HINDUSTAN FOODS LIMITED
A Vanity Case Group Company
A Government Recognised Two Star Export House
Registered Office: Office No. 3, Level 2, Centrium, Phoenix Market City,
15, Lal Bahadur Shastri Road, Kurla (West), Mumbai, Maharashtra, India, 400 070.
Email: business@thevanitycase.com, Website: www.hindustanfoodslimited.com
Tel. No.: +91 22 6980 1700/01, CIN: L15139MH1984PLC316003

Date: August 25, 2025

To, The General Manager Department of Corporate Services BSE Limited Floor 25, P. J. Towers, Dalal Street, Mumbai- 400 001 Tel: (022) 2272 1233 / 34 Company Scrip Code: 519126	To, The Manager, National Stock Exchange of India Limited, Listing Department, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 070 Company Symbol: HNDFDS

Dear Sir / Madam,

Sub.: Notice of the 40th Annual General Meeting of the Members of the Company and Annual Report for the FY 2024-25

Pursuant to Regulation 34 (1) and 30 (2) read with Part A of Schedule III and all other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), We hereby inform you that, the 40th Annual General Meeting ("**AGM**") of the Members of the Company for the Financial Year 2024-25 has been scheduled to be held on **Tuesday, September 23, 2025 at 11:30 a.m.(IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")** facility *inter-alia* to transact the businesses stated in the Notice dated August 8, 2025.

Please find enclosed herewith, a copy of the Annual Report for the Financial Year 2024-25 including the Notice of the 40th AGM of the Members of the Company scheduled aforesaid and the Business Responsibility & Sustainability Report, which is being sent only through electronic mode to the Members of the Company.

The said 40th Annual Report of the Company for the FY 2024-25, containing the Notice will be made available on the website of the Company viz. www.hindustanfoodslimited.com.

Further, in terms of Section 108 of the Companies Act, 2013 and relevant rules, the Company has fixed September 12, 2025 as the cut – off date for determining the eligibility of the Members to cast their vote through electronic means through remote E-voting prior to the Meeting or E-voting during the Meeting for the Resolutions proposed in the said Notice of 40th AGM.

The Notice of the 40th AGM of the Members of the Company *inter-alia* indicates the process and the manner of voting by electronic means prior and during the AGM and instructions for participating at the AGM through VC/ OAVM.

We request you to take the above on record.

Thanking you,

Yours faithfully
for **HINDUSTAN FOODS LIMITED**

BANKIM
DILIP
PUROHIT

Digitally signed by BANKIM DILIP PUROHIT
DN: c=IN, postalCode=400067, st=MAHARASHTRA, street=ROOM NO 8 DATTANI APARTMENT5BB WING SHIVAJI ROADMUMBAIOPP THAKUR INTERNATIONAL SCHOOL 400067, l=MUMBAI, o=Personal, title=9323, serialNumber=f2afd6c5dd73ab44d5903d9f922270d2f8b5098c3b6635e29b6b6b79199d8e80, pseudonym=60326ff85847e6364d19fa9c9141d5b9, 2.5.4.20=bc91a900fe02411fb518855be5746ec5f20ea7e4e194456dcaeacfbd8db3428d, email=BANKIM.PUROHIT@THEVANITYCASE.COM, cn=BANKIM DILIP PUROHIT
Date: 2025.08.25 17:30:32 +05'30'

Bankim Purohit
Company Secretary and Legal Head
ACS 21865

Encl.: As above


HINDUSTAN FOODS LIMITED
40th ANNUAL REPORT
2024-25
OUR GROWTH IS A PROMETHEAN ACT.
Audacious, Agile & Ambitious

This year's annual report takes inspiration from Prometheus, the mythological figure who defied convention to bring fire to mankind. Fire, once reserved for the gods, became a symbol of knowledge, innovation, and progress. His act was bold, rebellious and transformative.

The back cover represents the strength and resilience of HFL's business model: stable, time-tested, and secure. In a year marked by a tough macroeconomic environment, this foundation helped us navigate uncertainty. However, while our stability remained intact, signs of stagnation began to emerge. We faced a critical choice: continue with what was familiar or step into new territory to pursue renewed momentum. We chose to move forward.

This decision is vividly captured on the front cover, which features Prometheus carrying fire - a metaphor for our pursuit of transformation and bold ambition. Like Prometheus, we refused to accept complacency. Instead, we set out to find the fire that could ignite our next phase exploring new sectors, reaching new customers, and expanding into categories such as shoes, OTC products, and ice cream. This journey came with its share of trials. Integrating businesses, stabilising operations, and managing complexity tested us. Yet, we believe, like Prometheus, that this struggle is purposeful. It will lead to progress, resilience, and lasting growth.

At its core, this report reflects a mindset: to challenge limits, act with foresight, and build value that lasts. Just as Prometheus' fire sparked human advancement, we believe our choices today will fuel a stronger, bolder tomorrow.

ACROSS THE PAGES

Corporate Overview

Statutory Reports

Financial Statements

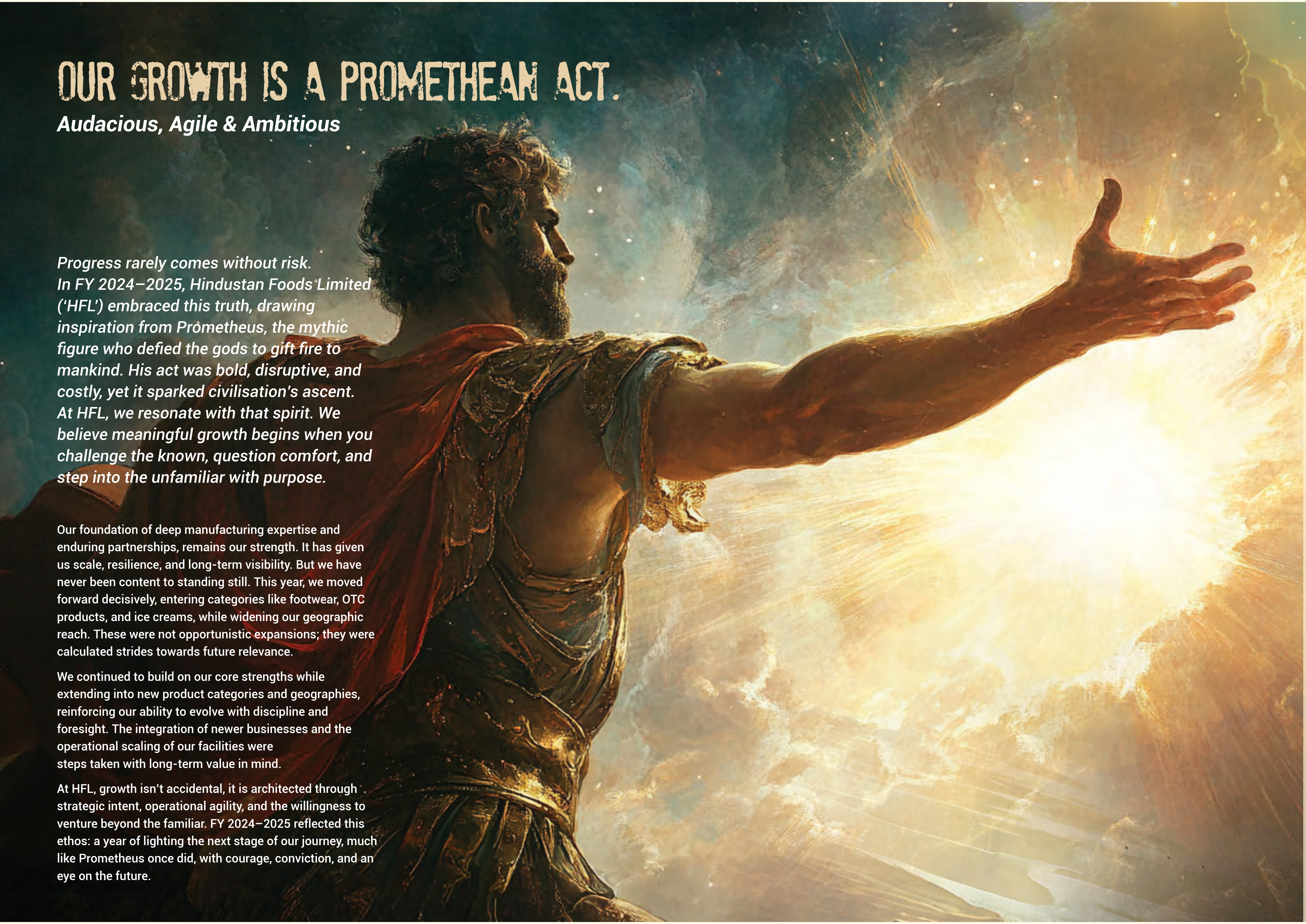
Investor Information

Market Capitalisation	: Rs. 6,660.04 cr. (as on March 31, 2025)
CIN	: L15139MH1984PLC316003
BSE Code	: 519126
NSE Symbol	: HNDFDS
Bloomberg Code	: HFD:IN
AGM Date	: September 23, 2025
AGM Day	: Tuesday
AGM Mode	: Video Conferencing (VC) and Other Audio Visual Means (OAVM)

For more investor-related information, please visit:
https://www.hindustanfoodslimited.com/overview.php
Simply scan the QR code below:

Scan Me

Disclaimer: This document contains statements about expected future events and financials of Hindustan Foods Limited ('the Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements, as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



OUR GROWTH IS A PROMETHEAN ACT.

Audacious, Agile & Ambitious

Progress rarely comes without risk. In FY 2024–2025, Hindustan Foods Limited ('HFL') embraced this truth, drawing inspiration from Prometheus, the mythic figure who defied the gods to gift fire to mankind. His act was bold, disruptive, and costly, yet it sparked civilisation's ascent. At HFL, we resonate with that spirit. We believe meaningful growth begins when you challenge the known, question comfort, and step into the unfamiliar with purpose.

Our foundation of deep manufacturing expertise and enduring partnerships, remains our strength. It has given us scale, resilience, and long-term visibility. But we have never been content to standing still. This year, we moved forward decisively, entering categories like footwear, OTC products, and ice creams, while widening our geographic reach. These were not opportunistic expansions; they were calculated strides towards future relevance.

We continued to build on our core strengths while extending into new product categories and geographies, reinforcing our ability to evolve with discipline and foresight. The integration of newer businesses and the operational scaling of our facilities were steps taken with long-term value in mind.

At HFL, growth isn't accidental, it is architected through strategic intent, operational agility, and the willingness to venture beyond the familiar. FY 2024–2025 reflected this ethos: a year of lighting the next stage of our journey, much like Prometheus once did, with courage, conviction, and an eye on the future.

FY 2024-2025 Highlights

Rs. 3,579 cr.
Total Revenue#
30% Growth YoY

Rs. 308 cr.
EBITDA#
34% Growth YoY

Rs. 110 cr.
PAT
18% Growth YoY

Rs. 1,412 cr.
Gross Block*

Rs. 891 cr.
Net Worth

 # Includes Other Income

** Gross Block includes CWIP and ROU assets. For acquired factories, these are considered at the net block level*

The above figures are as per Consolidated Financial Statements

About the Company

BORN OF FIRE

Building Beyond Boundaries

Hindustan Foods Limited ('HFL', 'We', 'Our Company') has grown to become a trusted and future-ready partner in the FMCG Contract Manufacturing industry. Since commencing operations in 1988, we have consistently strengthened our footprint across India. Our presence is driven by a network of 28 advanced manufacturing facilities. These facilities mirror our dedication to upholding the highest standards of quality and service for our Customers.

We offer end-to-end Contract Manufacturing solutions across a wide range of categories and business models. Our flexible and client-centric approach enables us to support businesses of varying scales and sectors, from emerging enterprises to established FMCG brands. Our strength lies in our ability to adapt swiftly, address challenges proactively, and form strategic partnerships that foster long-term success.

Central to our operations is a commitment to customised solutions. We take pride in developing tailored manufacturing strategies that align with each client's specific requirements. Backed by integrated facilities, a cutting-edge laboratory, and highly skilled teams, we continue to be the preferred co-manufacturing partner for many of India's leading consumer brands.

Our dedication to quality, innovation, and operational excellence enables us to remain competitive in a dynamic market. We continuously invest in technology, talent, and process improvement to ensure we deliver value at every stage of production.

Looking ahead, we remain focussed on strengthening our capabilities, expanding our portfolio, and reinforcing our position as a trusted partner in India's FMCG landscape.

VISION

To become India's largest FMCG Contract Manufacturer, diversified across product categories and geographies.

MISSION

To provide world-class solutions for the FMCG industry in the areas of product innovation, manufacturing, and distribution.

SHAREHOLDING PATTERN*

Promoters and Promoters' Group	61.31%
Alternate Investment Funds (AIF)	4.14%
Investors (FPI)	9.43%
Bodies Corporate	1.23%
Insurance Companies	8.87%
Mutual Funds	1.24%
Public	13.78%

*As at June 30, 2025

VALUES

Integrity
We believe in transparency at the workplace, in our processes and dealings, because action indeed is the sole medium of expression for ethics.

