard of Fixed Assets	–	66.38
Net (Gain) on Sale/Loss on foreign currency transaction/translation	–	270.54
Provision for Expected Credit Loss	345.49	166.92
Impairment in value of Investment	22.97	128.76
Travelling & conveyance	2,064.88	595.42
Bank Commission & charges	362.66	187.43
Net Loss of Commodity Hedging	6,588.78	9,285.72
Other expenses (Net of recoveries)	9,522.81	9,615.46
	23,036.87	24,465.58
	1,36,446.72	1,05,794.83
Note:		
<b>(I) Payment to Auditors :-</b>		
<b>(i) Remuneration to the Statutory auditors</b>		
<b>(a) As Auditors</b>		
– For Statutory Audit	56.00	62.00
–For Limited Review, Interim audit & Certification Charges	31.00	52.10
–For Further Public Offer (FPO) related payment [Refer Note 9 (ii)]	210.00	–
<b>(ii) Remuneration to Cost Auditors</b>	4.40	4.40

### (II) Disclosure in respect of Corporate social responsibility expenses :-

- (i) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 661.00 Lakh (Previous Year ₹ Nil)

# Notes

to Financial Statement for the year ended March 31, 2022

## 28 Other Expenses (Contd..)

- (ii) Expenditure related to Corporate Social Responsibility is ₹ 661.00 Lakh (Previous Year ₹ 1,000.00 Lakh)

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Remodeling of assets required for integrated wellness treatment centre	661.00	–
Contribution to PM CARES Fund	–	1,000.00
<b>Total</b>	<b>661.00</b>	<b>1,000.00</b>

- (iii) The above amount of ₹ 661 Lakh (Previous Year ₹ Nil) has been contributed to Patanjali Yogpeeth Trust which is a related party.

- (iv) Based on the legal opinion obtained by the Company gain on account of derecognition of liabilities as per resolution plan is considered as notional gain for computation of profit under section 198 of the Act.

## 29 OTHER COMPREHENSIVE INCOME

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(A) Other Comprehensive Income</b>		
<b>I Items that will not be reclassified to Profit and Loss</b>		
(i) Remeasurement of gain/(loss) defined benefit plans [Refer Note 12 F]	164.51	(51.50)
(ii) Gain/(loss) FVTOCI Equity Instruments [Refer Note 12 H]	1,058.19	1,125.45
	<b>1,222.70</b>	<b>1,073.95</b>
<b>(B) Hedge Reserve</b>		
<b>I Items that will be reclassified to Profit and Loss</b>		
(i) Net (loss)/gain on cash flow hedges recognised during the year [Refer Note 12 G]	11.60	–
	<b>11.60</b>	<b>–</b>
<b>II Income tax relating to items that will be reclassified to Profit and Loss</b>	<b>(2.92)</b>	<b>–</b>
	<b>8.68</b>	<b>–</b>

## 30 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A Contingent liabilities</b>		
<b>a) Guarantees</b>		
Outstanding bank Guarantees	6,511.87	8,340.67
<b>b) Disputed Demand in appeal of Income Tax</b>	<b>26,417.85</b>	<b>–</b>
<b>c) The Company is a party to a review petition filed in the Andhra Pradesh High Court against decision of Andhra Pradesh Government to procure fresh fruit bunches from oil palm farmers at a significantly higher oil extraction ratio than previous years. The issue relates to Ampapuram &amp; Pedapuram oil palm processing units of the Company and is subjudice and currently pending. The amount involved in the said matter is ₹ 642.00 Lakh for the year ended March 31, 2022 (Previous year ₹ Nil).</b>		
<b>B Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	2,085.06	356.50



# Notes

to Financial Statement for the year ended March 31, 2022

## 30 Contingent liabilities and commitments (Contd..)

- C** As per approved resolution plan, the contingent liabilities and commitments, claims and obligations, stand extinguished and accordingly no outflow of economic benefits is expected in respect thereof. The Resolution plan, among other matters provide that upon the approval of this Resolution Plan by the National Company Law Tribunal (NCLT) and settlement and receipt of the payment towards the IRP Costs and by the creditors in terms of this plan, all the liabilities demands, damages, penalties, loss, claims of any nature whatsoever (whether admitted/verified/submitted/rejected or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future) including any liabilities, losses, penalties or damages arising out of non-compliances, to which the Company is or may be subject to and which pertains to the period on or before the Effective Date (i.e. September 6, 2019) and are remaining as on that date shall stand extinguished, abated and settled in perpetuity without any further act or deed. The Resolution plan further provides that implementation of resolution plan will not affect the rights of the Company to recover any amount due to the Company and there shall be no set off of any such amount recoverable by the Company against any liability discharged or extinguished.

- 31** On divestment of shares of Gemini Edibles and Oil Pvt. Ltd. in an earlier year, pursuant to the Share Purchase Agreement, the Company paid an amount of ₹ 2,836.52 Lakh to the said Company by way of deposit which is refundable on receipt of various incentives by the said Company from Government authorities. Of the total amount paid, the Company has received refund of ₹ 2,320.81 Lakh till March 31, 2022. The Company expects to recover the balance amount of ₹ 515.71 Lakh fully. Accordingly, no provision for impairment is considered necessary in this regards.

- 32** Ruchi J-Oil Private Limited ("Ruchi J-Oil") is under liquidation, financial statements after March 31, 2019 are not available of "Ruchi J-Oil" and management of the Company expects to recover the carrying amount of investment, therefore in view of the management no consolidated financial statements are required to be prepared and presented.

## 33 SEGMENT REPORTING

### A. General Information

#### (a) Factors used to identify the entity's reportable segments, including the basis of organisation

Based on the criterion as mentioned in Ind-As-108- "Operating Segment", the Company has identified its reportable segments, as follows:

- Segment-1 Seed Extractions
- Segment-2 Oils & Vanaspati
- Segment-3 Others (Food Products, etc.)
- Segment-4 Wind Power Generation

Unallocable - All the segments other than segments identified above are collectively included in this segment.

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments.

The assets and liabilities that can not be allocated between segments are shown as unallocable assets and liabilities, respectively.

# Notes

to Financial Statement for the year ended March 31, 2022

## 33 Segment Reporting (Contd..)

### (b ) Following are reportable segments

Reportable segment	Description
Seed Extractions	Various types of seed extractions
Oils & Vanaspati	Crude oils, Refined oils, Vanaspati, Bakery fats and Table spread
Others (Food Products, etc.)	Textured Soya protein, Soya flour, Biscuits, Noodles, Breakfast Cereals, Wheat Flour and Honey, Seeds, Coffee, Soap, Fresh Fruit Bunch, Seedling, Toiletry preparations, Castor seed, and Nutraceuticals.
Wind Power Generation	Electricity Generation from Wind Mills

By products related to each segment have been included under the respective segment.

Extraction is considered as the primary product resulting from the solvent extraction process and crude oil as the secondary product. While computing segment results, all costs related to solvent extraction process are charged to the extraction segment and recovery on account of crude oil is credited to the said segment. Credit for recovery of crude oil is taken on the basis of average monthly market price.

### B.1. Information about reportable segments-Financial Year 2021-2022

(₹ in Lakh)

Particulars	Seed Extractions	Oils & Vanaspati	Others (Food Products, etc.)	Wind Turbine Power Generation	Unallocated	Total
<b>SEGMENT REVENUE</b>						
External Revenue	3,10,333.66	21,29,158.79	1,97,948.56	5,349.81	–	26,42,790.82
Less Intersegment Sales	2,21,097.02	–	–	1,156.29	–	2,22,253.31
<b>Total Segment Revenue</b>	<b>89,236.64</b>	<b>21,29,158.79</b>	<b>1,97,948.56</b>	<b>4,193.52</b>	<b>–</b>	<b>24,20,537.51</b>
<b>Segment Profit/ (Loss) before interest and taxes</b>	<b>22,875.41</b>	<b>98,389.01</b>	<b>20,259.25</b>	<b>1,748.46</b>	<b>–</b>	<b>1,43,272.13</b>
Add: Unallocable Income net of Unallocable Expenses					(346.19)	(346.19)
Less: Finance cost					35,487.79	35,487.79
<b>Profit before tax</b>						<b>1,07,438.15</b>
<b>Tax Expenses - Deferred Tax and Current Tax</b>					26,807.26	<b>26,807.26</b>
<b>Profit after tax</b>						<b>80,630.89</b>
<b>Other Information</b>						
Segment Assets	91,669.05	3,39,645.81	86,467.60	32,673.18	5,97,565.47	11,48,021.11
Segment Liabilities	9,623.03	58,343.23	21,295.26	–	4,41,675.55	5,30,937.07
Capital Expenditure	920.81	1,544.56	572.41	–	434.67	3,472.45
Depreciation / Amortisation	3,556.07	6,619.96	1,278.29	1,864.59	353.84	13,672.75
Non Cash Expenses	–	–	–	–	345.49	345.49

# Notes

to Financial Statement for the year ended March 31, 2022

## 33 Segment Reporting (Contd..)

### B.2. Information about reportable segments-Financial Year 2020-2021

(₹ in Lakh)

Particulars	Seed Extractions	Oils & Vanaspati	Others (Food Products, etc.)	Wind Turbine Power Generation	Unallocated	Total
<b>SEGMENT REVENUE</b>						
External Revenue	2,89,386.45	14,63,643.69	64,051.86	4,748.93	—	18,21,830.93
Less Intersegment Sales	1,88,757.57	—	—	1,210.06	—	1,89,967.63
<b>Total Segment Revenue</b>	<b>1,00,628.88</b>	<b>14,63,643.69</b>	<b>64,051.86</b>	<b>3,538.87</b>	<b>—</b>	<b>16,31,863.30</b>
<b>Segment Profit / (Loss) before interest and taxes</b>	<b>12,441.31</b>	<b>66,615.72</b>	<b>4,869.69</b>	<b>1,062.14</b>	<b>—</b>	<b>84,988.86</b>
Add: Unallocable Income net of Unallocable Expenses					3,523.03	3,523.03
Less: Finance cost					37,071.87	37,071.87
<b>Profit before tax</b>						<b>51,440.02</b>
<b>Tax Expenses - Deferred Tax (Credit)</b>					(16,637.16)	<b>(16,637.16)</b>
<b>Profit after tax</b>						<b>68,077.18</b>
<b>Other Information</b>						
Segment Assets	76,286.56	2,75,764.62	71,598.42	34,402.85	4,42,829.53	9,00,881.98
Segment Liabilities	6,316.06	45,411.37	9,519.04	—	4,33,394.23	4,94,640.70
Capital Expenditure	448.42	916.10	379.95	178.10	—	1,922.57
Depreciation / Amortisation/ Impairment	3,436.03	6,571.85	1,087.24	1,868.34	361.63	13,325.09
Non Cash Expenses	—	—	—	—	166.92	166.92

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>I Revenue</b>		
Domestic	23,90,097.92	15,91,364.86
Foreign	30,439.59	40,498.44
<b>Total Revenue</b>	<b>24,20,537.51</b>	<b>16,31,863.30</b>

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>II Non-Current Assets*</b>		
Within India	4,98,525.81	5,02,840.86
Outside India	—	—

\*Non-current assets other than financial assets, deferred tax asset and income tax.

#### Note :-

During the year ended March 31, 2022, the Company has considered “Oil and Vanaspati” as single segment. Food products portfolio, nutraceuticals products and various other products are now considered as a part of “Other” (Food products, etc) segment. It is based on internal reorganization of its business segments, increased focus and business review carried out by the Managing Director (Chief Operating Decision Maker - CODM) of the Company. Pursuant to the above change, the Company has restated segment information of comparative previous year in consonance with Ind AS 108 - Operating Segments”, including related disclosures.

# Notes

to Financial Statement for the year ended March 31, 2022

## 34 TAXATION

### Tax expense/(credit) recognized in the Statement of Profit and Loss

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
The major components of income tax expenses amounts recognised in statement profit and loss for the year ended March 31, 2022 and March 31, 2021 are:		
Current income tax	14,100.00	–
Deferred income tax charge / (credit) in Profit & Loss	12,707.26	(16,637.16)
<b>Tax expense / (credit) for the year</b>	<b>26,807.26</b>	<b>(16,637.16)</b>

The income tax expenses for the year can be reconciled to the accounting profit as follows:

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Profit before tax</b>	<b>1,07,438.15</b>	<b>51,440.02</b>
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	27,040.03	12,946.42
<b>Tax effect of :</b>		
<b>Expenses disallowed</b>	<b>5,935.39</b>	<b>5,314.69</b>
Depreciation	3,441.16	3,353.66
Provision for expected credit loss	86.95	42.01
Others	2,407.28	1,919.02
<b>Additional allowances</b>	<b>18,875.42</b>	<b>18,261.11</b>
Depreciation as per Income Tax	1,834.31	1,884.62
Others	1,121.15	734.91
Business losses & unabsorbed depreciation setoff	15,919.96	15,641.58
<b>Current Income Tax Provision (A)</b>	<b>14,100.00</b>	<b>–</b>
Deferred tax asset/liability recognised in Profit & Loss	12,707.26	(16,637.16)
<b>Deferred tax (Credit) (B)</b>	<b>12,707.26</b>	<b>(16,637.16)</b>
<b>Tax Expenses Charge/(Credit) in Statement of Profit and Loss</b>	<b>26,807.26</b>	<b>(16,637.16)</b>

Deferred tax assets arising on account of deductible temporary differences, unused tax losses:-

(₹ in Lakh)

Significant components of Deferred tax (assets) & liabilities	Opening Balance as at April 1, 2021	Charged/ (Credited) to statement of Profit & Loss	Charged/ (Credited) to statement of Other Comprehensive Income	Closing Balance as at March 31, 2022
<b>Deferred Tax Liabilities</b>	<b>(32,834.66)</b>	<b>(1,703.17)</b>	<b>(2.92)</b>	<b>(31,128.57)</b>
Property, plant and equipment and intangible assets	(32,531.01)	(1,671.08)	–	(30,859.93)
Other timing differences	(303.65)	(32.09)	(2.92)	(268.64)
<b>Deferred Tax Assets</b>	<b>49,471.82</b>	<b>14,416.27</b>	<b>–</b>	<b>35,055.55</b>
Provision for doubtful debts & advances	34,639.17	(86.95)	–	34,726.12
Brought forward losses	7,333.44	7,333.44	–	–
Unabsorbed Depreciation	7,159.18	7,159.18	–	–
Other timing differences	340.03	10.60	–	329.43
<b>Net Deferred tax Asset</b>	<b>16,637.16</b>	<b>12,713.10</b>	<b>(2.92)</b>	<b>3,926.98</b>

# Notes

to Financial Statement for the year ended March 31, 2022

## 34 Taxation (Contd..)

Deferred tax assets arising on account of deductible temporary differences, unused tax losses:-

				(₹ in Lakh)
Significant components of Deferred tax (assets) & liabilities	Opening Balance as at April 1, 2020	Charged/ (Credited) to statement of Profit & Loss	Charged/ (Credited) to statement of Other Comprehensive Income	Closing Balance as at March 31, 2021
<b>Deferred Tax Liabilities</b>	–	<b>32,834.66</b>	–	<b>(32,834.66)</b>
Property, plant and equipment and intangible assets	–	32,531.01	–	(32,531.01)
Other timing differences	–	303.65	–	(303.65)
<b>Deferred Tax Assets</b>	–	<b>(49,471.82)</b>	–	<b>49,471.82</b>
Provision for doubtful debts & advances	–	(34,639.17)	–	34,639.17
Brought forward losses	–	(7,333.44)	–	7,333.44
Unabsorbed Depreciation	–	(7,159.18)	–	7,159.18
Other timing differences	–	(340.03)	–	340.03
<b>Net Deferred tax Asset</b>	–	<b>(16,637.16)</b>	–	<b>16,637.16</b>

## 35 RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

As per Ind AS-24, the disclosure of transactions with related parties are given below :

### (a) List of related parties and relationship:

#### (i) Enterprises exercising control

Patanjali Ayurved Limited

Divya Yog Mandir Trust (Upto March 30, 2021)

Patanjali Parivahan Private Limited

Patanjali Gramudyog Nayas

Yogakshem Sansthan (with effect from March 31, 2021)

#### (ii) Joint Venture

Ruchi J Oil Private Limited [under liquidation w.e.f. August 21, 2018]

#### (iii) Key managerial persons

Shri Acharya Balkrishna

Shri Ram Bharat

Shri Sanjeev Kumar Asthana (with effect from August 19, 2020)

Shri Anil Singhal (Upto November 10, 2020)

Shri Ramji Lal Gupta

Shri Sanjay Kumar (With effect from March 30, 2021)

# Notes

to Financial Statement for the year ended March 31, 2022

## 35 Related party relationships, transactions and balances (Contd..)

Shri Kumar Rajesh

Shri Sanjeev Khanna

### (iv) Relative of key managerial persons & a Director

Shri Ramdev

### (v) Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence

Patanjali Natural Biscuits Private Limited

Patanjali Agro India Private Limited

Parakram Security India Private Limited

Atri Papers Private Limited

Sanskar Info TV Private Limited

Vedic Broadcasting Limited

Patanjali Peya Private Limited

Swasth Aahar Private Limited

Mohan Fabtech Private Limited

Bharuwa Solutions Private Limited

Fit India Organic Private Limited

Divya Yog Mandir Trust

Patanjali Food & Herbal Park Noida Private Limited

Aarogya Flour Mill

Divya Packmaf Private Limited

Patanjali Natural Coloroma Private Limited

Patanjali Paridhan Private Limited

Patanjali Yogpeeth Trust

Patanjali Ayurved Pvt.Ltd.Nepal

Patanjali Research Foudation Trust

### (vi) Other

Ruchi Soya Industries Limited Beneficiary Trust



# Notes

to Financial Statement for the year ended March 31, 2022

## 35 Related party relationships, transactions and balances (Contd..)

As per Ind AS-24, the disclosure of transactions and Balances with related parties are given below :

(₹ in Lakh)

S. No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1	<b>Revenue from Operations</b>		
	<b>(a) Sales of Product</b>		
	Patanjali Ayurved Limited	1,23,024.08	72,493.09
	Patanjali Natural Biscuits Private Limited	656.14	2,648.02
	Patanjali Agro India Private Limited	42,410.70	343.64
	Fit India Organic Private Limited	82.42	–
	Swasth Aahar Private Limited	144.25	–
	Patanjali Natural Coloroma Private Limited	2.31	–
	<b>(b) Income from Plant usage</b>		
	Patanjali Ayurved Limited	15,520.83	15,026.43
	<b>(c) Net Gain of Contract Settlement</b>		
	Patanjali Agro India Private Limited	7,857.46	–
2	<b>Payment to Key Managerial Personnel / Remuneration *</b>		
	Shri Anil Singhal	–	53.09
	Shri Ramji Lal Gupta	64.73	70.72
	Shri Sanjeev Kumar Asthana	211.52	130.78
	Shri Sanjay Kumar	24.40	0.14
	Shri Kumar Rajesh	55.10	52.18
	Shri Sanjeevv Khanna	55.75	52.01
	Shri Ram Bharat [Current Year ₹ 1.00 (Previous year ₹ 1.00)]	–	–
3	<b>Purchase of Goods &amp; Packing Material</b>		
	Patanjali Ayurved Limited	23,072.28	5,268.46
	Patanjali Agro India Private Limited	2,420.75	67,177.39
	Atri Papers Private Limited	2,266.98	926.32
	Swasth Aahar Private Limited	3,841.89	142.60
	Patanjali Peya Private Limited	–	1.98
	Aarogya Flour Mill	2,387.30	–
	Patanjali Food & Herbal Park Noida Private Limited	34.21	–
	Divya Packmaf Private Limited	199.95	–
	Patanjali Paridhan Private Limited	0.95	–
	Divya Yog Mandir Trust	10.21	–
	Patanjali Research Foudation Trust	32.22	–
4	<b>Consultancy Charges</b>		
	Bharuwa Solutions Private Limited	32.40	47.20
5	<b>Freight &amp; Forwarding</b>		
	Patanjali Parivahan Private Limited	18,404.59	7,523.22
6	<b>Advertisement &amp; Sales promotion:</b>		
	Vedic Broadcasting Limited	262.03	240.99
	Sanskar Info TV Private Limited	179.95	179.95
	Patanjali Agro India Private Limited	29.13	–
7	<b>Repair &amp; maintenance Expenses</b>		
	Mohan Fabtech Private Limited	186.94	39.86
8	<b>Other Expenses(Security/Manufacturing Charges)</b>		
	Parakram Security India Private Limited	5,395.15	3,640.59
	Patanjali Natural Biscuits Private Limited	102.31	–

# Notes

to Financial Statement for the year ended March 31, 2022

## 35 Related party relationships, transactions and balances (Contd..)

(₹ in Lakh)

S. No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
9	<b>Other Expenses(Royalty)</b>		
	Patanjali Ayurved Limited	507.34	1,149.27
10	<b>Rent Expenses</b>		
	Vedic Broadcasting Limited	32.14	32.89
	Patanjali Ayurved Limited	1.34	—
11	<b>Interest Expenses</b>		
	Patanjali Ayurved Limited (Debenture )	4,050.00	4,030.63
12	<b>Reimbursement of Expenses</b>		
	Shri Anil Singhal	—	3.00
	Shri Ramji Lal Gupta	3.00	0.51
	Shri Sanjeev Kumar Asthana	4.49	0.15
	Shri Sanjay Kumar	2.88	—
	Shri Sanjeev Khanna	6.83	—
	Shri Kumar Rajesh	5.92	—
	Patanjali Ayurved Limited	102.66	—
13	<b>Purchase of Capital Assets(CWIP)</b>		
	Patanjali Ayurved Limited	56.34	94.51
14	<b>Purchase of Capital Assets</b>		
	Patanjali Ayurved Limited	54.02	—
15	<b>Corporate Social Responsibility Expenses</b>		
	Patanjali Yogpeeth Trust	661.00	—
16	<b>Contract Manufacturing Rights(Breakfast Business)</b>		
	Patanjali Ayurved Limited	350.00	—
17	<b>Business Purchase As Per BTA [Refer Note no. 46(iii)]</b>		
	Patanjali Natural Biscuits Private Limited	6,002.50	—
18	<b>Director Remuneration Payable</b>		
	Shri Ram Bharat [Current Year ₹ 0.00 (Previous year ₹ 1.00)]	—	—
19	<b>Trade Receivables</b>		
	Patanjali Ayurved Limited	20,952.04	19,532.25
	Patanjali Natural Biscuits Private Limited	—	1.46
	Patanjali Agro India Private Limited	18,673.55	—
	Divya Yog Mandir Trust	0.08	—
20	<b>Loans and Advances Receivable</b>		
	Patanjali Agro India Private Limited	1,452.90	1,981.36
	Patanjali Peya Private Limited	0.97	0.97
	Mohan Fabtech Pvt.Ltd.	—	72.63
	Shri Sanjeev Kumar Asthana	2.03	0.15
	Shri Kumar Rajesh	—	0.03
21	<b>Investment in Joint Venture</b>		
	Ruchi J Oil Private Limited	154.26	154.26
22	<b>Loans from Related Party</b>		
	Patanjali Ayurved Limited (Preference share )	17,833.71	16,213.52
	Patanjali Ayurved Limited (Debenture )	45,000.00	45,000.00
23	<b>Security Deposit Received</b>		
	Patanjali Parivahan Private Limited	5.00	5.00

# Notes

to Financial Statement for the year ended March 31, 2022

## 35 Related party relationships, transactions and balances (Contd..)

(₹ in Lakh)

S. No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
24	<b>Trade Payables</b>		
	Patanjali Parivahan Private Limited	3,443.95	349.93
	Vedic Broadcasting Limited	49.49	26.21
	Atri Papers Private Limited	719.91	129.69
	Patanjali Ayurved Limited	1,407.39	63.31
	Parakram Security India Private Limited	1,361.24	50.42
	Sanskar Info TV Private Limited	17.40	17.47
	Bharuwa Solutions Private Limited	—	10.94
	Swasth Aahar Private Limited	354.90	—
	Aarogya Flour Mill	184.58	—
	Divya Yog Mandir Trust	10.21	—
	Divya Packmaf Private Limited	167.33	—
	Mohan Fabtech Private Limited	10.64	—
25	<b>Creditors for Capital Expenditure</b>		
	Mohan Fabtech Private Limited	75.66	—
26	<b>Retention Money Payable</b>		
	Patanjali Parivahan Private Limited	0.30	—
27	<b>Other Financial Liabilities</b>		
	Patanjali Ayurved Limited (Preference share )	24,818.58	27,372.51
	Patanjali Ayurved Limited (Debenture )	8,429.62	4,784.62
	Shri Sanjeevv Khanna	0.05	—
28	<b>Customer Advance:</b>		
	Swasth Aahar Private Limited	1.09	—
	Fit India Organic Private Limited	4.15	—
	Patanjali Ayurved Pvt. Ltd. Nepal	15.00	—

\* Does not include the provision made for gratuity and compensated absences, as they are determined on an actuarial basis for all the employees together.