Innovation
To innovate is to lead for a better life, and we always seek to challenge the obsolete and even the current.

Initiative
We are always ready to tread that extra mile to give our Customers and associates delight in new avenues.

28
Sites

35
Years of Experience

16 Mn+
Lives Touched Daily

10,000+
Team Members

WHY CHOOSE US AS A PREFERRED CONTRACT MANUFACTURER

At HFL, our strategic vision and adaptability have positioned us as the preferred partner for leading brands. We navigate the complexities of a dynamic market with clarity and purpose, consistently staying ahead of industry trends. Just as Prometheus, in ancient myth, shaped mankind from clay and stood before Zeus to secure the future of humanity, we believe true partnership lies in creation guided by foresight and a deep sense of responsibility. This enduring story reflects our commitment to helping Customers build and safeguard their future in a constantly evolving FMCG landscape.

Our strength lies in anticipating challenges and developing strategies that align with the evolving needs of our Customers. We offer comprehensive, end-to-end solutions that go beyond manufacturing. These solutions encompass research and development, precise production, and global distribution. This integrated approach enables us to deliver bespoke solutions tailored to each Client's strategic objectives.

What sets us apart is our ability to build resilient, future-focussed partnerships. HFL's expertise and flexibility empower us to guide our Customers through complexity, helping them realise their ambitions and expand their market presence with confidence. Every collaboration is more than a response to today's needs. It is a step towards a stronger, more enduring future.

Ability to Create Formulations

We specialise in crafting tailored formulations across the FMCG spectrum, a capability that consistently attracts a diverse client base spanning various categories, business sizes and distribution platforms.

Management Expertise

Drawing four decades of experience in Contract Manufacturing, we offer deep industry knowledge and a proven track record that sets us apart.

One-Stop Solution

We serve as a comprehensive partner for FMCG brands, delivering integrated services that span product innovation, rigorous quality testing, and large-scale manufacturing across diverse categories and markets.

Long-Term Relationships

Our enduring collaborations with leading domestic and global Clients reflect our commitment to building relationships grounded in trust, consistency and mutual success.

Redefined Business Model

Our evolved business model is built to adapt to the distinct requirements of each FMCG client, offering flexible, scalable solutions that align seamlessly with varied Contract Manufacturing objectives.

Manufacturing Facilities

Our state-of-the-art manufacturing facilities are strategically located across multiple regions, allowing us to produce a diverse range of products with precision and efficiency while supporting broader market reach and streamlined distribution.

Largest Organised Player

We are proud to be among the largest and most structured players in the Contract Manufacturing space, with a significant footprint and a recognised influence across the FMCG industry.

Self-Reliance & Localisation

By prioritising self-sufficiency and locally sourced inputs, we strengthen our operational resilience and actively contribute to the development of regional supply chains, opening up new pathways for innovation and growth.

Our Journey

FROM SPARK TO BLAZE

Our Audacious Ascent

Our journey has been shaped by the qualities embodied by the legendary figure Prometheus: resilience, foresight, and unshakable conviction. One of his stories that mirrors our path is when Prometheus, after defying Zeus to uplift humanity, was bound to a mountainside and was visited daily by an eagle. Yet he endured. He held fast to his purpose. And in time, he was freed, becoming a symbol of courage, defiance, and the enduring power of vision.

That story, in many ways, reflects our evolution. We began with a single product and plant, entering a competitive landscape with modest means. But instead of retreating, we moved forward with clarity in thought and intent in action. We refined our strategy, sharpened our capabilities, and never lost sight of what we were building: something lasting, something meaningful.

As we expanded, each phase of progress was earned through consistent effort and bold decisions of embracing the unknown. Much like Prometheus, we anchored ourselves to long-term outcomes, even when the path ahead was uncertain. Today, our resilience remains our foundation, evident in how we've turned challenges into opportunities, setbacks into stepping stones, and relationships into enduring partnerships.

FY 1983-1984

- Incorporated as a JV between Glaxo India Ltd. and the Dempo Group
- Established the facility at Goa for manufacturing 'Farex'

FY 2012-2013

- Entered a strategic partnership with the Vanity Case Group of Companies

FY 2013-2014

- Entered an agreement with Danone and PepsiCo to manufacture and supply food products from their Goa facility

FY 2015-2016

- Raised capital through the Company's Promoter and Non-promoters, which included Sixth Sense Ventures

FY 2016-2017

- Successfully acquired shoe manufacturing facilities, previously owned by Hindustan Unilever Limited
- Commenced manufacturing operations for renowned Clients such as TBS, Gabor, Richter, and various others, following the acquisition
- Made notable additions to the portfolio, which included Steve Madden, US Polo, Hush Puppies, and Arrow

FY 2017-2018

- Acquired Reckitt's plant in Jammu and entered a 'manufacture and supply' agreement for the brand 'Mortein' for 7 years

FY 2018-2019

- Commenced the merger of the Detergent Powder manufacturing unit at Hyderabad into HFL (completed in FY 2019-2020)
- Acquired a Mumbai-based shoe manufacturing unit
- Acquired more than 40% stake in ATC Beverages Private Ltd., Mysuru, engaged in the business of manufacturing carbonated soft drinks, juices, energy drinks, and other beverages
- Commenced production at the Coimbatore Plant for blending and packaging tea and coffee

FY 2019-2020

- Raised equity through the Convergent Group and the Sixth Sense Ventures
- Started production of Liquid Detergent in Hyderabad
- Commenced the merger of the Malted Beverages packing unit in Coimbatore for GSKCH (now HUL) and ATC Beverages Private Ltd. into HFL

FY 2020-2021

- Commenced the project for manufacturing Bath Soaps and Detergent Bars in Hyderabad
- Started work for the Greenfield Ice Creams & Frozen Dessert plant in Uttar Pradesh

FY 2021-2022

- Started production of Floor & Surface Cleaner in Silvassa
- Initiated a project in Tamil Nadu for manufacturing Sports & Knitted Shoes
- Acquired Colour Cosmetics plant in January 2022 and subsequently consolidated its turnover into HFL from MQ
- Received the final order of NCLT in December 2021, approving the scheme of arrangement for the merger of the Malt Beverages plant in Coimbatore and the merger of the Beverages plant in Mysuru. The scheme came into effect in Q4 FY 2021-2022
- Embarked on manufacturing Injection Moulded Footwear for a national brand in Vasai, Mumbai

FY 2022-2023

- Acquired 100% stake in Reckitt Benckiser Scholl India Pvt Ltd
- Commenced production of Ice Creams and Frozen Desserts in Uttar Pradesh
- Started manufacturing Sports & Knitted Shoes in Tamil Nadu

FY 2023-2024

- Raised equity through the Sixth Sense Ventures
- Commenced commercial production for two of the largest beverage players in the country at the Mysuru facility
- Initiated partial commercial production of the Soaps and Bars project
- Completed the acquisition of the Baddi unit from Reckitt Benckiser Healthcare India Pvt Ltd
- Commenced production of Juices in a factory set up in Guwahati, Assam
- Completed the acquisition of all the facilities under KNS Shoetech

FY 2024-2025

- Received Board approval to invest up to Rs. 40 cr. in the colour cosmetics plant located at Silvassa
- Invested Rs. 20 cr. for the expansion of capacity at ice cream plant in Lucknow
- Commenced the merger of Soups & Seasoning Manufacturing facility in Nashik and merger of Vanity Case India Private Limited
- Signed up for an additional Customer for the Ice-Cream Project at Nashik, making the site an anchor-tenant model
- Commenced manufacturing DOY packs for an existing Customer in Mysore
- Sanctioned a capex of around Rs. 15 cr. to expand the capacity at the beverage plant in Mysuru
- Achieved notable efficiency gains in the footwear business - North factories and ramped up operations in the South
- Sanctioned an investment of Rs. 20 cr. at Baddi plant for a new Customer
- Integrated the facility for bottled water for an MNC in Orissa
- Achieved a significant milestone with Profit After Tax (PAT) exceeding Rs. 100 cr.
- Completed a preferential allotment of shares in the footwear subsidiary to identified investors and rolled out an ESOP scheme

FY 2025-2026

- Incurred an incremental capex of Rs. 50 cr. in Karnataka to support the expansion of the Shoe Business
- Commenced commercial production for Walko Foods & Kwality Walls Ice Creams in Nashik
- Civil work initiated at Panipat for a Greenfield Ice Cream plant

Product Portfolio

THE FIRE WE WIELD

Our Portfolio of Possibilities

PERSONAL CARE

Hair Care
Shampoo | Hair Oil & Hair Foods | Hair Gel & Hair Cream

Baby Care
Creams | Shampoo & Lotions | Hair Oil & Powder

Skin Care
Body Lotion, Moisturisers | Creams | Petroleum Jelly Shower Gel | Face Wash & Scrubs | Body Scrubs & Wipes

Toiletries & Fragrances
Talc | Shaving Cream | Hand Wash Liquid | Hand Wash Powder | Eau de Toilette | After Shave Lotion

FOOD AND BEVERAGES

Extruded Cereals & Snacks, Ready-to-Cook, Ready-to-Eat
Breakfast Cereals & Snacks | Baby Food | Instant Porridges | Rice Crispies | Instant Mixes | Soups & Soup Powders | Spices & Seasonings | Sauces, Dips & Pastes | Jams, Jellies & Preserves | Gravies | Cookies, Protein Bars, Granola Bars | Muesli

Hot & Cold Beverages & Energy Drink Concentrates
Carbonated Soft Drinks | Tea & Coffee | Malt-based Foods | Soups | Glucose Powder | Dry Mix Powder

BEAUTY AND MAKEUP
Lipstick, Lip Colour | Lip Crayon, Lip Paint | Chap Stick & Pressed Powders | Eye Makeup | Blush-on & Compacts | Sindoor & Kajal

HEALTHCARE AND WELLNESS
Foot Care – Medicated and Non-Medicated Plasters | Vitamins, Minerals & Nutraceuticals | Nutrition – Super Foods, Plant-based, Organic Foods | Medicated Lozenges & Digestive Remedies | Gels & Ointments | Dusting & Cosmetic Powders | Cosmeceutical & Skincare – Allopathic, Herbal & Ayurveda | Oral Liquids | Allopathic Tablets | Personal Care

HOUSEHOLD INSECTICIDES
Aerosols | Liquid Vaporiser | Coils | Mosquito Mats | Active Cards

LEATHER AND SPORTS SHOES

Leather, Sports & Knitted Shoes and Accessories
Sports Shoes | Leather Shoes for Women, Men & Juniors | Slippers & Flip-flops | Uppers | Accessories

HOME CARE

Home Care
Toilet Cleaner | Surface Cleaner | Glass Cleaner | Liquid Dish Wash

Fabric Care
Liquid Detergent | Powder Detergent | Fabric Conditioner

PET CARE
Pet Hygiene | Pet Food & Treats

TOUCHING MANY LIVES

Hot Beverages
Energising
4 Mn+
tea-coffee lovers daily

Baby Food
Delivering healthy baby food to
200,000+
infants daily

Carbonated Drinks & Juices
Refreshing
500,000+
families per day

Beauty and Personal Care
Making
2 Mn+
women and men look and feel good every day

Ice Cream
Pleasuring
2 Mn+
ice cream lovers every day

Foot Care
Protecting
75,000+
pairs of feet from discomfort and ache every day

Home Care
Providing cleaning solutions to
2 Mn+
people every day

Protein Health Drinks
Providing nutrition to
2 Mn+
families per day

Leather & Sports Shoes
Delighting
200,000+
customers across the world

Pest Control
Protecting
4 Mn+
families daily from deadly insect-borne diseases

Our Diversification Story

FUELLING THE FLAME

Where Curiosity Meets Courage

Our path of diversification echoes the myth of Mecone. At a sacrificial feast, Prometheus offered Zeus two choices: one, a heap of bones wrapped in glistening fat; the other, nourishing meat hidden beneath the less appealing. Zeus chose the surface shine and in that moment, Prometheus redefined the balance between gods and men. Like him, we've learned that true value often lies beneath the obvious, and real progress begins when curiosity dares to challenge convention.

At Hindustan Foods Limited, we see this moment as a reflection of how we approached diversification. We did not pursue sectors that appeared immediately rewarding. Instead, we chose categories where our core strengths could unlock long-term value.

In footwear, we saw complexity that aligned with our operational precision. In ice cream, we took on the challenge of temperature control and consistency. OTC pharmaceuticals required trust and regulatory rigour, which we built on our foundation of compliance. Beverages demanded speed and flexibility, which we delivered through scalable infrastructure.