## 36 EARNINGS PER SHARE (EPS)

Particulars	March 31, 2022	March 31, 2021
Net Profit after tax (₹ in Lakh)	80,630.89	68,077.18
<b>Profit attributable to equity holders for basic earnings (₹ in Lakh)</b>	<b>80,630.89</b>	<b>68,077.18</b>
Weighted average number of shares for Basic EPS and Diluted EPS (Nos) [Net of treasury shares]	29,57,64,706	29,57,64,706
Basic earnings per share ( in ₹)	27.26	23.02
Diluted earnings per share ( in ₹)	27.26	23.02

# Notes

to Financial Statement for the year ended March 31, 2022

- 37** During the year ended March 31, 2022, income tax assessments for Assessment Years 2017-18, 2018-19 and 2019-20 have been completed and demands aggregating to ₹ 2,82,706.93 lakh have been raised on the Company. These demands pertain to the period prior to the effective date (i.e. September 6, 2019) of the Resolution Plan as approved by the Hon'able National Company Law Tribunal, Mumbai ("NCLT").

The Resolution plan, among other matters provide that upon the approval of this Resolution Plan by the NCLT and settlement and receipt of the payment towards the IRP Costs and by the creditors in terms of this plan, all the liabilities demands, damages, penalties, loss, claims of any nature whatsoever (whether admitted/verified/submitted/rejected or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future) including any liabilities, losses, penalties or damages arising out of non-compliances, to which the Company is or may be subject to and which pertains to the period on or before the Effective Date (i.e. September 6, 2019) and / or are remaining as on that date shall stand extinguished, abated and settled in perpetuity without any further act or deed.

As per the orders dated September 4, 2019 of the Hon'ble NCLT, Mumbai, " .... However, it is to be made clear that while approving the resolution plan, we have dealt with every aspect of the resolution plan in details and all the claims which have been admitted during CIRP are being dealt with by us in terms of the resolution plan . Anyone who has not filed its claim then he will not have any right to agitate the same after the approval of the resolution plan." In respect of above demands, no claims were submitted by the Income Tax Department during the corporate insolvency resolution process.

Accordingly, these demands have been challenged by the Company before NCLT. In addition the Company has also preferred an appeal before the CIT (A) against these demands. Further, in respect of demands of ₹ 2,77,173.66 lakh pertaining to assessment year 2018-19 the Company as a prudent measure have also applied for rectification of errors apparent from records.

In view of above, the Company does not expect any liability on account of above demands.

- 38** The shareholders of the Company approved a preferential issue of 1,86,70,213 Equity Shares at a price of ₹ 7 per share to Ashav Advisory LLP ("AAL") in February 2020, subject to receipt of necessary approvals ( including stock exchanges and the lenders of Company ). The Company did not received final approvals in this regard from the Stock Exchanges, Lenders and Securities Exchange Board of India ("SEBI"). Aggrieved by this, AAL filed an appeal before the Hon'ble Securities Appellate Tribunal at Mumbai ("SAT") which has been dismissed by the SAT. AAL challenged the SAT order in Hon'ble Supreme Court of India. The matter is currently pending.

# Notes

to Financial Statement for the year ended March 31, 2022

## 39 FINANCIAL INSTRUMENTS – FAIR VALUES

### A. Accounting classification and fair values

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

(i) March 31, 2022	Notes	Carrying amount			Fair value					
		FVTPL	FVTOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non Current assets										
Financial assets										
(i) Investments	5(a)	-	2,766.97	2,766.97	154.29	2,921.26	2,766.97	-	-	2,766.97
(iii) Others	5(b)	-	-	-	3,335.61	3,335.61	-	-	-	-
Current assets										
Financial assets										
(i) Investments	8(a)	202.82	-	202.82	1,046.43	1,249.25	-	202.82	-	202.82
(ii) Trade receivables	8(b)	-	-	-	79,622.00	79,622.00	-	-	-	-
(iii) Cash and cash equivalents	8(c)	-	-	-	37,495.56	37,495.56	-	-	-	-
(iv) Bank Balance other than above	8(d)	-	-	-	1,64,133.04	1,64,133.04	-	-	-	-
(v) Others	8(e)	-	-	-	3,998.01	3,998.01	-	-	-	-
Total		202.82	2,766.97	2,969.79	2,89,784.94	2,92,754.73	2,766.97	202.82	-	2,969.79
Non Current liabilities										
Financial liabilities										
(i) Borrowings	13(a)	-	-	-	2,70,553.92	2,70,553.92	-	-	-	-
(ii) Lease liabilities	13(b)	-	-	-	77.05	77.05	-	-	-	-
(iii) Other financial liabilities	13(c)	-	-	-	33,248.20	33,248.20	-	-	-	-
Current liabilities										
Financial liabilities										
(i) Borrowings	16(a)	-	-	-	98,961.08	98,961.08	-	-	-	-
(ii) Lease liabilities	16(b)	-	-	-	13.70	13.70	-	-	-	-
(iii) Trade payables	16(c)	-	-	-	89,822.65	89,822.65	-	-	-	-
(iv) Other financial liabilities	16(d)	-	-	-	27,842.59	27,842.59	-	-	-	-
Total		-	-	-	5,20,519.19	5,20,519.19	-	-	-	-

(₹ in Lakh)





# Notes

to Financial Statement for the year ended March 31, 2022

## 39 Financial instruments – Fair values (Contd..)

### B. Fair Valuation Techniques used to determine Fair Value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- (i) Fair value of trade receivable, cash and cash equivalents, other bank balances, current borrowings, trade payables, other current financial assets and other current financial liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- (ii) The fair values of non-current borrowings are approximate at their carrying amount due to interest bearing features of these instruments.
- (iii) The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- (iv) Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- (v) Fair value of forward contract are derived on the basis of mark-to-market as provided by the respective bank.
- (vi) Fair value of open purchase and sale contracts is based on commodity prices listed on NCDEX stock exchange and prices available on Solvent Extractor's association (SEA) along with quotations from brokers and adjustments made for grade and location of commodity and in case of Commodity futures it is based on commodity prices listed on MCX/ NCDX/ACE stock exchange.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

**Level 1 :** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

**Level 2 :** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

**Level 3 :** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

# Notes

to Financial Statement for the year ended March 31, 2022

## 40 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
  - (a) Currency risk;
  - (b) Interest rate risk;
  - (c) Commodity Risk;
  - (d) Equity Risk;
- (ii) Credit risk ; and
- (iii) Liquidity risk ;

### Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management of these policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

#### (i) Market risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

##### (a) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies ( INR) of Ruchi Soya Industries Limited.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

#### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported by the management of the Company is as follows:

# Notes

to Financial Statement for the year ended March 31, 2022

## 40 Financial risk management (Contd..)

(₹ in Lakh)

Particulars	March 31, 2022			March 31, 2021		
	EUR Exposure in ₹	USD Exposure in ₹	AUD Exposure in ₹	EUR Exposure in ₹	USD Exposure in ₹	AUD Exposure in ₹
<b>Receivable net exposure</b>						
Trade receivables*	226.18	1,288.86	–	462.50	5,212.07	10.07
<b>Net statement of financial position exposure</b>	<b>226.18</b>	<b>1,288.86</b>	<b>–</b>	<b>462.50</b>	<b>5,212.07</b>	<b>10.07</b>
Forward exchange contracts against exports	–	533.26	–	–	4,657.14	–
<b>Receivable net exposure</b>	<b>226.18</b>	<b>755.60</b>	<b>–</b>	<b>462.50</b>	<b>554.93</b>	<b>10.07</b>
<b>Payable net exposure</b>						
Trade payables and other financial liabilities	–	42,502.90	–	–	40,121.36	–
Advance from Customers	323.73	219.50	–	–	164.86	–
<b>Statement of financial position exposure</b>	<b>323.73</b>	<b>42,722.40</b>	<b>–</b>	<b>–</b>	<b>40,286.22</b>	<b>–</b>
Forward exchange contracts against imports and foreign currency payables	–	42,593.15	–	–	40,121.36	–
<b>Payable net exposure</b>	<b>323.73</b>	<b>129.25</b>	<b>–</b>	<b>–</b>	<b>164.86</b>	<b>–</b>
<b>Total net exposure on Receivables /(Payables)</b>	<b>(97.55)</b>	<b>626.35</b>	<b>–</b>	<b>462.50</b>	<b>390.07</b>	<b>10.07</b>

### Sensitivity analysis

A 1% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss as shown in table below. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

(₹ in Lakh)

Effect in Indian Rupees Particulars	Profit/(Loss) March 31, 2022		Profit/(Loss) March 31, 2021	
	Strengthening	Weakening	Strengthening	Weakening
EUR	(0.98)	0.98	4.63	(4.63)
USD	6.26	(6.26)	3.90	(3.90)
AUD	–	–	0.10	(0.10)

\*Excluding provision for doubtful debts ₹ 1,30,111.70 Lakh.

### (b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to borrowings from banks and others.

For details of the Company's short-term and long term loans and borrowings, Refer Note 13(a), 13(c) and 16(a) of these financial statements.

### Interest rate sensitivity - fixed rate instruments

The Company's fixed rate borrowings Preference Shares issued to Patanjali Ayurved Limited @ 0.0001% and Debentures issued to Patanjali Ayurved Limited @ 9% and Investments into Preference Shares of GHI Energy Private Limited @ 6% are carried at fair value. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

# Notes

to Financial Statement for the year ended March 31, 2022

## 40 Financial risk management (Contd..)

### Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.

#### A. March 31, 2022

(₹ in Lakh)

Particulars	Impact on Profit/(loss) before tax	
	100 bp increase	100 bp decrease
On account of Variable Rate Borrowings from Banks	(2,857.64)	2,857.64

#### B. March 31, 2021

(₹ in Lakh)

Particulars	Impact on Profit/(loss) before tax	
	100 bp increase	100 bp decrease
On account of Variable Rate Borrowings from Banks	(3,043.81)	3,043.81

#### (c) Commodity risk

The prices of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living and global production of similar and competitive crops. During its ordinary course of business, the value of the Company's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Company is subjected to price fluctuations in the commodities market.

While the Company is exposed to fluctuations in agricultural commodities prices, its policy is to minimise its risks arising from such fluctuations by hedging its sales either through direct purchases of a similar commodity or through futures contracts on the commodity exchanges.

In the course of hedging its sales either through direct purchases or through futures, the Company may also be exposed to the inherent basis risk associated with having positions in physical as well as in futures market. The Company has in place a risk management policy to minimize such risk exposure.

At the balance sheet date, a 1% increase/decrease of the commodities price indices, with all other variables remaining constant, would result in (decrease)/increase in profit before tax and equity by the amounts as shown below:

(₹ in Lakh)

Particulars	Profit/(loss)			
	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Effect of increase / decrease in prices	4.31	(4.31)	(127.53)	127.53

#### Assumptions used for calculation

Inventory	Commodity value * 1%
Derivative contract	Value * 1%

# Notes

to Financial Statement for the year ended March 31, 2022

## 40 Financial risk management (Contd..)

To hedge commodity related risk, the open outstanding position of forward/future as on March 31, 2022 is Nil.

To hedge commodity related risk, the open outstanding position of forward/future as on March 31, 2021 is Crude palm oil 18,220 MT (Sale), Soya Refined Oil 1,455 MT (Sale), Soybean seed 16,005 MT (Buy), Mustard seed 1,900 MT (Sale).

### (d) Equity risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments in Fair value through Other Comprehensive Income securities exposes the Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of equity securities as of March 31, 2022, was ₹ 2,766.97 Lakh [Previous Year 1,708.77 Lakh] . A Sensex standard deviation of 7% [Previous Year 16%] would result in change in equity prices of securities held as of March 31, 2022 by ₹ 193.69 Lakh.[Previous Year ₹ 273.40 Lakh]

### (ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customer. The Company establishes an allowance for doubtful debts, impairment and expected credit loss that represents its estimate on expected credit loss model.

#### A. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. 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.

#### Expected credit loss assessment for customers as at March 31, 2022 and March 31, 2021

Exposures to customers outstanding at the end of each reporting year are reviewed by the Company to determine expected credit losses. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. The impairment loss related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances.

The movement in the allowance for trade receivables having significant increase in credit risk during the period was as follows.

	(₹ in Lakh) March 31, 2022
Balance as at April 1, 2021	1,33,169.13
Impairment loss recognised as per ECL	345.49
<b>Balance as at March 31, 2022</b>	<b>1,33,514.62</b>

The movement in the allowance for trade receivables having significant increase in credit risk during the year was as follows.

	(₹ in Lakh) March 31, 2021
Balance as at April 1, 2020	1,33,002.21
Impairment loss recognised as per ECL	166.92
<b>Balance as at March 31, 2021</b>	<b>1,33,169.13</b>

# Notes

to Financial Statement for the year ended March 31, 2022

## 40 Financial risk management (Contd..)

### B. Cash and cash equivalents

The Company holds cash and cash equivalents with credit worthy banks of ₹ 37,495.57 Lakh as at March 31, 2022 [Previous Year ₹ 4,627.05 Lakh]. The credit worthiness of such banks is evaluated by the management on an on-going basis and is considered to be good.

### C. Derivatives

The derivatives are entered into with credit worthy counterparties. The credit worthiness of such counterparties is evaluated by the management on an on-going basis and is considered to be good.

### D. Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter-parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

### (iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has been taking measures to ensure that the Company's cash flow from business borrowing is sufficient to meet the cash requirements for the Company's operations. The Company managing its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are monitored on various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Net cash requirements are compared to available working capital facilities in order to determine headroom or any short falls. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.

The below table summaries the maturity profile of the Company's financial liability

(₹ in Lakh)

A As at March 31, 2022	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	> 5 years
Secured term loans and borrowings	2,98,868.93	2,99,924.72	91,148.72	23,424.00	99,648.00	85,704.00
Unsecured borrowings	7,812.36	7,812.36	7,812.36	—	—	—
Redeemable preference shares	42,652.29	45,000.00	—	—	—	45,000.00
Non convertible debenture	53,429.62	53,429.62	—	—	—	53,429.62
Trade payables	89,822.65	89,822.65	89,822.65	—	—	—
Other financial liabilities - current and non current	27,933.34	27,956.65	27,864.30	22.64	69.71	—

(₹ in Lakh)

B As at March 31, 2021	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	> 5 years
Secured term loans and borrowings	3,04,381.31	3,05,587.81	77,610.03	19,201.78	87,024.00	1,21,752.00
Unsecured borrowings	397.14	397.14	397.14	—	—	—
Redeemable preference shares	43,586.02	45,000.00	—	—	—	45,000.00
Non convertible debenture	49,784.62	49,784.62	—	—	—	49,784.62
Trade payables	65,660.18	65,660.18	65,660.18	—	—	—
Other financial liabilities - current and non current	23,126.64	23,127.25	23,125.38	0.80	1.07	—



# Notes

to Financial Statement for the year ended March 31, 2022

## 41 CAPITAL MANAGEMENT

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total equity. Net debt are non-current and current debts (including preference shares liabilities) as reduced by cash and cash equivalents. Equity comprises all components including other comprehensive income.

(₹ in Lakh)

A.	Particulars	As at March 31, 2022	As at March 31, 2021
	Total Debts	3,94,333.58	3,93,364.47
	Less : Cash and cash equivalent	37,495.56	4,627.05
	<b>Net Debts</b>	<b>3,56,838.02</b>	<b>3,88,737.42</b>
	<b>Total equity (Share Capital Plus Other Equity)</b>	<b>6,17,084.04</b>	<b>4,06,241.28</b>
	Net debt to equity ratio	0.58	0.96

### B. Dividends

No dividend is paid by the Company in last three financial years.

## 42 RATIO ANALYSIS AND ITS COMPONENTS

Sr No.	Ratios	Numerator	Denominator	March 31, 2022	March 31, 2021
1	Current ratio *	Current Assets	Current Liabilities	2.82	2.13
2	Debt- Equity Ratio #	Total Debts	Total Equity (Equity Share capital + Other equity)	0.64	0.97
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit after tax expense + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost + principle repayment of long term borrowings during the year	2.49	2.93
4	Return on Equity Ratio	Net profit after tax	Average Total Equity [(Opening Equity Share capital + Opening Other equity+Closing Equity Share Capital+Closing Other Equity)/2]	15.76%	18.32%
5	Inventory Turnover Ratio	Revenue from sales of products	Average Inventory (opening balance+ closing balance/2)	9.06	8.67
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable (Opening balance + closing balance /2)	39.21	45.81
7	Trade Payable Turnover Ratio	Cost of materials consumed + Purchase of Stock-in-Trade	Average trade payable (Opening balance + closing balance /2)	27.65	35.34
8	Net Capital Turnover Ratio \$	Revenue from operations	Working capital (Current asset - current liabilities)	5.91	8.35
9	Net Profit Ratio	Net profit after tax	Revenue from operations	3.33%	4.17%
10	Return on Capital Employed **	Profit Before interest & Tax	Total Equity + Total Debts (including preferred share liability)	14.13%	11.07%

# Notes

to Financial Statement for the year ended March 31, 2022

## 42 Ratio Analysis and its components (Contd..)

Sr No.	Ratios	Numerator	Denominator	March 31, 2022	March 31, 2021
11	Return on Investment	Interest Income on fixed deposits + Profit on sale of investments + Income of investment - impairment on value of investment	Current investments + Non current Investments + Fixed deposits with bank	3.03%	3.80%

\* Due to increase in total business activities.

# Due to receipt of share application money in current year

\$ Due to increase in revenue from operation

\*\* Due to increase in operating profit.

## 43 DISCLOSURE ON BANK/FINANCIAL INSTITUTIONS COMPLIANCES

Summary of reconciliation of monthly statements of current assets filed by the Company with Banks are as below :-

(₹ in Lakh)				
Quarter	Particulars of Securities Provided	As per Books of Accounts	As per statement of current assets	Difference
June-2021	Inventories and Trade Receivables	2,92,362.36	2,93,752.08	(1,389.72)
September-2021	Inventories and Trade Receivables	3,30,845.11	3,30,700.73	144.38
December-2021	Inventories and Trade Receivables	3,50,899.30	3,45,897.63	5,001.67

All loans outstandings as at March 31, 2022 are repaid by the Company. Hence the Company has not filed statement of current assets for the quarter ended March 31, 2022.

(₹ in Lakh)				
Quarter	Particulars of Securities Provided	As per Books of Accounts	As per statement of current assets	Difference
June-2020	Inventories and Trade Receivables	1,91,140.90	1,89,809.58	1,331.32
September-2020	Inventories and Trade Receivables	2,01,426.45	2,01,039.07	387.38
December-2020	Inventories and Trade Receivables	2,43,182.17	2,41,420.07	1,762.10
March-2021	Inventories and Trade Receivables	2,83,236.15	2,83,527.42	(291.27)

Note :-

Above differences are not considered material with reference to the size and nature of business operations of the Company.

## 44

- The Company disaggregates revenue from contracts with customers by type of Business and geography.
- Revenue disaggregation based on Geography and Revenue by business segments have been in Note no. 33 (Segment Reporting)
- Reconciliation of Revenue from Operation (Sale of Products) with contract price:

(₹ in Lakh)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract Price	23,87,105.99	16,15,511.40
Less : Reduction towards variables considerations components *	1,306.82	2,860.09
<b>Revenue from Operations</b>	<b>23,85,799.17</b>	<b>16,12,651.31</b>

\* The reduction towards variable consideration comprises of volume discounts, schemes rate difference and quality claim etc.

# Notes

to Financial Statement for the year ended March 31, 2022

- 45** The Serious Fraud Investigation Office (SFIO), New Delhi had started investigation into the affairs of Ruchi Soya Industries Limited in the year 2018 and it is still ongoing. Certain information have been sought from the company. Enforcement Directorate (ED) has sought certain information about the Company and its certain transactions with erstwhile foreign subsidiary and one overseas party for the period prior to the effective date (i.e. September 6, 2019) of the Resolution Plan as approved by Hon'ble National Company Law Tribunal ('NCLT'), Mumbai. The Company is fully co-operating with the both the authorities.

Since the above matters relates the period prior to the effective date (i.e. September 6, 2019) of Resolution Plan, the management is of the view that in terms of provisions of section 32 A of the Insolvency and Bankruptcy Code, 2016, Company shall not have any financial implication on it.

**46**

- i) As approved by the Board of Directors on June 9, 2021, in respect of purchase of right of contract manufacturing business of breakfast cereal products Patanjali Ayurved Limited has assigned its rights and obligations under the contract manufacturing agreements in favour of the Company. One time consideration paid of ₹ 350.00 Lakh have been accounted as "Intangible Assets".
- ii) The Company and Patanjali Ayurved Limited ("PAL") entered into Contract Manufacturing Agreement with Patanjali Ayurved Limited for manufacture of nutraceutical products for the Company and also to enter into a Brand License Agreement to use 'Patanjali' Brand for the nutraceutical products of the Company on the terms and conditions mentioned in the respective Agreements.
- iii) Accounting and disclosures on Business Combinations as per Ind AS 103 :- The Board of Directors of the Company at its meeting held on May 10, 2021 approved the signing of the Business Transfer Agreement ("BTA") with Patanjali Natural Biscuits Private Limited to acquire its business of manufacturing, packing and labelling of biscuits, cookies, rusk and other associated bakery products. The Company has a strong presence in the soya foods and edible oils segment. This acquisition will create a unique opportunity for the Company to participate and create value in the biscuit, cookies, rusk and other associated bakery product category in India.

Pursuant to BTA, the Company has acquired with effect from May 21, 2021 above said business for a slump consideration of ₹ 6,002.50 Lakh on going concern basis. All the assets and liabilities are taken over at their fair values. The Following is the summary of total assets and liabilities acquired by the Company at the date of acquisition:-

Particulars	(₹ in Lakh)
<b>ASSETS</b>	
(a) Property, plant and equipment	4,322.11
(b) Capital work-in-progress	2.28
(c) Inventories	1,818.00
(d) Financial Assets	
(i) Trade receivables	1,897.07
(ii) Others	2,021.11
(e) Other Current Assets	522.76
<b>Total Assets</b>	<b>10,583.33</b>
<b>LIABILITIES</b>	
(a) Financial Liabilities	
(i) Trade Payables	4,349.70
(ii) Other financial liabilities	989.57
(b) Other current liabilities	323.98
<b>Total Liabilities</b>	<b>5,663.25</b>
<b>Total Consideration</b>	<b>6,002.50</b>
<b>Goodwill</b>	<b>1,082.42</b>

# Notes

to Financial Statement for the year ended March 31, 2022

**47** Pursuant to further public offering (FPO) of the Company it has allocated 19,843,153 Equity Shares to the Anchor Investors at issue price of ₹ 650 per equity share. Till March 31, 2022, the Company received ₹ 1,29,732.47 Lakh from Anchor Investors as share application money pending allotment ₹ 1,28,980.49 Lakh has been classified into equity as share application money pending allotment and balance ₹ 751.97 Lakh share application money to the extent refundable is separately shown under Other financial liabilities. As at March 31, 2022, these proceeds were lying in the Escrow Account.