FOOTWEAR BUSINESS

Our return to the footwear segment builds on prior experience and reflects a renewed strategic focus. This move aligns with our manufacturing strengths and the sector's momentum, driven by regulatory changes such as BIS norms and higher import duties that favour domestic contract manufacturing.

We began by acquiring a going concern in North India, comprising five specialised units across the footwear value chain. Integrating 4,500 employees, ERP systems, and vendor networks was complex but is progressing well, already enhancing operations. At the same time, we scaled up our sports shoe manufacturing in Tamil Nadu. These units are set to contribute significantly to output. Early production and delivery challenges were managed effectively, supported by a skilled workforce that ensured quality remained intact.

As footwear manufacturing is labour-intensive, we are investing more in talent and training than capital. A new facility in Karnataka is planned, with footwear expected to contribute 15-20% of our business.

We forged our path with a steady stride,
Where skill and fire in soles collide.
From north to south, our craft takes form,
A Promethean rise through labour born.

ICE CREAM BUSINESS

We are actively expanding our ice cream business, which we see as a high-growth opportunity aligned with our strengths in manufacturing and operations. Now a Strategic Business Unit, the vertical is moving towards deeper integration, including in-house cone manufacturing, which started in April 2025. This step will reduce freight costs tied to imported birch wood sticks and improve cost efficiency.

The business has delivered record production over the past three years. We are investing over Rs. 600 cr. across three key facilities. In Lucknow, Rs. 250 cr. has been deployed to add cone lines. Our Nashik facility operates on an anchor tenant model, with two secured Clients and full capacity commitment. A greenfield plant in North India is also underway, with commercial production targeted by FY 2026-2027.

While the category is capital-intensive, our take-or-pay contracts provide stability and predictable returns. With strong fundamentals and long-term demand drivers, we see this becoming a key growth pillar for HFL.

We shaped with flame what frost defines,
In frozen craft, our future shines.
Through fire and cold, we dared to dream,
A Promethean journey through ice cream.

BEVERAGES BUSINESS

We view our beverage business as a high-growth opportunity aligned with our operational strengths and long-term strategy. Through strategic acquisitions and capacity expansions, we have built a strong foundation for sustained growth and deeper market penetration across India. The segment is now a key growth driver in our portfolio, with significant headroom to scale further.

In FY 2024–2025, the business recorded its highest-ever production volumes. The Mysuru facility delivered record output, and we introduced DOY packs for an existing Client. Even during the off-season, performance remained steady due to a balanced operating model.

We continue to invest in capacity. The Board has approved Rs. 15 cr. to expand Mysuru's capacity by over 30%, with key projects already completed. In addition, we acquired a beverage unit in Odisha, strengthening our capabilities and extending our geographic reach. With robust demand trends and a diversified manufacturing footprint, we are well positioned to scale this segment sustainably.

We stirred the stream with fire's might,
Poured vision into bottles bright.
From source to shelf, with purpose keen,
A Promethean flow in every scene.

OTC PHARMACEUTICALS BUSINESS

Our entry into the OTC pharmaceuticals space marks a strategic shift and high-growth opportunity that complements our operational strengths. Though among our most complex categories, it is delivering promising results and reshaping our business profile.

Our Baddi facility anchors this vertical. Despite initial integration challenges due to regulatory complexity, we have made steady progress. Operations are scaling well, with record monthly production, key regulatory approvals in place, and growing profitability. Operating under an anchor tenant model, the facility provides stable returns and visibility, even during top-line fluctuations.

We have resumed exports to multiple international markets and plan to expand further. A second Customer has been secured, with production expected to begin shortly. While onboarding in this segment is time-intensive due to compliance norms, we are actively pursuing new opportunities, including greenfield and brownfield expansions. With ongoing investments and peak capacity targeted by FY 2026–2027, we see OTC Pharma becoming a strong, sustainable pillar of HFL's growth.

We forged through fire where caution dwells,
In pills and care, our purpose swells.
With steady hands and vision grand,
A Promethean path through a healing land.

Business Model

LIT BY VISION

Built for Scale

Our business model reflects the strategic foresight and adaptability of Prometheus. Just as he navigated powerful forces around him to unlock new possibilities for others, we address the complexities of our industry by employing a range of strategies tailored to the diverse needs of our Customers.

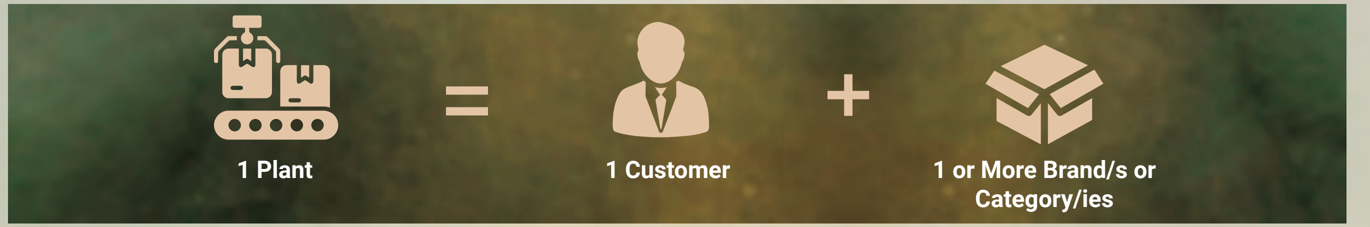
One of Prometheus' most defining moments came during Titanomachy when he chose to support Zeus and the Olympians, breaking ranks with his fellow Titans. It was not loyalty that drove his decision, but a clear-eyed vision of the future and the courage to align with emerging power to shape a better world. That spirit of strategic foresight and adaptability is echoed in our business model.

We have built our growth on alignment and agility, seamlessly integrating dedicated manufacturing units, anchor-tenant models, and private-label partnerships. Whether we are setting up exclusive facilities for a single Customer, leveraging shared capacities across multiple partners, or delivering end-to-end turnkey solutions, we adapt, just as Prometheus did, to the shape of the moment and the promise of what's ahead.

This approach not only strengthens our partnerships but also relationships. It prepares us to respond to our Customers' evolving needs with confidence and clarity.

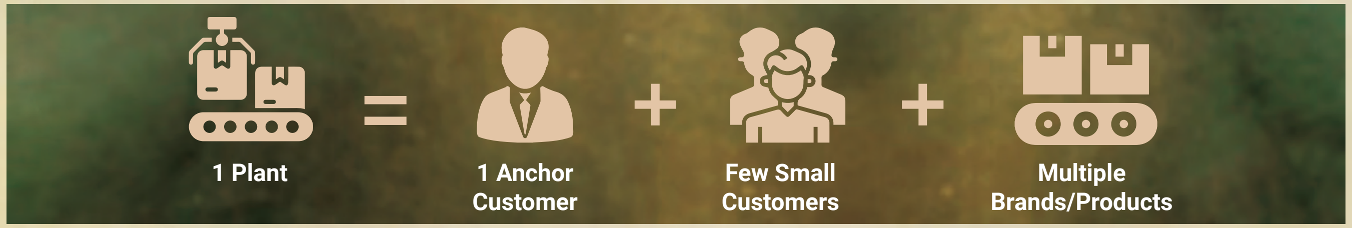
DEDICATED MANUFACTURING FACILITY

Our Dedicated Manufacturing model revolves around prioritising client exclusivity, customising and building manufacturing facilities precisely aligned with their requirements. These facilities are dedicated solely to serving the Principal company and fostering a focussed manufacturing environment. Through collaborative efforts, we strategise a facility's ideal location, design, capacity, and other crucial parameters. Thus, taking charge of all investments and manufacturing-related expenses. This strategic approach enables our Customers to allocate resources towards enhancing other vital facets of their business.



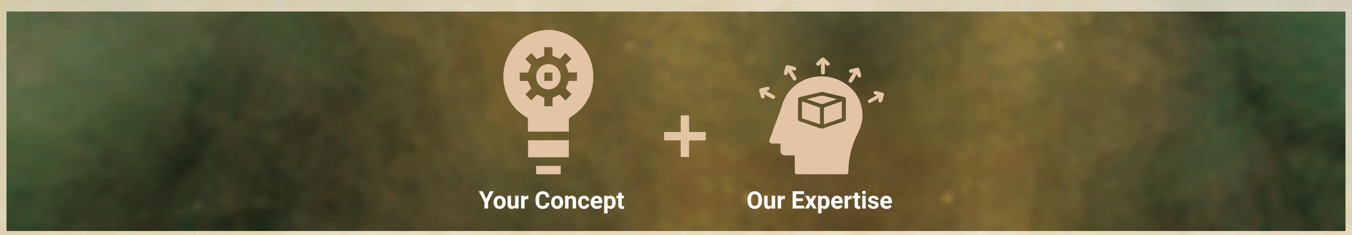
ANCHOR TENANT MANUFACTURING AND SHARED MANUFACTURING

The Anchor-Tenant Manufacturing and Shared Manufacturing model represents a departure from the conventional single-company dedicated manufacturing setup. Under this model, the facility's capabilities are utilised by multiple companies through extended contractual agreements. This strategy offers several benefits, including cost savings and reduced operational overheads. Despite the Shared Manufacturing space, stringent confidentiality measures are enforced to safeguard the secrecy and competitive edge of the manufactured products.



PRIVATE LABEL MANUFACTURING

HFL additionally offers the Private Label Manufacturing model, presenting a versatile Contract Manufacturing solution. This framework involves HFL assuming responsibility for the product formula tailored exclusively for private labels, providing comprehensive turnkey solutions to Customers. Through thorough research and testing, HFL delivers customisable options at competitive rates.



Management's Message

LETTER FROM THE MANAGING DIRECTOR

Despite macroeconomic challenges like demand fluctuations, shifting input costs, and global trade realignments, we viewed this not as a reason to defer but as an opportunity to deepen our conviction. Your Company responded not just with agility, but, audaciously took larger bets and laid the foundation for future ambitions.

DEAR SHAREHOLDERS,

I am pleased to present the 40th Annual Report of Hindustan Foods Limited, a milestone that reflects both the progress we have made and the journey that lies ahead. Our business model honed over the last decade provides us with a security net that gives us the confidence of dealing with the macroeconomic slowdown and yet being able to continue to deliver stable and consistent returns. While completing four decades is a moment of quiet pride and renewed energy for all of us at HFL, we wanted to ensure that it doesn't become an excuse to be lulled into complacency.

And continuing our tradition, we looked at mythology to get inspired. And perhaps no myth captures this better than that of Prometheus. Prometheus stole fire to empower mankind, defy unjust divine control, and spark the flame of human progress. This act has made him a symbol of innovation, resistance, and sacrifice—which is why he's so often evoked in stories about bold, transformative change

This past year, HFL echoed that legacy. We chose the option of stealing fire and eschewed the safety and ire of gods in favour of growth and progress. For this act of stealing the fire, we paid the price and were punished like Prometheus but like him, we are convinced that all the losses and the efforts of last year are worth the progress that this 'fire' will bring in the coming years.

As we reflect on the path we have travelled, we remain focused on the opportunities ahead, committed to moving forward with resilience, purpose, and optimism. The past year for us meant more than just reacting, it meant thinking differently. Despite macroeconomic challenges like demand fluctuations, shifting input costs, and global trade realignments, we viewed this not as a reason to defer but as an opportunity to deepen our conviction. Your Company responded not just with agility, but, audaciously took larger bets and laid the foundation for future ambitions.

In a way, this year represented what Hindustan Foods Limited has always stood for: a refusal to be defined by circumstances and a consistent belief that the pursuit of growth is an end in itself. This belief shaped the decisions we made across verticals, categories, and geographies. We moved early in many areas. We course-corrected where required. We backed our long-term bets even when the short-term outlook felt uncertain.

A Year of Flux

Macroeconomic trends during FY 2024-2025 continued to be unpredictable. The early signs of rural recovery and volume growth did not sustain, and their momentum proved fragile. By the second half of the year, demand conditions had become inconsistent across categories. Some faced price compression, while others dealt with renewed pressures on raw materials. In personal care and OTC in particular, inflationary trends in packaging and select inputs reversed earlier softness.

We chose to seek growth in new spaces, not as an act of rebellion but as a deliberate step towards building a stronger, more future-ready enterprise.

In times of disruption, the choice is between waiting it out and acting with foresight. Like Prometheus, who chose to bring fire to mankind when others hesitated out of fear, we too decided to look beyond the obvious. We chose to seek growth in new spaces, not as an act of rebellion but as a deliberate step towards building a stronger, more future-ready enterprise.

To address the slowdown in the FMCG space and drive sustainable growth, we deepened our focus on diversification and new business development. We identified 4 sectors where the fire of growth still burnt bright:

- Shoes
- OTC Pharma
- Ice Creams
- Beverages

These categories offer strong consumer demand, expansion opportunities, and attractive margin profiles. We have already begun to see the impact of this shift. This holds particularly true for our footwear and ice cream businesses, which have started contributing meaningfully to the revenue and soon, operating profits as well.