## **48 EVENTS AFTER THE REPORTING PERIOD :-**

- (i) Subsequent to the March 31, 2022, the Company has completed further public offering (FPO) of 6,61,53,846 equity shares of face value of ₹ 2 each for cash at an issue price of ₹ 650 per equity shares aggregating to ₹ 4,30,000 Lakh consisting of fresh issue of equity shares by the Company. Post allotment of aforesaid shares, the paid up equity share capital of the Company have been increased to ₹ 7,238.37 Lakh divided into 36,19,18,552 equity shares (net of treasury shares) of face value of ₹ 2 each from ₹ 5,915.29 Lakh divided into 29,57,64,706 equity shares (net of treasury shares).

These equity shares are listed on BSE Limited and National Stock Exchange of India Limited.

- (ii) The Company has received approval from Ministry of Corporate Affairs ("MCA") for making available the name "Patanjali Foods Limited" for change in present name of the Company and obtaining the approval of the shareholders is under process.
- (iii) The Board of Directors of the Company at its meeting held on May 18, 2022, approved signing of the Business Transfer Agreement with Patanjali Ayurved Limited to acquire the food retail business of PAL ("Food Retail Business Undertaking") including manufacturing plants, as a going concern on a slump sale basis, for cash consideration of ₹ 69,000 Lakh subject to certain adjustments.
- (iv) The Board of Directors has recommended dividend of ₹ 5/- per equity share of ₹ 2/- each for the financial year ended March 31, 2022. This payment of dividend is subject to approval of members of the Company at ensuing Annual General Meeting of the Company.

## **49 RELATIONSHIP WITH STRUCK OFF COMPANIES**

There is no balance outstanding as on March 31, 2022 on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

## **50 OTHER STATUTORY INFORMATION**

- (a) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (b) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (c) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (d) Registration and satisfaction of charge :-

# Notes

to Financial Statement for the year ended March 31, 2022

## 50 Other Statutory Information (Contd..)

The Company had availed a term loan facility of USD 20,00,000 from ING Bank N.V. The same was repaid and no dues certificate was issued by ING Bank N.V. The required forms as per the provisions of Companies Act, 1956 for registration of satisfaction of charge were filed with the Registrar of Companies, Maharashtra, Mumbai on June 10, 2000. However, the satisfaction of charge is still pending.

As per the Index of charges on MCA website, the charge for ₹ 27.00 Lakh was created on March 30, 1983 by General Foods Limited (since amalgamated with the Company in the year 2006) in favour of Madhya Pradesh Audhyogik Vikas Nigam Limited. The same was also modified on February 25, 1984. Since no amount is outstanding against the said charge, the Company is in process to get 'No dues certificate' from Charge holder to file required forms with MCA for satisfaction of charge.

## 51

The figures for the previous year have been re-grouped/ re-arranged, wherever necessary, to correspond with the current year classification/disclosures.

As per our report of even date attached

For and On Behalf of Board of Directors

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration No. 101720W/W100355

**Acharya Balkrishna**

Chairman

Place: Haridwar

DIN No. 01778007

**Ram Bharat**

Managing Director

Place: Haridwar

DIN No. 01651754

**Sanjeev Kumar Asthana**

Chief Executive Officer

Place: Noida

**Vijay Napawaliya**

Partner

Membership no. 109859

Place: Mumbai

**Sanjay Kumar**

Chief Financial Officer

Place: Indore

**Ramji Lal Gupta**

Company Secretary

Place: Indore

**Kumar Rajesh**

Head - Strategic Finance, Special Projects and Treasury management  
Place: Mumbai

Date: May 27, 2022

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

# FORM AOC-1

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

## PART “A”: SUBSIDIARIES

The Company has no subsidiary company as on March 31, 2022.

Sl. No.	Particulars	
1.	Name of the subsidiary	
2.	The date since when subsidiary was acquired	
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
5.	Share capital	
6.	Reserves & Surplus	
7.	Total Assets	Not Applicable
8.	Total Liabilities	
9.	Investments	
10.	Turnover	
11.	Profit/(Loss) before taxation	
12.	Provision for taxation	
13.	Profit/(loss) after taxation	
14.	Proposed Dividend	
15.	% of shareholding	

## PART “B”: ASSOCIATES AND JOINT VENTURES

The Company has no associate company and joint venture as on March 31, 2022 except Ruchi J-Oil Private Limited which is under voluntary liquidation from August 21, 2018.

Sl. No.	Particulars	
1.	Name of Associates/Joint Ventures	Ruchi J-Oil Private Limited
2.	Latest audited Balance Sheet Date	May 09, 2018
3.	Shares of Associate/Joint Ventures held by the company on the year end	
	No. of shares	22,060
	Amount of Investment in Associates/Joint Venture	₹ 154.26 Lakh
	Extend of Holding %	51
4.	Description of how there is significant influence	Due to Shareholding
5.	Reason why the associate/joint venture is not consolidated	Not Applicable
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 3,576.29 Lakh
7.	Profit / Loss for the year	
	i. Considered in Consolidation	Not Applicable
	ii. Not Considered in Consolidation	



**Notes:**

Names of associates or joint ventures which are yet to commence operations : None

Names of associates or joint ventures which have been liquidated or sold during the year :

GHI Energy Private Limited (“GHI”) was an associate of the Company with Company’s holding 49% of the paid up equity share capital. However, GHI issued further equity shares on May 13, 2019 without consent of the Company as a result of which Company’s equity shareholding in GHI reduced to 19.34%. On pursuation by the Company, GHI has filed a petition with Hon’ble National Company Law Tribunal, Chennai Bench (“Hon’ble Tribunal”) for reduction of capital under section 66 of the Companies Act, 2013. Accordingly, pending confirmation of the Hon’ble Tribunal of the aforesaid reduction of share capital of GHI, the Company continues to hold only 19.34% in GHI. Upon approval of the capital reduction by the Hon’ble Tribunal and such capital reduction, being effective, the paid up share capital of GHI shall stand reduced to the extent of the shares so extinguished and the original shareholding of 49% of the Company shall stand restored. The same is pending with the Hon’ble Tribunal.

The investment of the Company in Indian Oil Ruchi Biofuels LLP, a Joint Venture, has been impaired in the books of accounts of the Company in the year 2018-19 as per the provisions of applicable Ind-AS.

For and on behalf of the Board of Directors of

**Patanjali Foods Limited**

(Formerly known as Ruchi Soya Industries Limited)

**Acharya Balkrishna**

Chairman

DIN: 01778007

**Ram Bharat**

Managing Director

DIN: 01651754

**Kumar Rajesh**

Chief Financial Officer

**Ramji Lal Gupta**

Company Secretary

Place : Haridwar

Date : August 10, 2022

Place : Haridwar

Date : August 10, 2022

Place : Mumbai

Date : August 10, 2022

Place : Indore

Date : August 10, 2022



**PATANJALI FOODS LIMITED**  
(Formerly known as Ruchi Soya Industries Limited)

CIN: L15140MH1986PLC038536

Registered Office: "Ruchi House", Royal Palms, Survey No. 169, Aarey Milk Colony,

Near Mayur Nagar, Goregaon (East), Mumbai 400065, Maharashtra, India

Email: secretarial@patanjalifoods.co.in; Telephone: (+91-22) 61090100 / 200

Website: www.patanjalifoods.com

## Notice of 36<sup>th</sup> Annual General Meeting

Notice is hereby given that the Thirty Sixth (36<sup>th</sup>) Annual General Meeting ("**AGM / Meeting**") of the members of Patanjali Foods Limited (Formerly known as Ruchi Soya Industries Limited) ("**the Company**") will be held on Thursday, the September 29, 2022 at 2.00 PM through video conferencing ("**VC**")/ other audio visual means ("**OAVM**") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on preference shares and equity shares for the year ended March 31, 2022.
3. To appoint a director in place of Shri Acharya Balkrishna (DIN: 01778007) who, retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s Chaturvedi & Shah LLP, Chartered Accountants as statutory Auditor of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of section 139, section 142 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration No.: 101720W/W100355) be and are hereby re-appointed as the Statutory Auditors for conducting audit of the

Company for a term of 5 (five) consecutive years, who shall hold office from the conclusion of this Annual General Meeting till the conclusion of the 41<sup>st</sup> Annual General Meeting of the Company at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**RESOLVED FURTHER THAT** any of the directors of the Company, Shri Kumar Rajesh, Chief Financial Officer and Shri Ramji Lal Gupta, Company Secretary of the Company be and are hereby severally and/ or jointly authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of necessary forms, returns and submissions under the Act to relevant authorities so as to give effect to this resolution."

### SPECIAL BUSINESS:

5. **To re-appoint Shri Ram Bharat (DIN: 01651754), as Managing Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of the section 149, section 152, section 197, section 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Appointment and Qualification of Directors) Rule, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, and upon recommendation of the Nomination & Remuneration Committee and the

Board of Directors, Shri Ram Bharat (DIN: 01651754), who was appointed as Managing Director to hold office as such up to December 17, 2022, be and is hereby re-appointed as Managing Director of the Company, not liable to retire by rotation, for a further term of five years from December 18, 2022 to December 17, 2027 with a remuneration of Re. 1.00 (Rupee One Only) per annum, on the terms and conditions as set out in the explanatory statement annexed to the Notice, with a liberty to the Board of Directors (hereinafter referred to as “the Board” which shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/ or remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Act and rules made thereunder or any statutory amendment(s), modification(s) or re-enactment(s) thereof.

**RESOLVED FURTHER THAT** any of the directors of the Company, Shri Kumar Rajesh, Chief Financial Officer and Shri Ramji Lal Gupta, Company Secretary of the Company be and are hereby severally and/ or jointly authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

6. **To appoint Shri Girish Kumar Ahuja (DIN: 00446339), as the Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of section 149, section 150, section 152, schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, and upon recommendation of the Nomination & Remuneration Committee and the Board of Directors, Shri Girish Kumar Ahuja, aged 76 years (approx.) who was appointed as Independent Director of the Company for a period of three (3) consecutive years to hold as such up to December 17, 2022 and who has

submitted the declaration that he meets the criteria of independence as provided under section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years with effect from December 18, 2022 to December 17, 2027.

**RESOLVED FURTHER THAT** any of the directors of the Company, Shri Kumar Rajesh, Chief Financial Officer and Shri Ramji Lal Gupta, Company Secretary of the Company be and are hereby severally and/ or jointly authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

7. **To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2023**

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

“**RESOLVED THAT** pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with rule 14 of the Companies (Audit and Auditors) Rules, 2014 {including any statutory amendments(s), modification(s) or re-enactment(s) thereof, for the time being in force}, the remuneration payable to M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No.000017), appointed by the Board of Directors of the Company, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, amounting to ₹ 4,40,000/- (Rupees Four Lakh Forty Thousand Only) plus applicable taxes thereon and re-imbursement of out-of-pocket expenses, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified, confirmed and approved.

**RESOLVED FURTHER THAT** Shri Ram Bharat, Managing Director, Shri Kumar Rajesh, Chief Financial Officer and Shri Ramji Lal Gupta, Company Secretary of the Company, be and are hereby severally and/ or jointly authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

8. **To grant omnibus approval for related party transactions with Patanjali Ayurved Limited**

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

“**RESOLVED THAT** in supersession of the resolution passed by the shareholders through postal ballot on June 22, 2022 for omnibus approval of transactions with Patanjali Ayurved Limited, a related party, up to ₹ 950 Crore (Rupees Nine Hundred Fifty Crore only) during financial year 2022-23, and pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), various circulars issued by SEBI, the applicable provisions of the Companies Act, 2013 along with the rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, the Company’s Policy on materiality of related party transactions and on dealing with related party transactions and as per the recommendation/approval of the Audit Committee and the Board of Directors of the Company, approval of the shareholders of the Company be and is hereby accorded to the Company for entering into and/or continuing to enter into transaction(s) with Patanjali Ayurved Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations, for sale/ purchase of goods, packing materials, rendering of services and other transactions in the ordinary course of business of the Company at arm’s length basis, from time to time, during the financial year ending March 31, 2023 upto an amount not exceeding ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore only) on such terms and conditions as may be

decided by the Audit Committee / Board of Directors of the Company as they may deem fit.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to delegate all or any of the powers conferred on it to any Committee of Directors and/or Managing Director of the Company and to do all such acts, deeds, matters and things and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Audit Committee and by the Board, in connection with any matter authorised, referred to, or contemplated in the resolution passed by the shareholders through postal ballot on June 22, 2022 for omnibus approval of transactions with Patanjali Ayurved Limited, a related party, up to ₹ 950 Crore (Rupees Nine Hundred Fifty Crore only) during financial year 2022-23, shall remain valid and be and are hereby approved, ratified, and confirmed in all respects.”

By Order of the Board of Directors  
For **Patanjali Foods Limited**

(Formerly known as Ruchi Soya Industries Limited)

Place : Mumbai

Date : August 10, 2022

**Registered Office:**

“Ruchi House”, Royal Palms,  
Survey No. 169, Aarey Milk Colony,  
Near Mayur Nagar, Goregaon (East),  
Mumbai - 400065, Maharashtra, India

**Ramji Lal Gupta**

Company Secretary

**NOTES:**

1. An Explanatory Statement pursuant to the provisions of section 102 of the Companies Act, 2013 (“**the Act**”), setting out the material facts in respect of the Special Business to be transacted at the Annual General Meeting (“**AGM / Meeting**”) is annexed hereto. Further details as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) in respect of the directors seeking appointment/ re-appointment at the AGM, given as an annexure to Explanatory Statement and the same shall form part of the Explanatory Statement pursuant to the provisions of Section 102 of the Act and Notice.

2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“**MCA**”), vide its General Circular No. 2/2022 dated May 05, 2022 read together with General Circular No. 20/2020 dated May 05, 2020, General Circular No. 2/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021 and General Circular No. 21/2021 dated December 14, 2021 (collectively referred to as “**MCA Circulars**”) and other applicable circulars issued by the Securities and Exchange Board of India (“**SEBI**”), has permitted the Companies to conduct the AGM during the calendar year 2022, for the financial year ended / ending any time before / on March 31, 2022 through video conferencing (“**VC**”) or other audio visual means (“**OAVM**”) as per the respective due dates by December 31, 2022, without physical presence of the Members at a common venue.

3. In compliance with applicable provisions of the Act read with the MCA Circulars and Listing Regulations, the 36<sup>th</sup> AGM of the Company is being conducted through VC/ OAVM. In accordance with the provisions of Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India (“**ICSI**”) read with Guidance/ Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
4. The Company has appointed National Securities Depository Limited (“**NSDL**”) to provide VC/ OAVM facility for the AGM.
5. Pursuant to the General Circular No. 14/2020 dated April 08, 2020, issued by MCA, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, in pursuance of section 112 and section 113, the Institutional/ Corporate Shareholders are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate there at and cast their votes through e-Voting. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Corporate members/ Societies/ Trusts intending to send their authorized representative to attend the AGM through VC/ OAVM facility, are requested to send a duly certified copy of Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the AGM.
7. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. **Electronic dispatch of Annual Report and process for registration of email id for obtaining copy of Annual Report:**
  - (i) In compliance with the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors and Auditor or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). The Notice calling the AGM and the Annual Report 2021-22 has been uploaded on the website of the Company at [www.patanjalifoods.com](http://www.patanjalifoods.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The same is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (ii) Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in) or Share Transfer Agent at [investors@sarthakglobal.com](mailto:investors@sarthakglobal.com) along with the copy of the signed request letter mentioning the name, demat account number/ folio number, email id, mobile number and address of the Member, self-attested copy of the PAN card and of any document (e.g.: Driving License, Election Identity Card, Passport) as supporting documents. Members holding shares in dematerialized mode are requested to register/ update their email addresses with the relevant Depository Participants.
9. **Procedure to raise questions / seek clarifications with respect to annual report:**
  - (i) Members who wish to express their views / ask questions during the AGM may register themselves as a speaker by sending their request and questions in advance atleast seven (7) days prior to AGM mentioning their name, demat account number/ folio number, email id, mobile number at [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in).
  - (ii) Members who wish to express their views / have queries may send their queries in advance atleast seven (7) days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in). These queries will be replied by the Company suitably by email.
  - (iii) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.



**10. Instructions to Members for remote e-voting and joining virtual meeting:**

1. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
2. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
4. In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.patanjalifoods.com](http://www.patanjalifoods.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
5. Members whose name are recorded in the Register of Members or in the Register of Beneficial

Owners by the Depositories as on cut-off date i.e. Thursday, September 22, 2022 shall be entitled to avail the facility of remote e-voting as well as e-voting during AGM. Any receipt of the Notice, who has no voting rights as on the cut-off date shall treat this Notice as intimation only.

6. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of AGM and prior to the cut-off date i.e. Thursday, September 22, 2022 shall also be entitled to exercise his/ her vote either electronically i.e. remote e-voting or e-voting during AGM by following the procedure mentioned hereunder.
7. A dividend of ₹ 5/- per equity share has been recommended by the Board of Directors for the financial year ended March 31, 2022, subject to approval of the members at this Meeting. The Register of Members and Share Transfer Book of the Company will remain closed from Tuesday, September 27, 2022 to Thursday, September 29, 2022 (both days inclusive) for determining the entitlement of the members to the dividend, for financial year ended March 31, 2022.
8. The cut-off date for the purpose of determining entitlement of shareholders/members to dividend for the financial year ended March 31, 2022, if approved at the AGM, is Monday, September 26, 2022.
9. Dividend as recommended by the Board of Directors, if declared at the AGM, shall be dispatched/remitted commencing from the day after the AGM i.e. September 30, 2022.
10. Members holding shares in demat form are hereby informed that bank particulars registered with their respective DPs with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change or updation of bank particulars. Such changes/updation are to be intimated only to the DPs of the Members. In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such shareholders.



11. If the final dividend, as recommended by Board of Directors, is approved at the AGM, payment of such dividend will be subject to deduction of tax at source:
  - i. To all beneficial owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively referred to as "Depositories" as of end of day on Monday, September 26, 2022
  - ii. To all shareholders / members in respect of shares held in physical form after giving effect to valid transfer in respect of transfer requests lodged with the Company/RTA as of the close of business hours on Monday, September 26, 2022
12. Pursuant to Finance Act, 2020, dividend income is taxable in the hand of shareholders with effect from April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendment thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and RTA (if shares held in physical form).

Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source to [investors@sarthakglobal.com](mailto:investors@sarthakglobal.com) on or before September 10, 2022. Shareholders are requested to note that in case their PAN is registered, the tax will be deducted at 10%, otherwise it will be deducted at 20%.

Non-resident shareholders {including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)} can avail beneficial rate under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Owner Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholders may submit the above documents to [investors@sarthakglobal.com](mailto:investors@sarthakglobal.com). The aforesaid

declarations and documents need to be submitted by the shareholders on or before September 10, 2022.

13. The Company, for sending Notices/communications will use the details of address registered with the NSDL/CDSL and downloaded by RTA from the respective Depository. Shareholders holding shares in electronic form are hereby informed that their address registered in Demat Account should be updated with respective Depository Participant so as to get update immediately. The Company or its RTA cannot act on any request received directly from the Shareholders holding shares in electronic form for any change of address. Such changes are to be advised only to the Depository Participant of the Shareholders.
11. **The instructions for shareholders for e-voting and joining virtual meetings are as under:**
  - (i) The voting period begins on Monday, the September 26, 2022 at 09.00 AM and ends on Wednesday, the September 28, 2022 at 05.00 PM. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, September 22, 2022 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDEAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDEAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="https://web.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="https://web.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022- 23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?

- (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/ Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [pddiwan@yahoo.co.in](mailto:pddiwan@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

##### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.

#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self -attested

scanned copy of Aadhar Card) by email to [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in) or [investors@sarthakglobal.com](mailto:investors@sarthakglobal.com).

2. In case shares are held in demat mode, please update your email id and mobile no. with your respective Depository Participant (DP). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting

system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in). The same will be replied by the company suitably.

#### **12. Procedure for inspection of Documents:**

- (i) All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in).
- (ii) Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act, can send an email at [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in).

The Register of Directors and KMPs and their shareholding maintained under section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode.



### 13. General Information:

- (i) The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date, i.e. Thursday, September 22, 2022.
- (ii) Once the vote on a resolution is cast by the member, he/she will not be allowed to change it subsequently or cast the vote again.
- (iii) Sarthak Global Limited, 170/10, Film Colony, R.N.T. Marg, Indore 452001 (M.P.) is the Share Transfer Agent of the Company. Sarthak Global Limited is also the depository interface of the Company with both NSDL and CDSL. Members are requested to address all correspondence to the said Share Transfer Agent.
- (iv) The Company has appointed CS Prashant Diwan, Practicing Company Secretary, as Scrutinizer to scrutinize the remote e-voting process and e-voting system at the AGM in a fair and transparent manner.
- (v) Members who wish to claim their dividends that remained unpaid / unclaimed, are requested to correspond with the Company or to the Share Transfer Agent. The amount of dividend remaining unpaid /unclaimed for a period of seven (7) years from the due date is required to be transferred to the Investor Education and Protection Fund("IEPF"), constituted by the Central Government. The Company had, accordingly, transferred the unpaid and unclaimed dividend amount pertaining to dividend for the financial year 2013-14 to the IEPF within the stipulated time period during the year.
- (vi) Members are requested to note that shares on which dividend remains unpaid / unclaimed for a period of seven (7) consecutive years, will also be transferred to the IEPF in terms of the provisions of Section 124 of the Act and the applicable rules made thereunder.
- (vii) Regulation 40 of the Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its circular dated January 25, 2022, has clarified that listed Companies, with immediate effect, shall issue the securities only in demat mode while processing investor services requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/consolidation of share certificates, etc. In view of this, Members holding shares in physical form are requested to submit duly filled form ISR-4 to M/s Sarthak Global Limited, RTA at 170/10, R.N.T. Marg, Film Colony,

Indore – 452001 or by email to [investors@sarthakglobal.com](mailto:investors@sarthakglobal.com) for the above mentioned service request. Further to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding equity shares in physical form are requested to consider converting their holding to demat mode.

- (viii) **Furnishing PAN, KYC, Bank Details and Nomination by Shareholders :** SEBI has issued Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 and Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 for Common and Simplified Norms for processing investor's services request by Registrar and Share Transfer Agents (RTAs) and norms for furnishing PAN, KYC details and Nomination, freezing of folios without valid PAN, KYC details; compulsory linking of PAN and Aadhar by Shareholders holding shares in physical form, among others.

Company has also sent an individual letter to physical shareholders requesting them to furnish PAN, KYC details and Nomination to avoid freezing of their folios. Specimen copy of letter and prescribed formats for KYC and Nomination are available on website of Company under "Updation of KYC" section at <http://www.patanjalifoods.com/kycUpdation.php>

**Freezing of Folios without PAN, KYC details and Nomination:** Folios wherein any one of the above mentioned documents/details are not available on or after April 1, 2023, shall be frozen by RTA/Company in terms of said Circulars. The frozen folios will be referred by RTA/Company to the administering authority under the Benami Transaction (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

**Compulsory linking of PAN and Aadhaar by all shareholders in physical mode:** From March 31, 2022 or any other dates as may be specified by the Central Board of Direct Taxes ("CBDT"), RTA will accept only valid PANs and also verify that the PAN in the existing folios are valid i.e. linked to the Aadhaar number of the Shareholder. The folios wherein PAN is not valid as on the notified cut-off date of March 31, 2022 or any other date as may be specified by the CBDT, will also be frozen.