Our diversification strategy stems from a simple goal: to reduce reliance on any one category, customer, or business model. We wanted to build a business resilient to external shifts, structured to protect margins, and flexible enough to keep growing. The result is a model that's less exposed to sector-specific cycles and better equipped to sustain growth across multiple product lines.

This strategy has already started to reshape our business profile. While our dedicated manufacturing model with classic brands and storied clients continues to provide us with stability and visibility, our expansion into shared manufacturing and newer bets on upcoming brands are expected to enhance profitability through better operating leverage. The fungibility of our capabilities adds a layer of agility that strengthens our ability to respond to evolving market needs. We believe our evolving mix will help improve our return on equity over time, without compromising on capital discipline.

Our strong financial footing in FY 2024-2025 reflects not only a conventional notion of growth, but reaffirms the strength of our business model.

Footwear: Ambition Rekindled

Our new venture in footwear was actually a deliberate return to the industry that we have been a part of since 2016. During the period since 2016, the leather footwear industry, of which we were part, suffered through the calamities of Covid and slowing economies of our traditional markets – Europe. Additionally, it was also affected by the changing consumer behaviour of move towards athleisure and the growth of sneakers and casual shoes. Though we did not allocate additional capital to this segment for the past few years, in 2023, we identified the environment becoming more favourable through mandatory quality norms, higher import duties, and a stronger push for domestic value addition – and hence the decision to re-enter.

And we did so with conviction. We invested in acquiring one of the largest contract manufacturers of sports shoes in India and also decided to retrofit our facilities in South to start manufacturing casual shoes. Additionally, we decided to set up a brown field facility in Chennai at our facility that was manufacturing footcare products for exports. This move reflects our ability to revisit past opportunities with fresh perspective and renewed ambition. It also helped in derisking our export business especially during these uncertain times.

Ice Creams: Building from the Cold Chain Up

The frozen dessert vertical, anchored by ice cream, was a clear demonstration of our agility. While the Lucknow facility was already a few years old, we recognised that growing electrification of rural areas and the empowering of consumers through Q-commerce was leading to a situation where consumption of ice cream was moving from a 'treat' mode to a daily indulgence. On the back of this thesis, we decided to set up a new facility for ice cream in Nashik. From the beginning, the plant was designed to handle long-cycle demand and meet the stringent quality expectations of both global and domestic customers. In parallel, we quickly secured a greenfield site in North India for our third large-scale facility.

To strengthen our position further, we began backward integration by manufacturing ice cream sticks in-house and recently announced a foray into ice cream cones. These steps reflect more than execution speed. They signal a long-term commitment to the cold-chain ecosystem and to setting a new standard in manufacturing reliability.

Beverages: Agility in Action

As one of the few categories where growth was secular, our beverage vertical continued to expand in both depth and capability. We invested capital in the Mysuru facility helping it achieve its highest operational output to date, and introducing new formats such as Doypacks for existing clients. We further expanded our footprint in the East of India by setting up a greenfield facility in Guwahati. The Odisha acquisition showcased our agility. From decision to full takeover, the process was completed in under 90 days. This quick execution strengthened our presence in Eastern India and improved our overall manufacturing resilience. The speed of this move was not at the expense of diligence. It reflected our preparation, alignment, and ability to act with clarity and focus.

The integration of the footwear business brought approximately 4,500 new employees into the HFL system. Our focus was not only on onboarding, but on upskilling, cultural integration, and retention.

The Promethean Punishment

We knew bold choices would come with challenges. And they did. At Baddi, we dealt with regulatory complexity, operational resets, and integration hurdles. In footwear, we faced similar tests of execution, coordination, and commitment. These were not just financial or operational pressures. They were leadership tests. But we stayed focussed. We absorbed the friction because we believed in the long-term value being created.

The Operational Punishment

The integration of our footwear business was one of the most challenging but ultimately rewarding undertakings of the year. On the people side, we welcomed over 4,500 employees into the HFL family, taking our total workforce to nearly 7,000 by March 31, 2025. Managing such a large and diverse team across multiple locations required an extraordinary effort. The shoe industry is highly people-intensive, and ramping up operations required extensive recruitment and training. In our South India factories alone, we recruited and trained over 500 individuals. The learning curve was steep, as we aimed to meet the exacting quality standards of multinational and premium brands.

Beyond training, we faced the significant task of aligning five different units. Each specialised in a distinct function: cutting, stitching, sole manufacturing, and assembly. This required a complete overhaul of systems, including the implementation of a new ERP system, which took close to a year to stabilise. Inherited from the acquisition were over 3,000 vendors and more than 50,000 raw material and packing material records, significantly adding to operational complexity.

These vendor integration issues led to additional costs that impacted EBITDA and profitability in the initial part of the year, with an estimated cost burden of Rs. 6–7 cr. While demand for footwear remained strong due to factors like BIS norms and import duties, the real challenge was in ramping up capacity and delivering. Managing this level of integration was a mammoth task, involving regulatory alignments, process redesign and cultural assimilation across teams.

One of the critical challenges was ensuring the timely supply of materials to keep production lines running smoothly. This put pressure on our inventory and working capital. I would like to recognise the efforts of our supply chain team, led by Ganesh Argekar, who worked proactively to secure materials and prevent disruption. With stabilisation behind us, their focus has now shifted firmly to improving efficiencies and optimising working capital within the footwear vertical.

The Regulatory Punishment

Our entry into OTC pharma last year was another learning experience. The leap into a highly regulated, quality-sensitive domain that demands rigorous compliance at every level tested our endurance across operations, finance, and especially regulatory integration. Navigating audits, aligning with diverse international standards, and upgrading systems to meet strict quality norms required sustained effort, tight coordination, and sharp execution.

While most approvals for the facility were secured early on, enabling exports to markets such as the UAE, Australia, and Africa, one key license for Russia remained pending for an extended period. This delayed our ability to fully operationalise the site for OTC pharma production. Throughout this time, we focused on strengthening regulatory systems, redesigning workflows, enhancing training, and preparing the site for long-term readiness. Eventually, all required approvals were obtained, paving the way for expanded market access and production ramp-up.

The transformation at Baddi, led by Sanjay Sehgal was not just about restoring production. It was about building a platform that is regulatory-compliant, operationally efficient, and ready to scale. This move reflects our ability to enter complex, highly controlled environments and rebuild them with discipline, patience, and long-term commitment.

Across all verticals, a common strategic thread has emerged. Our operating playbook is not based on linear expansion. It is based on three principles: strong customer stickiness, supply chain integration where possible, and volume visibility beyond the short term. Each new vertical is evaluated not just for revenue potential but for strategic adjacency, manufacturing intensity, and the ability to leverage shared expertise.

What these efforts also demand is internal capability. As your Company grows in complexity and geographic footprint, we are equally focussed on strengthening our institutional backbone. That includes talent, governance, digitalisation, and leadership alignment. In FY 2024-2025, we scaled our leadership bandwidth, built next-level functional depth, and created operational alignment across plants. We are investing in systems that scale with us across output, culture, and cohesion.

As we look ahead, our approach remains consistent - stay relevant, stay flexible, and stay anchored in value creation. Because in our view, manufacturing is not just about capacity. It is about conviction.

The Financial Punishment

The integration of new businesses understandably led to increased costs during the year. These included depreciation, interest, and employee expenses, which affected our earnings. The footwear business, in particular, saw elevated expenses related to systems integration and operational ramp-up. Although this business remained EBIT positive, the higher fixed costs meant that we did not reach profitability at the pre-tax level immediately. In addition, one-off accounting provisions such as ESOP-related charges further impacted the reported results.

Despite these uncertainties, your Company ended FY 2024-2025 on a strong financial footing. Revenues stood at Rs. 3,579 cr., marking a 30% growth over the previous year. EBITDA reached Rs. 308 cr., up 34% year-on-year. Profit After Tax increased to Rs. 110 cr., reflecting an 18% rise. Our gross block stood at Rs. 1,412 cr. and net worth at Rs. 891 cr. Our debt-to-equity ratio was 0.79x, underlining our focus on maintaining financial discipline while pursuing capacity and capability expansion.

These figures are encouraging, not because they reflect a conventional notion of growth, but because they reaffirm the strength of our business model. In Contract Manufacturing, topline is often a function of input cost pass-through and client schedules. What matters more is profitability, asset efficiency, and the consistency of earnings across cycles. On that front, we made significant progress. New businesses contributed meaningfully. Manufacturing efficiencies improved. Loss-making units from the previous year stabilised. Most importantly, earnings quality improved without compromising future readiness.

The Evolution of Our Business Model

Over the past few years, HFL has been on a deliberate and Promethean path of transformation, one defined by vision, reinvention, and the courage to break from convention. From a company rooted in the stability of dedicated manufacturing for large multinational corporations, we have evolved into a more diversified and agile organisation. This shift reflects a conscious recognition that our traditional growth engines were slowing, and that we had to seek new sources of energy and opportunity. The move from a largely dedicated model to one that embraces shared manufacturing and new customers and new product categories, marks a bold inflection point. It has enabled us to expand our customer base, embed flexibility into our operations, and improve capital productivity.

Our progress in FY 2024–2025 reflects the strength of this evolving strategy. Shared manufacturing gained strong momentum, delivering revenue of Rs. 787 cr. and achieving operational profitability in spite of the fact that as of March 31, 2025, approximately 80% of our capitalised gross block remained attributable to dedicated manufacturing, While this ratio may shift modestly in the near term, our overall approach remains clear and consistent. We will allocate capital where the returns justify the risk. Like Prometheus, this risk will lead to some punishment but in the long run, it will lead to evolution and progress!

Sustainability and Governance

Two years ago, we introduced the Gaia theme, inspired by mythology, to represent our commitment to sustainable stewardship. While the metaphor served as a creative backdrop, our commitment to ESG has always been tangible, data-led, and operationalised across functions.

During FY 2024-2025, we accelerated efforts to lower our environmental footprint. Solar energy adoption continued across select units. Rainwater harvesting systems and briquette-based boilers were expanded. Across our facilities, we transitioned to energy-efficient lighting and air conditioning systems.

A particularly important development was our proposed strategic investment of up to Rs. 5 cr. in Kabadiwala, a platform focussed on improving India's informal waste ecosystem. This move strengthens our compliance with Extended Producer Responsibility (EPR) norms and supports circularity in packaging and recovery. In parallel, we continued to work closely with clients to innovate in sustainable packaging, pilot low-impact logistics options, and reduce water usage.

Internally, we continued building an organisation ready for scale. The integration of the footwear business brought approximately 5,000 new employees into the HFL system. Our focus was not only on onboarding, but on upskilling, cultural integration, and retention. We rolled out a company-wide ESOP scheme. We also completed a preferential share allotment to our employees in our footwear subsidiary. A KRA-driven performance management system is now in place for senior leadership, backed by structured quarterly reviews and digitised HR processes. Our focus on safety, diversity, and inclusion continues to anchor all people-related interventions.

The Road Ahead

To me, FY 2024-2025 will always stand out: not just for the results, but for the intent behind them. This was a year in which we made progress, even when the headlines were mixed. We stayed focused even when the narratives were scattered. And we chose to act even when waiting would have been easier.

Your Company's story is still being written, but the chapters ahead are being built on the decisions taken now. I thank each and every employee, client, partner, and stakeholder for continuing to believe in this story and for shaping its momentum.

As we look ahead, our approach remains consistent - stay relevant, stay flexible, and stay anchored in value creation. Because in our view, manufacturing is not just about capacity. It is about conviction.

To each member of our team, thank you for staying the course. For enduring with clarity. For building with courage. And to our stakeholders, thank you for your trust and belief. The journey ahead is steep, as it must be. The mountain Prometheus climbed was not one of ease. But from there, he brought fire that changed the world. At HFL, we will keep forging ahead, not for comfort, but for creation. Not for applause, but for impact.