**Shareholders may note that in terms of the above mentioned Circulars, w.e.f. January 1, 2022, RTA of the Company will not process any service request or complaint from Shareholder(s) / claimant(s) unless PAN, KYC and Nomination documents/details are available.**



(ix) **Dematerialization of Physical Holdings – A Special Request**

SEBI vide its Press Release No. 12/2019 dated March 27, 2019 has decided that except in case of transmission or transposition of securities, request for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. April 1, 2019. Hence, we request the shareholders to demat their physical holding immediately.

In terms of Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, transfer of securities held in physical mode has been discontinued w.e.f. April 1, 2019. Accordingly transfer of shares can be done only if the shares are held in demat form.

Further, SEBI vide Circular No. SEBI/HO/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, decided that listed Companies while processing request for issue of duplicate share certificate, transmission, transposition, etc., shall henceforth issue the securities in demat form only. Shareholders/claimants may submit above requests in duly filled Forms ISR-4 along with documents mentioned therein. Form ISR-4 can be downloaded from the website of the Company at <http://www.patanjalifoods.com/kycUpdation.php>

In view of above, we request all shareholders of the Company, who hold the shares in physical form to kindly dematerialize their shares.

- (x) Members holding shares in electronic form are requested to provide their e-mail address, details relating to nomination, mobile number and bank details to their Depository Participant(s) (“DP”) in case the same are not updated.

- (xi) Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM. In case any Institutional Member, facing issues for participating in AGM can write to [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in).

- (xii) The Scrutinizer shall after the conclusion of e-voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, within two working days of conclusion of the Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same and declare the result of the voting forthwith.

- (xiii) Shareholders are requested to invariably quote their respective folio number/s (for those holding shares in physical form) and their respective DP Id / Client Id number (for those holding shares in electronic/demat form) in any correspondence with the Company or Company’s Registrar and Share Transfer Agent.

- (xiv) The result shall be declared on or after the date of the Annual General Meeting of the Company and shall be deemed to be passed on the date of the Meeting. The result declared, alongwith the Report of the Scrutinizer shall be placed on the website of the Company at [www.patanjalifoods.com](http://www.patanjalifoods.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing in that behalf. The result shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.

- (xv) Since the AGM is being conducted through VC / OAVM, the Route Map is not annexed to this Notice.

## EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

Explanatory statement for item no. 4 is being provided in accordance with Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).

In accordance with the provisions of section 139, 142 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rule, 2014, M/s Chaturvedi & Shah LLP, Chartered Accountants, Firm Registration No. 101720W/W100355 were appointed as the Statutory Auditors of the Company at the 31<sup>st</sup> AGM to hold office till the conclusion of 36<sup>th</sup> AGM of the Company. Accordingly, M/s Chaturvedi & Shah LLP would be completing their first term of five (5) years at the conclusion of this AGM.

In accordance with the provisions of the section 139(2) of the Act, a listed Company can re-appoint an audit firm as auditor for not more than two terms of five (5) consecutive years. M/s Chaturvedi and Shah LLP has completed only one term of five (5) years and accordingly the Board, on recommendation of the Audit Committee, has further recommended the re-appointment of M/s Chaturvedi & Shah LLP for a second term of five years for conducting statutory audit of the Company and to hold office from the conclusion of the 36<sup>th</sup> AGM till the conclusion of 41<sup>st</sup> AGM at such remuneration and on such terms and conditions to be mutually agreed between the Board of Directors of the Company and the Auditors, which shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The firm has offices in various cities across the country and is a multi-disciplinary Audit Firm catering to various clients in diverse sectors. M/s Chaturvedi & Shah LLP has provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the ‘Peer Review Board of ICAI’.

The Company has received confirmation and consent from M/s Chaturvedi & Shah LLP that they are eligible for re-appointment, under section 139 and 141 of the Act. Considering the past performance, experience and expertise of M/s Chaturvedi and Shah LLP, and based on the recommendation of the Audit Committee, the Board recommends re-appointment of statutory auditors, as set out in the resolution at Item No. 4, for approval of the members as an ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution.

### Item No. 5

Shri Ram Bharat was appointed as Wholetime Director with effect from December 18, 2019 and designated as Managing Director by the Board of Directors on August 19, 2020 to hold office from August 19, 2020 to December 17, 2022 and the same was confirmed by the shareholders at 34<sup>th</sup> AGM of the Company held on December 21, 2020. His term of appointment is expiring on December 17, 2022 and hence, requires approval of shareholders for his re-appointment as Managing Director of the Company for a further period of five years.

The particulars and terms of appointment and remuneration payable to Shri Ram Bharat are as under:

- a. Salary: Re. 1 (Rupee One) per annum
  - b. Perquisites and Allowances: Nil
  - c. Contribution to provident fund, superannuation or annuity fund, gratuity etc.: Nil
  - d. Remuneration based on net profit: Nil
  - e. Increment / Incentive / ESOP etc.: Nil
  - f. Reimbursement of Expenses: Nil
- (i) The Managing Director shall perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the board of directors from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the board of directors and the functions of Managing Director will be under the overall authority of the board of directors.
- (ii) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in section 166 of the Act with regard to duties of directors.
- (iii) The Managing Director shall adhere to the Code of Conduct and other policies made by the Company.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Shri Ram Bharat as Managing Director.

Shri Ram Bharat satisfies all the conditions set out under section 196(3) of the Act and under Part-I of the Schedule V to the Act, being eligible for reappointment as Managing Director.

The above may be treated as written memorandum setting out the terms of appointment of Shri Ram Bharat under section 190 of the Act.

Except Shri Ram Bharat, being an appointee and Shri Swami Ramdev, elder brother of Shri Ram Bharat and their respective relatives, none of the other directors or key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 for the approval of members.

#### Item No. 6

Shri Girish Kumar Ahuja was appointed as an Independent Director at 34<sup>th</sup> AGM of the Company for a term of three (3) consecutive years w.e.f. December 18, 2019 to December 17, 2022. The term of his appointment is expiring on December 17, 2022. Hence his re-appointment as Independent Director of the Company for a further period of five years requires approval of shareholders.

The Company has received a notice in writing under section 160 of the Act from a member of the Company, proposing candidature of Shri Girish Kumar Ahuja as Director of the Company. The Company has also received a declaration of Independence under section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") from him. Shri Girish Kumar Ahuja is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as Director. A copy of the Letter of Appointment of Shri Girish Kumar Ahuja as Non-Executive Independent Director of the Company, is available for inspection through electronic mode on the basis of request being sent to [secretarial@patanjalifoods.co.in](mailto:secretarial@patanjalifoods.co.in).

Shri Girish Kumar Ahuja is an eminent personality. His professional profile, proven experience in business domain will add value to the Company and deliver good payoffs to shareholders in the form of improved valuations & sound governance practices etc. The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Shri Girish Kumar Ahuja as an Independent Director. In the opinion of the Board of Directors, Shri Girish Kumar Ahuja fulfils the conditions specified in the Act and the rules made thereunder for his appointment as Independent Director of the Company and

that the proposed Director is Independent of the Management of the Company.

Further, pursuant to Regulation 17(1A) of the Listing Regulations, consent of the Members by way of Special Resolution is required for continuation of a non-executive director beyond the age of seventy-five (75) years. Since Shri Girish Kumar Ahuja is of age of 76 years (approx.), the re-appointment of Shri Girish Kumar Ahuja as an Independent Director for a consecutive period of five years from December 18, 2022 to December 17, 2027 in Item No. 6 is proposed to be passed and approved as special resolution.

Pursuant to the requirements of the Act and based on his expertise, knowledge, continued valued guidance to the Management and outcome of the performance evaluation during his first term of three years and the substantial contribution made by him, it is proposed to seek approval of the members by way of Special Resolution to re-appoint Shri Girish Kumar Ahuja, as an Independent Director for a second term of five years commencing from December 18, 2022.

Except Shri Girish Kumar Ahuja, being an appointee and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of the notice.

#### Item No. 7

The Board of Directors of the Company, on the recommendation of the Audit Committee, at their meeting held on May 18, 2022, approved the appointment and remuneration of M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No. 000017), to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023 at a remuneration of ₹ 4,40,000/- (Rupees Four Lakh Forty Thousand Only) plus applicable taxes thereon and reimbursement of out-of-pocket expenses.

In terms of the provisions of section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors. In compliance with the General Circular number 20/2020 issued by the Ministry of Corporate Affairs, this item is considered unavoidable and forms part of this Notice.

None of the Directors or Key Managerial Personnel or their relatives, are concerned or interested, financially or otherwise, in this Resolution as set out at Item No. 7 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 7 for the approval of Members.

#### Item No. 8

As per the provisions of Section 188 of the Companies Act, 2013 (“the Act”), transactions with related parties which are on an arm’s length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, as per the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), such transactions which are material as per the provisions of SEBI Listing Regulations require the prior approval of shareholders through a resolution, notwithstanding the fact that the same are on an arm’s length basis and in the ordinary course of business. With effect from April 1, 2022, as per Regulation 23 of SEBI Listing Regulations, a Related Party Transaction will be considered as ‘material’ if the transaction(s), to be entered into, individually or taken together with previous transactions, during a financial year exceeds ₹ 1,000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

The Company has been entering into various transactions of sale/purchase of goods, packing materials, rendering of services and others with Patanjali Ayurved Limited, in its ordinary course of business and on an arms’ length basis. The shareholders of the Company had granted approval for entering into transactions with Patanjali Ayurved Limited (“PAL”) upto an amount

of ₹ 950 Crore (Rupees Nine Hundred Fifty Crore only), in addition to the transaction related to acquisition of food retail business undertaking for ₹ 690 Crore (Rupees Six Hundred Ninety Crore only) from PAL, which was approved separately by the shareholders by way of postal ballot, during the financial year (“FY”) 2022-23. However, all transactions of the Company with PAL, collectively, during FY 2022-23 may exceed the limit approved by shareholders for transactions with PAL.

Therefore, fresh omnibus approval of shareholders for all transactions, of any nature whatsoever in the ordinary course of business, with PAL up to ₹ 1500 Crore (Rupees One Thousand Five Hundred Crore only), in addition to the acquisition of food retail business undertaking for ₹ 690 Crore (Rupees Six Hundred Ninety Crore only) from PAL during FY 2022-23, is being sought under Item no. 8.

The Company has in place a balanced and structured policy and process for approval of Related Party Transactions. The Company’s Policy on materiality of related party transactions and on dealing with related party transactions (“Company’s Policy”) provides the details required to be provided to the Audit Committee for the purpose of review of such transactions and grant their approval for the proposed transactions. A justification for each and every related party transaction is provided to the Audit Committee which enables them to arrive at the decisions in the interest of the Company. Additionally, an update on the actual related party transactions entered into during every quarter is provided to the Audit Committee for review.

**Details of the Material Related Party Transactions as required, under SEBI Circular no. SEBI /HO/CFD/ CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:**

Sr. No.	Particulars	Details
1.	Name of the Related Party	Patanjali Ayurved Limited (PAL)
2.	Name of the director or key managerial personnel who is related, if any	Shri Ram Bharat and Shri Acharya Balkrishna
3.	Nature of Relationship	PAL is one of the promoters of the Company. Furthermore, Shri Ram Bharat, Managing Director and one of the promoters of the Company, is also a Director of PAL. Shri Acharya Balkrishna, one of the promoters and Chairman of the Company holds 98.54 % of the paid up equity share capital of PAL.
4.	Type, material terms and particulars of the proposed transaction	Entering into transactions of sale/purchase of goods, packing materials, rendering of services and other transactions, in the ordinary course of business, during the year 2022-23.
5.	Tenure of the proposed transaction	Financial year 2022-23
6.	Value of the proposed transaction	Not exceeding ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore Only). The proposal seeks to provide enabling authority to the Board and Audit Committee to undertake the transactions with PAL as and when required within, the aforesaid limits and as per the Company’s Policy.
7.	Percentage of the Company’s annual consolidated turnover (approx.) for the year 2021-22	6.25% (Approx.)