Warm regards,

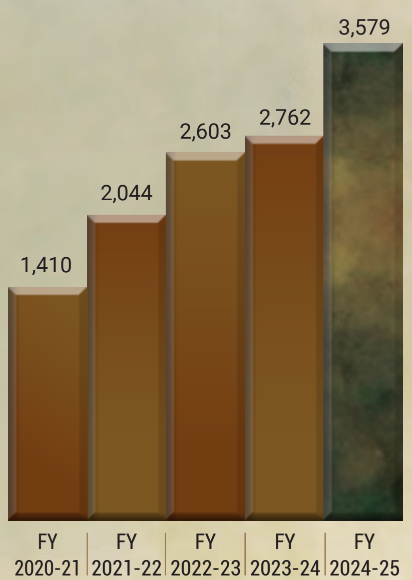
Sameer Kothari
Managing Director

Financial Highlights

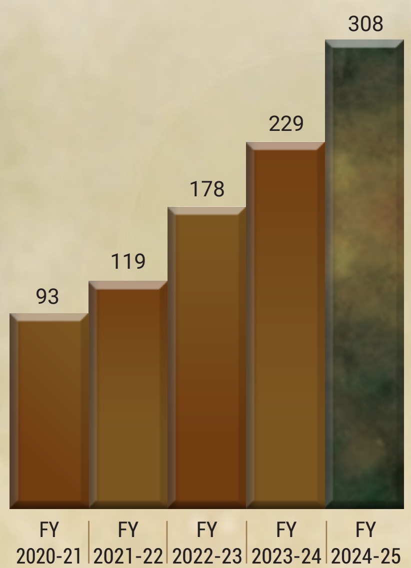
FORGED IN VALUE

Relentless Financial Focus

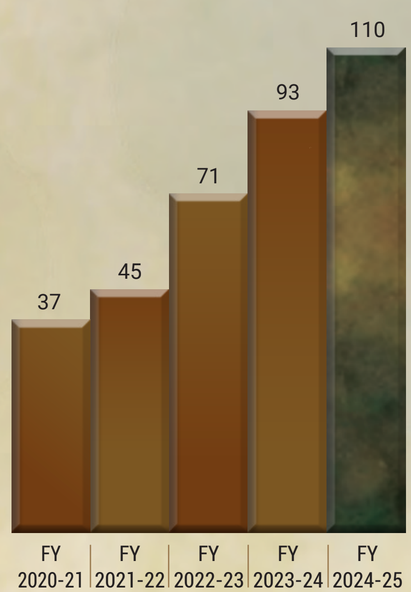
Revenue# (in Rs. cr.)



EBITDA# (in Rs. cr.)

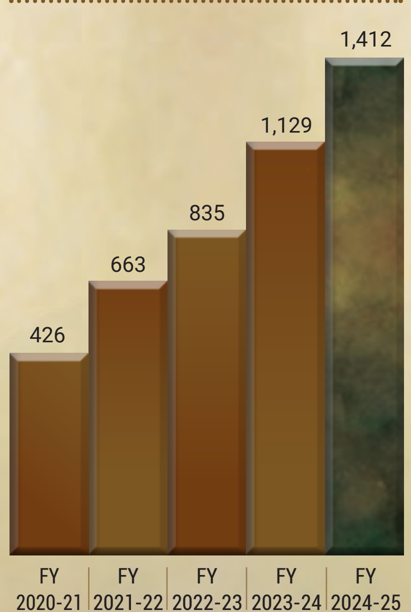


PAT^ (in Rs. cr.)



Net Worth (in Rs. cr.)

Gross Block* (in Rs. cr.)



^PAT for FY 2020-2021 excludes tax adjustment pertaining to the previous year

#Includes Other Income

*Gross Block includes CWIP and ROU assets. For acquired factories, these are considered at the net block level

The above figures are as per Consolidated Financial Statements

Presence

SCALING WITH FIRE

Expanding with Intention

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations and is not intended for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company, or any of its Directors, Officers or Employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

* through Wholly-Owned Subsidiary Company

\# through 100% (directly – indirectly) Partnership Interest in a Limited Liability Partnership

Manufacturing Facilities

WHERE POWER BUILDS

Shaped by Fire

When Prometheus gave fire to humanity, it wasn't just about light or warmth. It was about enabling creation. He taught them to shape stone and metal, to build tools and shelter. These early acts of grounding civilisation were not dramatic gestures, but deliberate efforts to create lasting strength. Similarly, our approach is no different. We've built a network of manufacturing facilities that anchor our operations. Strategically located and engineered for scale and precision, these sites turn raw potential into real capability. They provide the strength, adaptability, and quality needed to support our growth and respond to an industry in constant motion.

BADDI

Aggregate Capacity:

Personal Care: 14 Mn Cu

Ayurveda Creams, Lotions & Hair Care: 215 Mn Cu

Allopathy Tablets: 716 Mn

Allopathy Lozenges: 872 Mn

Allopathy Powder: 0.5 Mn Cu

Allopathy Topical Creams & Ointments: 117 Mn Cu

Allopathy Liquids: 26 Mn Cu

Plasters: 15 Mn Cu

Total Area: 10.87 Acres

Description:

- The plant manufactures over 100 SKUs of Ayurveda, Personal Care & Allopathic products, including Topical Creams, Lozenges, Liquids, Powders, Ointments, Handwash, Plasters & Tablets
- The plant is a US FDA, MHRA (Medicines and Healthcare products Regulatory Agency), Ayush, UK & Russia GMP-approved facility, exporting to 20+ countries in Europe, Asia & Australia
- ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 22716 certified facility. The site integrates systems like GMP Pro QMS, DMS, and EMMS, ensuring compliance and operational efficiency

JAMMU

Aggregate Capacity:

Coils: 1,200 Mn/year

Vaporisers: 43.2 Mn/year

Aerosols: 7.2 Mn/year

Description:

- Acquired from Reckitt in 2017
- Spread across 8.68 acres
- Manufactures Household Insecticides, including Aerosols, Vaporisers and Coils
- ISO 9001 QMS, ISO 14001 Environment Management System standards and is an ISO 18001 OHSAS certified facility

KUNDLI x 3 & PAONTA SAHIB x 2

Aggregate Capacity: 41,50,000 Pairs/year

Total Area: 10 Acres

Description:

- Recently acquired a total of 5 facilities in Haryana and Himachal Pradesh
- The Unit manufactures Open Footwear, Sports Shoes & Sneakers (across Tennis, Football, Cricket, Running, Trekking, Badminton, Outdoors, Lifestyle) for national and international brands

(through wholly-owned Subsidiary Company)

Aggregate Capacity: 20,000 KL/year

Total Area: 4.19 Acres

Description:

- Greenfield plant for a national brand, operational since February 2024
- Manufactures juices in SIG Combi block packs in pack sizes 80 ml to 200 ml

(through wholly-owned Subsidiary Company)

Aggregate Capacity: 3,23,00,000 Litres/year

Total Area: 8.4 Acres

Description:

- The Unit manufactures Ice Creams & Frozen Desserts – Sticks, Small & Large Cones, Cups, Candies, Choco-bars, Family & Party Packs, Extruded Bars & Extruded Sandwiches
- Certified under **FSSC 22000 V6**, ensuring comprehensive food safety management aligned with global best practices. Depot operations commenced from the manufacturing facility to reduce the carbon footprint for our Customers

(through wholly-owned Subsidiary Company)

Aggregate Capacity:

Packaged Drinking Water: 36,72,000 Cs/year

Total Area: 1.84 Acres

Description:

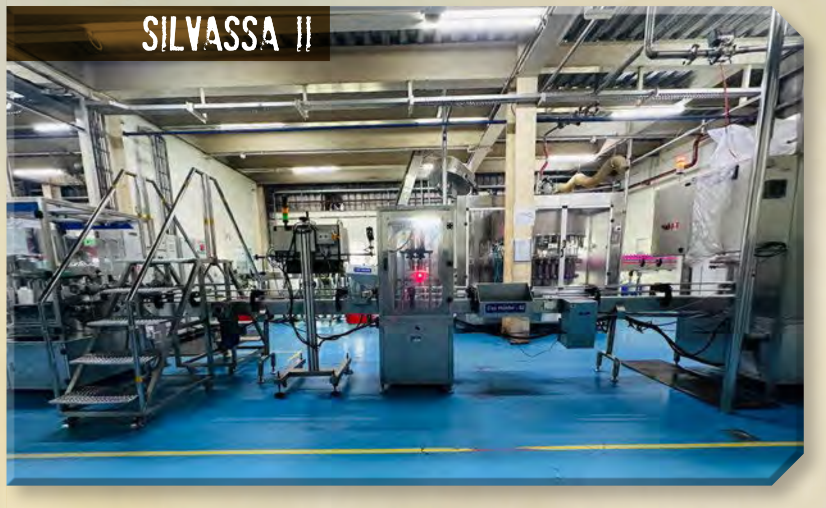
- Acquired from MMG enterprises Pvt Ltd & started its operation from January 2025
- Manufactures packaged drinking water
- Facility comprises a water purification unit, bottle blowing equipment & fully automated filling and packing lines

Aggregate Capacity:

Liquids: 12,000 KL/year

Description:

- The Unit manufactures several international and leading domestic brands of Toilet Cleaning Liquid in a custom-built, fully automated plant
- Invested Rs. 30 cr. in the facility, which includes buying out the existing factory of the promoter group and additional investments



Aggregate Capacity:

Liquids: 12,000 KL/year

Description:

- The Unit manufactures an international brand's Floor & Surface Cleaning Liquids in a custom-built, fully automated plant

Aggregate Capacity: 3,500 Tonnes/year

Total Area: 2.3 Acres

Description:

- The Unit manufactures a national brand of colour cosmetics, including lipsticks, eye make-up, pressed & loose powders and lip gloss
- The facility also manufactures Oral Care products, After Shave Lotions and Eau de Toilette

Aggregate Capacity:

Shoes & Sandals: 5,00,000 Pairs/year

Description:

- Manufactures Leather and Injection-Moulded Footwear

Aggregate Capacity: 2,00,000 Litres/day

Total Area: 3.33 Acres

Description:

- The Unit manufactures Ice Creams & Frozen Desserts – Moulded Sticks, Kulfi, Small & Large Cones, Tube, Cups, Family & Party Packs, Extruded Sticks, Extruded Sandwich & Cassata
- Site Operation Started in April 2025

Extrusion Capacity: 6,000 Tonnes/year

Dry-Mix Blending Capacity: 1,000 Tonnes/year

Description:

- Manufactures Baby Food, Cereals and Snacks
- Facility equipped with state-of-the-art twin-screw extruder technology to manufacture superior quality Cereal-Based Food Products
- BIS, ISO 9001 and ISO 22000:2005 certified

Aggregate Capacity:

Powder: 70,000 Tonnes/year

Description:

- Manufactures Detergent Powders
- Unit is backed by a fully automated end-to-end material handling system

Aggregate Capacity:

Liquids: 2,50,000 KL/year

Description:

- Engaged in the manufacturing of Liquid Detergent, Fabric Conditioner & Softener, Liquid Soaps and Shampoos
- In-house FG warehouse to reduce operational cost & carbon footprint for our Customers

Aggregate Capacity:

Detergent Bar: 50,000 Tonnes/year

Description:

- Manufactures Detergent Bars
- Project commissioned and production was started to produce NSD Bar from the facility

MYSURU

Aggregate Capacity:
Beverages: 57,000 KL/year
Total Area: 15.5 Acres

Description:
- Acquired from ATC Beverages in 2019
- Manufactures Carbonated Soft Drinks, Energy Drinks, Active Water and Fruit Drinks
- Fully automated filling and packing lines at the facility.

The facility was upgraded to add capacity for bottle blowing for the juice line, setting up a new facility for pouch filling line & upgrading the storage racks in the Finished Goods (FG) warehouse.

PUDUCHERRY x 4

Aggregate Capacity: 7,50,000 Pairs/year
Total Area: 1.43 Acres

Description:
- Acquired Ponds Exports Ltd, a subsidiary of Hindustan Unilever Ltd in FY 2016-2017
- Manufactures leather shoes and accessories
- Established with a robust quality assurance system, excellent manufacturing practices, and the use of KPIs to measure and monitor performance
- Well-equipped design studio with CAD-CAM facility

TINDIVANAM (TAMIL NADU)

Aggregate Capacity: 2,40,000 Pairs/year
Total Area: 1.46 Acres

Description:
- The unit is a Greenfield plant
- Manufactures Sports, Knitted and Casual Footwear

CHENNAI

Aggregate Capacity:
Foot Care: 59.36 Mn Cu/year
Shoes: 3,00,000 pairs/year
Total Area: 10 Acres

Description:
- Manufactures over 100 SKUs of Foot Care Products for Scholl and Dr Scholl's
- Adheres to GMP norms
- Approved by the Medicines and Healthcare Products Regulatory Agency (MHRA), UK
- Also EU, exporting to 20 countries in Europe, Asia & Australia

(through wholly-owned subsidiary company)

COIMBATORE I

Aggregate Capacity:
Tea Production: 50,000 Tonnes/year
Coffee Production: 1,500 Tonnes/year

Description:
- Greenfield plant, exclusively built to process, blend and pack tea and coffee brands for Hindustan Unilever
- The facility has high-speed single-track and multi-track packing lines and complete end-to-end pneumatic material handling
- Integrated barcode-based automated storage and retrieval system for precise and efficient material storage

COIMBATORE II

Aggregate Capacity: 60,000 Tonnes/year
Total Area: 7 Acres

Description:
- Two greenfield plants dedicated to processing, blending and packing two of the largest malt-based food brands in the country

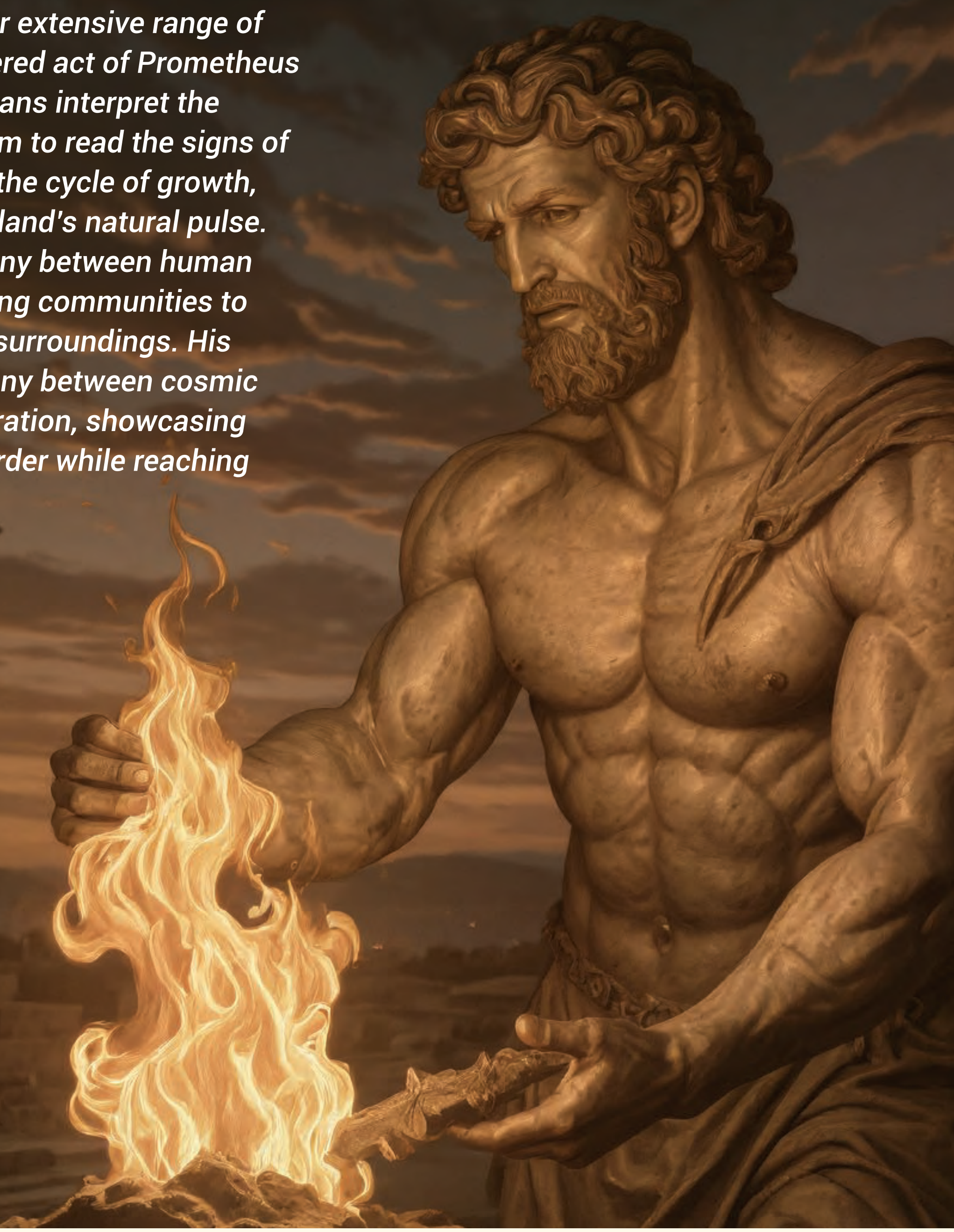
Environment

FIRE MEETS EARTH

Sparking Sustainable Change

Rooted in a legacy of forward-thinking and responsibility, we have been recognised for our commitment to quality and sustainability, seamlessly integrating these values into our extensive range of services. One seldom-remembered act of Prometheus was his effort to help early humans interpret the rhythms of nature, teaching them to read the signs of changing seasons, understand the cycle of growth, and align their actions with the land's natural pulse. This knowledge fostered harmony between human life and the environment, enabling communities to thrive without exhausting their surroundings. His guidance epitomised the harmony between cosmic understanding and human aspiration, showcasing a deep respect for the natural order while reaching towards ever-greater heights.

At Hindustan Foods Limited, we draw from this spirit, shaping responsible systems that listen to nature, adapt with awareness, and build progress that is both purposeful and enduring. We adopt environmentally responsible technologies and practices that align our growth with the health of the planet. From cutting carbon emissions to supporting biodiversity, our actions reflect a deep sense of accountability. This integrated approach ensures that our progress is both forward-looking and responsible, contributing to a better future for all.



ENVIRONMENTAL INITIATIVES

- Integration of solar power plants and rainwater harvesting systems at our new factories, reducing reliance on conventional energy sources and conserving water resources
- Adoption of briquette boilers to replace traditional coal-fired ones, transition to cleaner fuel to reduce carbon emissions and promotion of cleaner energy alternatives
- Embracing smart lighting and air-conditioning systems, digital payment and signature methods, replacing vapour lamps with LED bulbs in operations to conserve power consumption and striving to minimise paper usage, thereby reducing energy consumption and paper waste
- Collaborating with our Principals to adopt eco-friendly and minimal product packaging practices, promoting sustainable supply chains, actions towards segregation and disposal of plastic wastes in line with regulations and reducing environmental impact
- Prioritising the employment of local labour in our factories, contributing to the economic development of rural and semi-urban areas where our facilities are located
- Enforcing the mandatory preservation of trees and plants in and around our factories, fostering a greener environment and enhancing biodiversity

We have taken a significant step toward sustainability by investing in Kabadiwala, a company focussed on plastic scrap collection and recycling. This move aligns with our broader environmental vision and our commitments under Extended Producer Responsibility (EPR) regulations. We plan to invest up to Rs. 5 cr., securing a substantial minority stake and establishing a strong foothold in the waste management and recycling ecosystem.

Given our deep involvement with leading FMCG players, we see clear synergies in working with Kabadiwala. Their expertise in waste management and traceability will significantly enhance our ability to meet EPR requirements, especially around post-consumer plastic recycling. What makes this especially meaningful is the opportunity to support and uplift the informal waste ecosystem. This sector plays a vital role in India's recycling efforts, and we see value in contributing to its formalisation and growth. This initiative represents a win for our business, a win for the environment, and a win for the communities involved.

Social

FLAMES OF BELONGING

Empathy Meets Action

In ancient myth, Prometheus once aided humanity during a time of plague, guiding them towards healing through the discovery of medicinal herbs and natural remedies. This act, born from compassion, reflected his deep concern for human suffering and his commitment to their well-being. By empowering communities to care for one another in the face of adversity, Prometheus embodied an early form of social responsibility. Inspired by this legacy of care, HFL places community well-being at the core of its mission. Whether supporting health initiatives, championing inclusive growth, or strengthening local networks, our efforts reflect a long-standing belief in social progress through solidarity.

We focus on establishing platforms for learning, promoting resource sharing, and ensuring equitable opportunities for all. These efforts not only strengthen the communities we touch but also contribute to building a future defined by growth, resilience, and shared success. Our commitment to social responsibility underscores every step we take as we strive to make a lasting positive impact.

EMPLOYEE INITIATIVES

People are the foundation of our progress. Their energy, ideas and dedication shape the quality of service we deliver. We are committed to fostering a workplace that is inclusive, respectful and collaborative, where social harmony and teamwork are actively encouraged. To support this, we provide sustainability training and promote employee-led initiatives that boost engagement, improve efficiency and strengthen our shared commitment to environmental responsibility. Through internal campaigns that encourage eco-friendly habits, we help our team make a meaningful and lasting impact.

We also place a strong focus on work-life integration, recognising that true wellbeing comes from balance across family, home, community, health and personal time. Our approach is guided by regular employee feedback, allowing us to respond to individual needs thoughtfully and practically. Ongoing check-ins and performance reviews create space for open conversation, where challenges are addressed and support is offered. This helps us maintain a positive work environment that values both professional growth and personal well-being.

71:29

Male to Female Employees Ratio

We are deeply committed to building a workplace that is fair, inclusive and respectful of all individuals. Our approach to equality is comprehensive, ensuring equal opportunities for everyone, regardless of age, gender, caste, creed or social background. We strive to create an environment where diversity is not only welcomed but actively celebrated.

One of the key pillars of our inclusivity efforts is the empowerment and progression of women within our organisation. We take active steps to promote gender balance across all our locations, with particular emphasis on supporting and advancing women in the workforce. Our footwear and colour cosmetics facilities are strong examples of this commitment, where women make up a greater share of the workforce than men, highlighting the tangible progress we have made towards fair representation and equity.

Through these ongoing efforts, we aim to lead by example and create a culture where everyone feels valued and supported, with the freedom to contribute, develop and succeed.

COMMUNITY INITIATIVES

We believe businesses should do more than deliver profits; they should actively contribute to a better world. That belief drives us to be recognised not just for business success, but for the values we uphold and the impact we create in the communities we serve. We see ethical and responsible practices as fundamental to our identity, not as obligations but as guiding principles that shape our actions. Social and environmental responsibility is woven into our strategic approach and reflects our deep-rooted purpose and values.

With an emphasis on innovation and creativity, we align our initiatives with the nation's development priorities. Our work spans vital areas such as education, health and sanitation, environmental sustainability, and the promotion of sports, art and culture. Each initiative is designed to support inclusive progress and improve the overall quality of life. We aim to leave a lasting, meaningful impact. By embedding compassion and accountability into everything we do, we continue to build towards a future that is sustainable, inclusive and shaped by shared growth.

How We Create Impact?

- Promoting education and healthcare for girls, supporting schools, and providing medical assistance to those in need
- Empowering and promoting the well-being of the 'Girl Child' by pledging our efforts to enhance her health, hygiene, and education
- Improving the learning environment in government schools, ensuring that studying becomes an enriching and transformative experience for every girl
- Building and renovating classrooms, canteens and toilets in government schools
- Contributing towards laptops, books, uniforms, desks, sports kits, hygienic drinking water, and streetlights, among other essential resources
- Supporting cancer care initiatives, providing assistance and resources to individuals battling this disease
- Extending our support to eye surgeries and cataract treatments, enabling access to vital vision care for those in need
- Offering prosthetic limbs and wheelchairs, empowering them with increased mobility and independence

Governance

FIRED BY PRINCIPLES

Governance with Purpose

Before the gods unleashed a great flood to wipe out humankind, Prometheus chose not to remain silent. He warned his son, Deucalion, of the coming deluge and advised him to build a vessel. While the Olympians withheld their plans, Prometheus acted out of responsibility, not rebellion. He understood that timely knowledge could save lives and that silence, in moments of risk, carries its own cost.

This ethos shapes HFL's governance approach. We champion strong transparency combined with strategic patience, knowing that meaningful progress unfolds over time, not overnight. By steering through complexity with deliberate precision, we build durable resilience and foster enduring value. Like Prometheus, we shoulder the responsibility of visionary leadership, making calculated choices that favour long-term significance over fleeting gains.

At HFL, our approach to governance is shaped by a belief in strategic patience and transparent leadership. We know real progress takes time, and we're committed to building it the right way. Like Prometheus, we embrace the responsibility of leadership, making deliberate, long-view decisions that favour lasting impact over short-term rewards.

Integrity and accountability aren't just values, they're part of how we operate every day. We are focussed on fair, transparent practices across all levels of the business, committed to earning and keeping the trust of our shareholders, employees, and the wider community. Our value creation approach is grounded in ethics. We anticipate and manage risk with care, engage openly with stakeholders, and uphold the highest standards of conduct. Through clear communication and principled leadership, we aim to build a company that's resilient, responsible, and built to last.

BOARD COMPOSITION AND DIVERSITY

We are committed to cultivating a diverse and inclusive Board of Directors. We recognise that diversity goes beyond surface-level differences, encompassing a wide range of professional experiences, business insights, skills, knowledge, gender, age, cultural and educational backgrounds, ethnicity, and tenure. This rich tapestry of perspectives strengthens our governance framework and enhances the quality of our decision-making.

Our commitment to transparency and accountability ensures that our Board embodies these varied viewpoints, which are critical for effective leadership. We appreciate the immense value a diverse Board brings, fuelling dynamic discussions and well-rounded decisions that support sustainable business practices.

By embracing diversity in all its dimensions, we tap into a broad array of ideas and expertise. Together, these empower us to navigate the complexities of today's evolving business environment with agility and foresight.

OUR LEADERS

Shashi K Kalathil
Independent Director – Chairperson

Shrinivas V Dempo
Non-Executive Director

Sameer R Kothari
Managing Director

Ganesh T Argekar
Executive Director

Nikhil K Vora
Non-Executive Director

Honey Vazirani
Independent Woman Director

Neeraj Chandra
Independent Director

OUR MANAGEMENT TEAM

Mayank Samdani

CFO

A Chartered Accountant with deep expertise in Finance, Accounts, Audit, Legal, and Compliance. He has previously served in leadership roles with the Future Group and the Ashok Piramal Group.