Sr. No.	Particulars	Details
8.	Justification as to why the RPT is in the interest of the Company	PAL is having very efficient supply chain and wide sales/procurement network due to its nature of business. For increasing the Company's sales volume and product reach, the sales/supply chain network of the PAL is beneficial for the Company.

The transactions shall also be reviewed/ monitored on quarterly basis by the Audit Committee of the Company and any subsequent material modification in the proposed transaction, as may be defined by the Audit Committee as a part of Company's Policy, shall be placed before the shareholders for approval in terms of Regulation 23(4) of the SEBI Listing Regulations.

The Board recommends the resolution set out at Item no. 8 for approval of the Shareholders. No member(s) of the Company, who is considered as a related party within the definition of

"related party" as per Listing Regulations, for the purpose of this transaction, shall vote to approve the resolution proposed in Item no. 8 in this notice.

Except as disclosed hereinabove and to the extent of shareholding in the Company, Directors and Key Managerial Personnel of the Company and their respective relatives are not, whether financially or otherwise, concerned or interested, in the resolution set out at item No. 8.

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE THIRTY SIXTH ANNUAL GENERAL MEETING

[Disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 issued by the Institute of Company Secretaries of India]

### Shri Acharya Balkrishna (DIN: 01778007), Director

Acharya Balkrishna founded the Divya Yog Mandir Trust in 1995 with Shri Swami Ramdev. He is honoured with "UNSDG 10 Most Influential People in Healthcare" award on May 25, 2019, "Ganga" award by Parmarth Niketan, Rishikesh in June 2018 and "Indian of the year business category -2017" award by CNN News 18 on November 30, 2017. He is known as the follower of spiritual tradition of yoga and Ayurveda in India. Acharya Balkrishna has also supported in the field of indigenous medicine at domestic as well as international level. He is also known as renowned herbal expert.

Shri Acharya Balkrishna has published more than 100 research articles in various national and international journals and more than 100 books are named under him.

Shri Acharya Balkrishna is proposed to be re-appointed as Non- Executive Non-Independent Director of the Company liable to retire by rotation. He was not paid any remuneration by the Company during the year ended March 31, 2022. No remuneration is sought to be paid to him. He attended 14 meetings of the Board during the year ended March 31, 2022.

**Age:** 50 Years

**Qualification:** Shri Acharya Balkrishna holds a degree of Doctor of Letters (Yoga) (Honoris Causa) from Swami Vivekananda Yoga Anusandhana Sansthan (deemed university) and degree of Doctor of Letters (Honoris Causa) from Awadhesh Pratap Singh Vishwavidyalaya, Rewa, Madhya Pradesh.

**Experience & Nature of expertise in specific functional areas:** He is having experience and expertise in the field of Leadership and Management Strategy, Marketing, Logistics, Import & Exports, Commercial including Public Relations, Innovation and Research & Development.

**Disclosure of inter-se relationships between Directors and Key Managerial Personnel:** None

**Shareholding including shareholding as beneficial owner in the Company as on March 31, 2022:** Shri Acharya Balkrishna is one of the significant beneficial owners of Patanjali Ayurved Limited (which holds 14,25,00,000 equity shares in the Company), Yogakshem Sansthan (which holds 6,00,00,000 equity shares in the Company) and Patanjali Gramudyog Nayas (which holds 4,00,00,000 equity shares in the Company).

**Other Companies (other than Patanjali Foods Limited) in which Shri Acharya Balkrishna holds Directorships:** Other Companies in which Shri Acharya Balkrishna holds directorship as on date are as follows:

Patanjali Food and Herbal Park Private Limited, Patanjali Food and Herbal Park Nagpur Private Limited, Patanjali Food and Herbal Park Nodia Private Limited, Patanjali Food and Herbal Park Andhrasansthan, Yogakshem Sansthan, Himalick Herbo



Healthcare Private Limited, Omgreen Agro Private Limited, Patanjali Food and Herbal Park Bundelkhand Private Limited, Gangotri Ayurveda Private Limited, Chaitanya Ayurveda Private Limited, Vedic Broadcasting Limited, Patanjali Aarogya Private Limited, Herbo Yog Gram Private Limited, Patanjali Wellness Limited (Formerly known as Patanjali Aeromatics Private Limited), Social Revolution Media & Research Private Limited, Patanjali Ayurved Limited, Patanjali Ayurveda Private Limited (Nepal).

**Listed Companies (other than Patanjali Foods Limited) from which Shri Acharya Balkrishna has resigned in the past three years:** Nil

**Other Companies (other than Patanjali Foods Limited) in which Shri Acharya Balkrishna holds Membership/ Chairmanship in the Committees of the Board:** Nil

#### Shri Ram Bharat (DIN: 01651754), Managing Director

Shri Ram Bharat took over as the Managing Director of the Company with effect from August 19, 2020 and is driving the Company's agenda for the benefit of all stakeholders with focus on growth, operations and expanding the consumer products portfolio. He possesses strong leadership skills and has a deep understanding of the consumer products portfolio and experience of managing large scale manufacturing operations. He serves on the Board of Directors of various companies and involved in philanthropic and CSR activities.

Shri Ram Bharat is proposed to be re-appointed as Managing Director of the Company, not liable to retire by rotation, for further period of five years. He was paid remuneration of Re. 1 (Rupee One Only) by the Company during the year ended March 31, 2022 and will continue to be paid in the same manner. He attended 14 meetings of the Board during the year ended March 31, 2022.

**Age:** 43 Years

**Qualifications:** High school and intermediate from the Board of High School and Intermediate Education, Uttar Pradesh.

**Experience & Nature of expertise in specific functional areas:** He is having experience and expertise in the field of Marketing, Logistics, Import & Exports, Commercial including Strategic Planning, Public Relations and Business Development.

**Disclosure of inter-se relationships between Directors and Key Managerial Personnel:** Shri Ram Bharat is younger brother of Shri Swami Ramdev, Non-Executive Director of the Company.

**Shareholding including shareholding as beneficial owner in the Company as on March 31, 2022:** Shri Ram Bharat is one of the significant beneficial owners in Patanjali Parivahan Private Limited (which holds 5,00,00,000 equity shares in the Company) and in Patanjali Gramudhyog Nayas (which holds 4,00,00,000 equity shares in the Company).

**Other Companies (other than Patanjali Foods Limited) in which Shri Ram Bharat holds Directorships:** Other Companies in which Shri Ram Bharat holds directorship as on date are as follows:

Patanjali Natural Biscuits Private Limited, Patanjali Peya Private Limited, Patanjali Biscuits Private Limited, Patanjali Paridhan Private Limited, Gangotri Ayurveda Private Limited, Chaitanya Ayurveda Private Limited, Vedic Ayurved Private Limited, Divya Packmaf Private Limited, Atri Papers Private Limited, Parakram Security India Private Limited, Patanjali Aarogya Private Limited, Herbo Yog Gram Private Limited, Universal T V Network Private Limited, Patanjali Ayurved Limited.

**Listed Companies (other than Patanjali Foods Limited) from which Shri Ram Bharat has resigned in the past three years:** Nil

**Other Companies (other than Patanjali Foods Limited) in which Shri Ram Bharat holds Membership/Chairmanship in the Committees of the Board:** Nil

#### Shri Girish Kumar Ahuja (DIN: 00446339), Independent Director:

Shri Girish Kumar Ahuja holds a bachelor's degree and master's degree in commerce from Shri Ram College of Commerce, University of Delhi. He also holds a degree of Doctor of Philosophy from University of Delhi. He is a fellow member of the Institute of Chartered Accountants of India and practicing Chartered Accountant for the past 51 years, having consultancy experience in international and domestic taxation. He was member of a committee on direct tax matters constituted by the Government of India. He was a member of Task Force constituted by the Government of India for drafting the New Income Tax Law. Shri Girish Kumar Ahuja was also nominated by the Government of India as part time non-official Director to the Central Board of Directors of State Bank of India. He is consultant on tax matters to various industries and non-profit making organizations. He is the author of 22 books on various aspects of taxation both for students and professionals.

Shri Girish Kumar Ahuja was also nominated as member of high-powered committee formed by Government of India under the Chairmanship of Justice A.P. Shah, Chairman Law Commission to look into (i) issue of applicability of MAT provisions in the case of foreign companies and FIIs (ii) any



other issue relating to applicability of direct tax provisions which may be referred to it by the Government/CBDT from time to time.

Shri Girish Kumar Ahuja is proposed to be re-appointed as Non-Executive Independent Director of the Company for a further term of five years. Except sitting fee, he was not paid any remuneration by the Company during the year ended March 31, 2022 and no remuneration is sought to be paid to him. Shri Girish Kumar Ahuja attended 14 meetings of the Board during the year ended March 31, 2022.

**Age:** 76 years

**Qualification:** Shri Girish Kumar Ahuja holds a bachelor's degree and master's degree in commerce from University of Delhi. He did his Ph.D. from University of Delhi. He is also a fellow member of the Institute of Chartered Accountants of India (ICAI).

**Experience:** He is having experience of about 51 years in international and domestic taxation, joint ventures, financial, regulatory / legal and risk management.

**Nature of expertise in specific functional areas:** Taxation, Financial, Regulatory / Legal and Risk Management.

**Disclosure of inter-se relationships between Directors and Key Managerial Personnel:** None

**Shareholding including shareholding as beneficial owner in the Company as on March 31, 2022:** Nil

**Other Companies (other than Patanjali Foods Limited) in which Shri Girish Kumar Ahuja holds Directorships:** Other Companies in which Shri Girish Kumar Ahuja holds directorship as on date are as follows:

Flair Publications Private Limited, Amber Enterprises India Limited, RJ Corp Limited, Devyani Food Industries Limited, Unitech Limited, Sidwal Refrigeration Industries Private Limited, Ever Electronics Private Limited, Devyani International Limited and Dharampal Satyapal Limited.

**Listed Companies (other than Patanjali Foods Limited) from which Shri Girish Kumar Ahuja has resigned in the past three years:** State Bank of India

**Other Companies (other than Patanjali Foods Limited) in which Shri Girish Kumar Ahuja holds Membership/ Chairmanship in Committees of the Board:**

Following are the committee membership/chairmanship details of Shri Girish Kumar Ahuja as on date:

Chairman – Audit Committee of Amber Enterprises India Limited

Chairman – Audit and CSR Committee of Unitech Limited

Chairman – Audit Committee of Sidwal Refrigeration Industries Private Limited

Chairman – Nomination & Remuneration Committee of Ever Electronics Private Limited

Member – Audit & Risk Management Committee of Devyani International Limited

Member – Nomination and Remuneration Committee of Amber Enterprises India Limited

Member – Audit and Nomination & Remuneration Committee of RJ Corp Limited

Member – Audit & Nomination & Remuneration Committee of Devyani Food Industries Limited

Member – Nomination and Remuneration Committee of Sidwal Refrigeration Industries Private Limited

Member – Audit Committee of Ever Electronics Private Limited

Member – Audit and CSR Committee of Dharampal Satyapal Limited

Member – Stakeholder Relationship Committee of Amber Enterprises India Limited

**Skills and capabilities for re-appointment of Shri Girish Kumar Ahuja as Independent Director:** Shri Girish Kumar Ahuja is a qualified and practicing Chartered Accountant for the past 51 years, having experience in international and domestic taxation, joint ventures, financial, regulatory / legal and risk management.

Please refer corporate governance report for other details.



## **Patanjali Foods Limited**

(Formerly known as Ruchi Soya Industries Limited)

CIN – L15140MH1986PLC038536

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