Sanjay Sehgal

President, Healthcare and Wellness

A B.Tech graduate in Chemical Engineering from IIT Delhi, Sanjay brings 41 years of cross-industry experience with global exposure. He has worked with HUL, Sandoz, and Hindalco Industries, across APAC regions and Brazil.

Sunil Plakkat

President, Manufacturing Excellence

A seasoned Chemical Engineer with 33 years of experience in Manufacturing Operations across Plant and Corporate functions. His career includes leadership roles at Asian Paints, PPG Asian Paints, ICI, Rallis, and Atul Ltd.

Manoj Patani

President, Ice Cream Business

A Chemical Engineer from UDCT, Mumbai (now ICT), and an MBA in Finance & Marketing from ISB Hyderabad. With over 19 years of experience in Manufacturing and Industrial Automation, Manoj has led functions in Business Strategy, Commercial Operations, and Marketing.

Girish Kalia

VP, Operations – Footwear

A Mechanical Engineer with more than 22 years of experience in Footwear Manufacturing. Girish brings strong expertise in Operations Management, Product Development, Business Strategy, and Manufacturing Excellence. He has previously worked with Adidas.

Ravindar Rathi

GM, Operations North

A veteran Operations and Manufacturing professional with 27 years of experience in setting up new facilities and restructuring operations. He has held key roles at ITC Limited and Moser Baer.

Govind Singh Rawat

GM, Operations – Home Care & Personal Care

A Mechanical Engineer with 37 years of experience in Operations, Project Management, and Strategic Planning. He has held significant roles with PepsiCo, Parle Agro, Dukes, and served in the Indian Navy during his earlier assignments.

B N Prasad

GM, Operations, Beverages

A seasoned engineering professional with a B.Tech in Dairy Technology, B N Prasad brings over 30 years of rich experience in Manufacturing and Production across FMCG, Dairy, and Healthcare sectors. His career spans leadership roles in prominent organisations such as EID Parry, Lactalis India, CavinKare, and GlaxoSmithKline Consumer Health Care.

Rajiv Bahadur

President, Leather Business

A footwear industry veteran with 36 years of expertise in Operations, Buying, Product Development, and Sales. Rajiv has held key positions at Bata, Tata Exports, and AU Thomas, and completed a prestigious 3-year international assignment with Yanko/Pielsa in Spain, further strengthening his global perspective and strategic insights.

Rahul Naik

Head, Operations, West II

An Electronics & Telecommunications Engineer with 26 years of experience in FMCG Plant Operations, Project Management, Supply Chain, and 3P Operations. Rahul has contributed to the success of reputed organisations like Coca-Cola, Shell Lubricants, AJE Group, and the VKL Group, driving efficiency and excellence in operations.

OUR MANAGEMENT TEAM

Alok Bodhankar

GM, Human Resources

Armed with a Master's in Labour Studies, Alok brings 18 years of diverse HR experience across FMCG, Pharmaceuticals, Specialty Chemicals, and Insurance. He has led HR and Employee Relations functions at reputed companies including Glenmark, Croda Chemicals, HDFC, and Coca-Cola, fostering progressive workplace practices.

Prasad Kali

GM, Projects

A Chemical Engineer with 25 years of experience in Manufacturing Operations and Strategic Project management. Prasad has led multiple functions, including Operations, Maintenance, Project Execution, Erection, Safety, Quality, and WCM/ TPM initiatives. His professional journey includes key tenures at Hindustan Unilever.

Ashish Vyawahare

AGM, QMS and R&D

A B.Tech in Food Technology, Ashish brings 27 years of versatile experience in Project Management, R&D, QA, Supply Chain, and 3P Management within the Food & Beverage domain. His career includes both domestic and international assignments, with a notable stint at Hindustan Unilever (HUL).

Robin D'souza

GM, Business Development & Customer Service

A seasoned professional with a Commerce background and 27 years of experience spanning New Product & Packaging Development, Business Development, and Contract Manufacturing. Robin has been instrumental in building and expanding Private-Label businesses across markets.

Nalini Kalra

GM, Private Labels

With over two decades of experience in the Personal Care sector, Nalini holds a degree in Political Science. She spent 5 years in New York's cosmetics industry and currently leads the Private Labels business, driving growth and innovation across multiple product categories.

Vimal Solanki

Head, Emerging Businesses & Corporate Communications

A Management graduate with three decades of experience in launching and scaling FMCG brands across India, the Middle East, and North America. Vimal has previously worked with Shoppers Stop and Reliance Retail, bringing strategic depth to brand building and business development.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Shashi K Kalathil
Chairman, Independent Director

Mr Shrinivas V Dempo
Non-Executive Director

Mr Sameer R Kothari
Managing Director

Mr Ganesh T Argekar
Executive Director

Mr Nikhil K Vora
Non-Executive Director

Ms Honey Vazirani
Independent Woman Director

Mr Neeraj Chandra
Independent Director

Mr Sarvjit Singh Bedi
Non-Executive Director
(upto September 18, 2024)

Mr Sandeep Mehta
Independent Director (upto August 8, 2024)

Ms Amruta Adukia
Non-Executive Director
(upto February 12, 2025)

CHIEF FINANCIAL OFFICER

Mr Mayank Samdani

COMPANY SECRETARY & LEGAL HEAD

Mr Bankim Purohit

CIN NO.

L15139MH1984PLC316003

REGISTERED OFFICE

Office no. 3, Level 2, Centrium,
Phoenix Market City,
15, Lal Bahadur Shastri Road, Kurla (W),
Mumbai - 400 070, India

WORKS

Jammu
IGC, SIDCO Phase II, Samba - 184 121,
Jammu & Kashmir

Baddi, Himachal Pradesh
Khasra No. 701/534, Vill Sandholi Baddi,
Nalagarh Road, P.O. Baddi,

Tehsil Nalagarh, Distt Solan - 173 205,
Himachal Pradesh

Himachal Pradesh*
KNS Shoetech Private Limited
Village Mehruwala, P. O. Bhagani, Teh.
Paonta Sahib, Sirmour, Paonta Sahib
173 025, Himachal Pradesh;

Village Bangran, District Sirmour, Paonta
Sahib 173 025, Himachal Pradesh

*Wholly-owned Subsidiary Company of the Company

Kundli, Haryana*
KNS Shoetech Private Limited
Plot No 158 and 427, EPIP, Sector -53,
Phase II, HSIIDC, Kundli, Sonipat,
Haryana - 131 028;

75, Sersa Road, P.O. Janti Kalan, Kundli,
Sonipat, Haryana - 131 028

*Wholly-owned Subsidiary Company of the Company

Guwahati*
HFL Multiproducts Private Limited
At Dag No 414, 416 to 421, 425, 426,
428, Uparhali, Bijaynagar, Dahali, Kamrup,
Guwahati, Assam - 781 122

*Wholly-owned Subsidiary Company of the Company

Lucknow*
HFL Consumer Products Private Limited
Plot No C-3 & C-4, UPSIDC Industrial Area,
Sandila Village 241 204, Som Hardoi, Uttar
Pradesh

*Wholly-owned Subsidiary Company of the Company

Silvassa I
Survey no. 452/3, Village Masat, Masat,
Silvassa - 396 230, Dadra & Nagar Haveli

Silvassa II
Unit no. 2, Plot nos. 110 & 111,

Piparia Industrial Estate, Piparia, Silvassa -
396 230, Dadra & Nagar Haveli

Silvassa III#
Aero Care Personal Products LLP
Survey No. 284/2, Village Naroli,

Silvassa - 396 235, Dadra & Nagar Haveli

#through 100% (directly – indirectly)
Partnership interest in a Limited Liability
Partnership

Mumbai
Industrial Gala nos. 7 to 13,
Survey no. 34 & 35, Rajprabha Landmark
Industrial Estate Road, Gokhivare, Vasai
East, Palghar, Mumbai - 401 208

Nashik
Building No 2, Plot F-6, MIDC, Sinnar, Dist.
Nashik, 422 103, Maharashtra

Goa
Usgaon, Ponda, Goa - 403 406

Odisha*
HFL Multiproducts Private Limited
IDCO Plot No. B/6, Food Processing Park,
Industrial Area, Khorda, Odisha

*Wholly-owned Subsidiary Company of the Company

Hyderabad I, II & III
Survey no. 44 & 49, Peddaipally Village,
Jadcherla Taluk, District Mahbubnagar,
Telangana - 509 202, Andhra Pradesh

Mysuru
Plot no. 11B & C, KIADB Industrial Area,
Nanjangud - 571 302, District Mysuru,
Karnataka

Puducherry [3 Units]
RS no. 254/1B, Gorimedu-Poothurai Road,
Poothurai Rev Village, Vanur Taluk, District
Villupuram, Tamil Nadu - 605 111

Tindivanam (Tamil Nadu)
Survey Nos. 4/1 to 4/8, Sheds A & B -
Kambur Village, Tindivanam, Villupuram
District, Tamil Nadu - 604 101

Tamil Nadu*
HFL Healthcare and Wellness Private Limited
At Plot No. F73 & F74, SIPCOT Industrial
Park, Irungattukottai, Sriperumbur, Taluk
Kancheepuram, Tamil Nadu - 602 117

*Wholly-owned Subsidiary Company of the Company

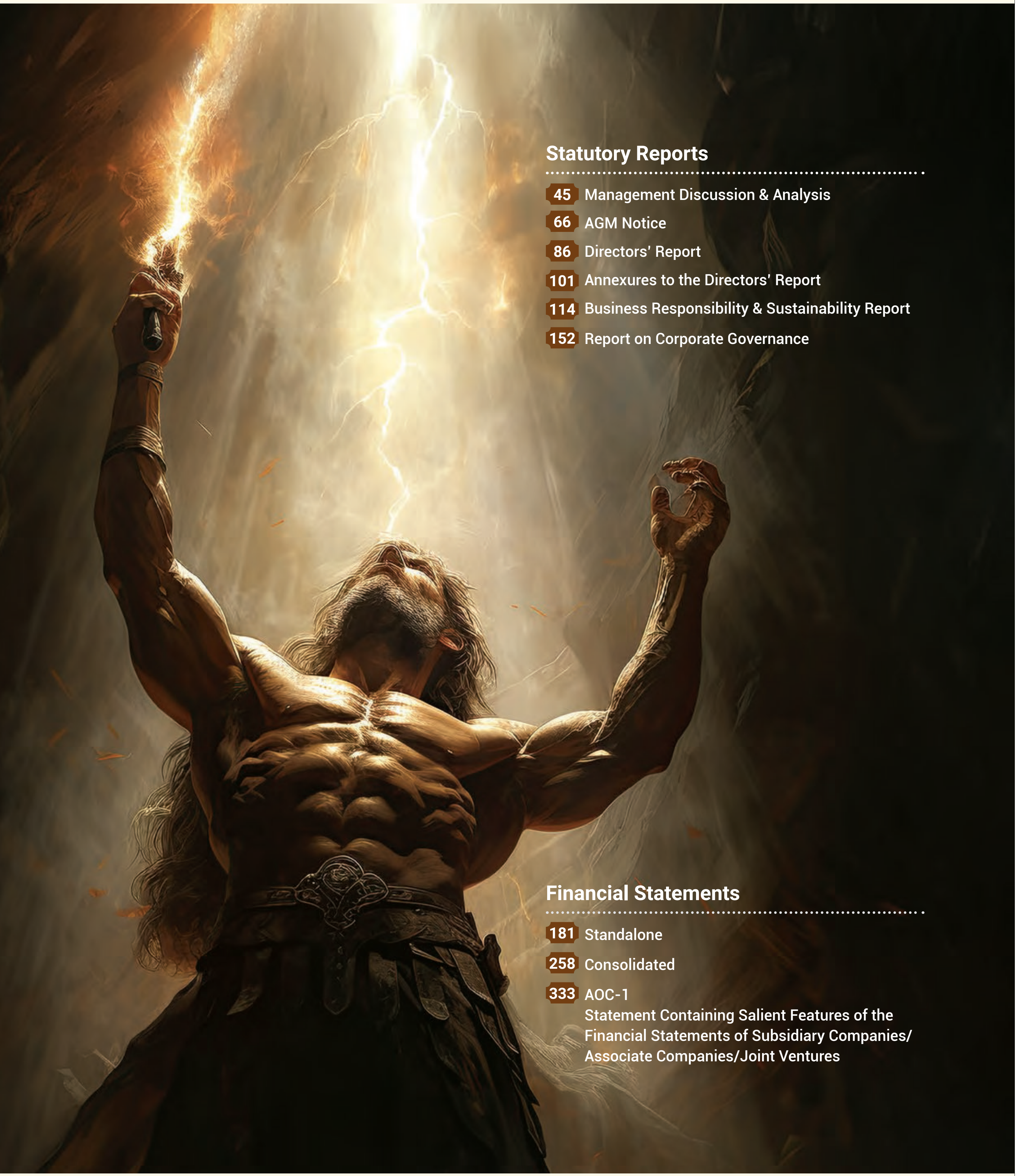
Coimbatore I & II
SF no. 195/2A, Appanaickenpatti,
Sulthanpet Road, Sulur,
Coimbatore - 641 402, Tamil Nadu

Statutory Auditors
M S K A & Associates

Registrar & Share Transfer Agents
MUFG Intime India Private Limited
(Formerly known as Link Intime India
Private Limited)
C-101, 247 Park, LBS Marg, Vikhroli (West),
Mumbai - 400 083
Tel: 1800 1020 878

Bankers
HDFC Bank
Yes Bank
SVC Bank
IDFC Bank

Website
www.hindustanfoodslimited.com
Investor Grievance Email Address
investorrelations@thevanitycase.com



Statutory Reports

Financial Statements

MANAGEMENT DISCUSSION & ANALYSIS

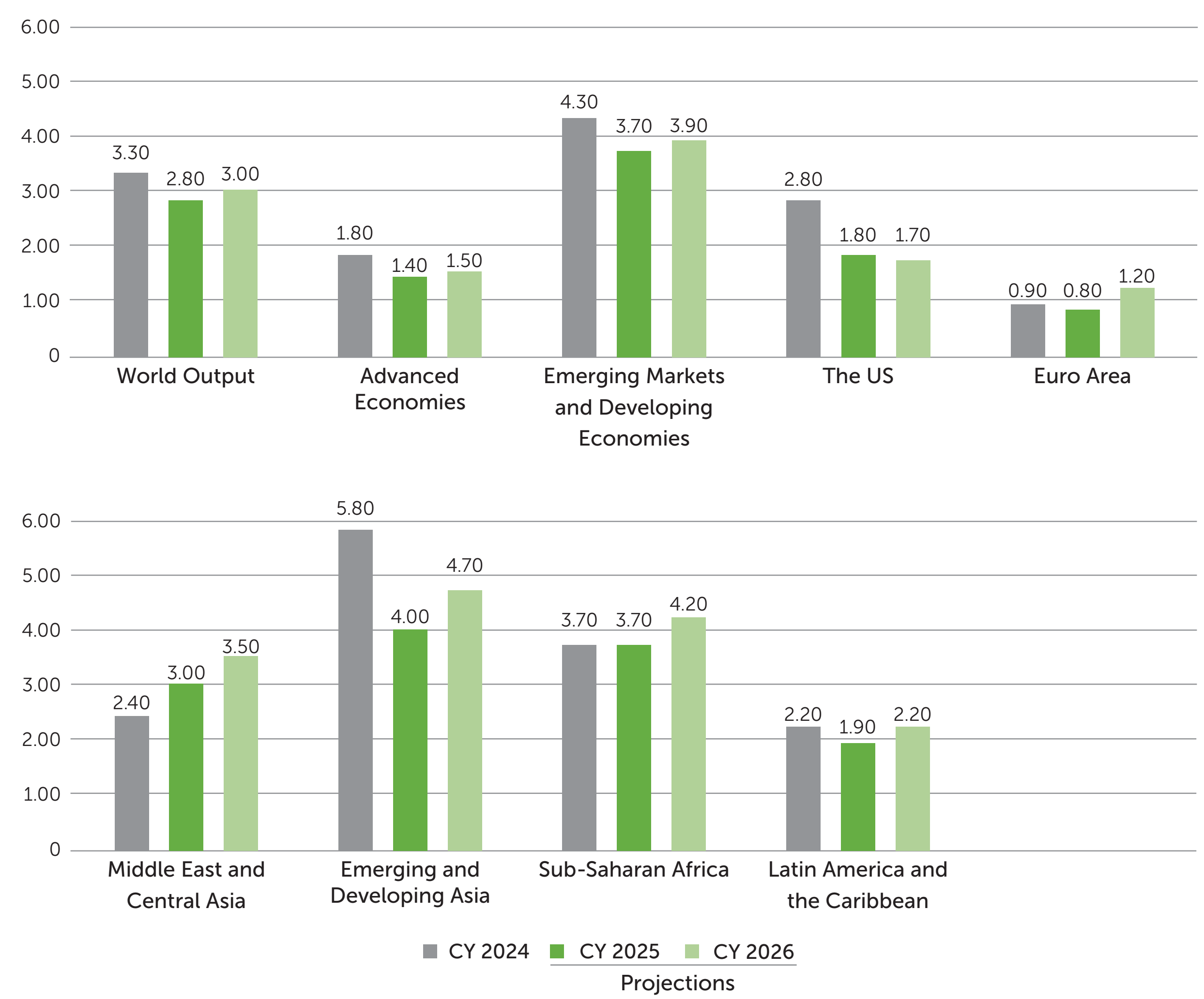
ECONOMIC OVERVIEW

Global Economy

In CY 2025, the global economy is charting a course of cautious resilience amidst evolving macroeconomic realities. As outlined in the International Monetary Fund's (IMF's) April 2025 World Economic Outlook, global GDP growth is forecast to ease to 2.80%, following a 3.30% expansion in CY 2024. While this reflects a pace below pre-pandemic averages, this also demonstrates measured progress rather than contraction and a phase defined by recalibration not retreat. This moderated momentum stems from a complex mix of global dynamics. Rising geopolitical and trade frictions, policy uncertainty across key economies, and dampened consumer confidence, especially in developed nations, converge to render a detrimental impact on growth prospects. Even so, the broader economic landscape continues to firmly adapt in CY 2025, gradually embracing the long-term structural transformations that are redrawing the trajectories of global growth.

2.80% Growth of Global Economy Projected in CY 2025

Global Economic Growth Projections (in %)



(Source: https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025)

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

Regional Economic Performance

United States

The US economy is on track to expand by 1.80% in CY 2025, as the delayed effects of sustained monetary tightening and a new wave of trade protectionism begin to take hold. The rolling out of sweeping tariffs in early CY 2025 – targeting key trading partners, including China, Canada, India and Mexico – has driven the effective tariff rate to its highest point since 1909, marking a significant shift in trade policy dynamics. These measures are projected to add nearly 1 percentage point to inflation, keeping price growth stubbornly elevated at 3.00%. At the same time, signs of fatigue are emerging in domestic consumption, while the manufacturing sector continues to face headwinds from high input costs and persistent global supply chain disruptions.

China

China's growth trajectory is expected to ease to 4.00% in CY 2025, as the world's second-largest economy continues its delicate economic transition towards domestic consumption amidst a sluggish global demand. This structural recalibration is taking shape against the backdrop of persistent muted inflation, with deflationary forces resurfacing, highlighting the fragility of household and business demand. Financial strain within the real estate sector continues to pose systemic risks, deepening concerns around credit market stability and the resilience of shadow banking entities.

Euro Area

The Eurozone remains on a path of soft recovery, with CY 2025 growth projected at a modest 0.80%. Subdued domestic demand, deteriorating export competitiveness, and continued geopolitical uncertainties – including rising political instability in major economies like Germany and France – are undermining investor confidence. Meanwhile, challenges surrounding energy security and the pace of supply diversification continue to hinder the Bloc's ability to regain economic traction.

Emerging Markets and Developing Economies (EMDEs)

Across EMDEs, growth is broadly decelerating in CY 2025, with sharp slowdowns evident in countries such as Brazil, Mexico, China, South Africa, Argentina, Hungary, Colombia, and Turkey. Mounting debt loads and weakening currencies are intensifying inflationary pressures and constraining the policy space for central banks. These domestic vulnerabilities, compounded by tightening global financial conditions and eroding investor sentiment, are aggravating macroeconomic fragilities, increasing the risk of capital outflows and policy missteps.

Amidst persistent geopolitical friction and a renewed tilt towards protectionist trade regimes, deeper structural shifts are reshaping the global economic landscape. The CY 2025 World Economic Outlook signals a gradual but steady retreat in global inflation, marking a broader recalibration of macroeconomic conditions. Following a peak of 6.80% in CY 2023, global inflation eased to 5.90% in CY 2024 and is projected to decline further to 4.50% in CY 2025. This cooling trajectory reflects an effective convergence of easing food and energy prices and the ongoing impact of aggressive monetary tightening, especially across advanced economies, where inflation targets now appear within reach. However, this narrative is far from uniform. In emerging markets and developing economies (EMDEs), inflationary pressures continue to linger, driven by currency volatility, structural supply constraints, and more limited policy flexibility.

OUTLOOK

As the global economy adjusts to a world redrawn by friction, fragmentation, and flux, a new era of international coordination is emerging – driven by pragmatic, issue-specific collaboration. Within this shifting terrain, targeted reforms and renewed multilateral engagements are gaining momentum as key instruments for restoring stability and resilience. Frameworks like the G20's Common Framework for Debt Treatments are helping advance more predictable and orderly sovereign debt restructuring for vulnerable economies, offering critical support in navigating mounting fiscal stress. Simultaneously, central banks in advanced economies are adopting a more cautious and data-dependent approach to interest rate adjustments, as the focus shifts from aggressive tightening to stability-oriented fine-tuning. In emerging markets, macroprudential policies are being strengthened to better manage capital volatility and external shocks. Trade agreements such as the Regional Comprehensive Economic Partnership (RCEP) are reconfiguring global supply chain networks and accelerating regional integration. Collectively, these developments reflect a reorientation of the global economic order – towards resilience, inclusiveness, and strategic alignment for a more lasting recovery over the medium term.

(Source: https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025)

Indian Economy

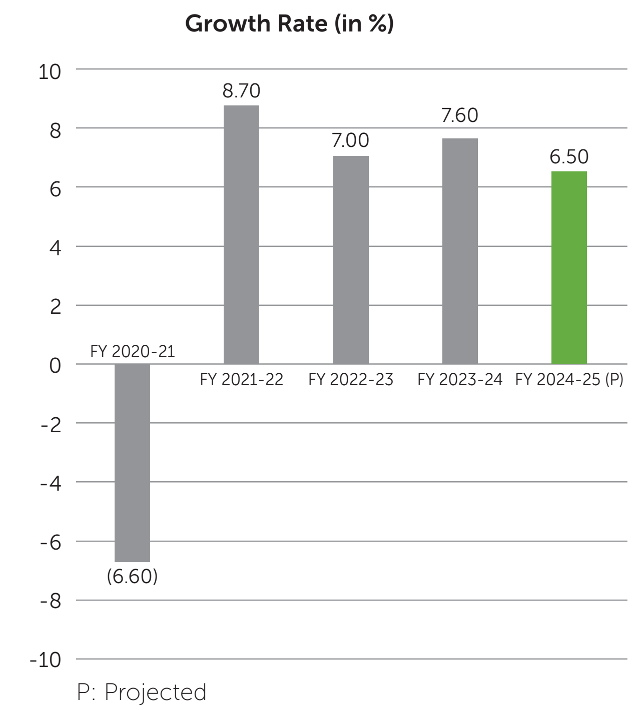
Amidst an increasingly complex global economic landscape, India continued to chart a steady and resilient course, steered by structural strength and policy foresight. The country recorded a robust real GDP growth rate of 6.50% in FY 2024-2025, reflecting the resilience and adaptability of its economic framework. Despite persistent global challenges, including trade frictions and tariff realignments, India firmly maintained a steady growth path. This sustained performance highlights the country's ability to absorb external pressures through agile policymaking and a forward-looking economic strategy. The growth narrative is supported by sound domestic consumption, which remains the primary engine of economic activity. Within this, rural demand emerges as a critical lever, buoyed by favourable agricultural performance that has boosted rural incomes and spending capacity.

(Source: https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154840&ModuleId=3#:~:text=India's%20GDP%20grew%206.5%25%20in,824.9%20billion%20in%202024%E2%80%9325)

6.50% Growth of Indian Economy in FY 2024-2025

Complementing this momentum, India's macroeconomic fundamentals remain sound, supported by a consistent policy commitment to build long-term competitiveness. The rapid adoption of digital infrastructure through initiatives like Digital India and the Unified Payments Interface (UPI) significantly improved operational efficiency, enhanced governance transparency, and fortified financial inclusion. At the same time, large-scale infrastructure programmes such as the Gati Shakti National Master Plan and the Bharatmala project are transforming physical connectivity and logistics networks, strengthening the backbone of the economy. Together, these high-impact initiatives reflect a purposeful and future-ready development agenda that positions India for sustained economic leadership in a rapidly evolving global order.

Real GDP Growth Rate of Indian Economy (in %)



(Source: https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf)

India's headline inflation continued its downward trajectory, with the Consumer Price Index (CPI) averaging 4.60% in FY 2024-2025 – the lowest annual print since FY 2018-2019. This moderation marks a decisive shift towards price stability, following a prolonged phase of elevated price levels observed in recent years, particularly during the global supply chain disruptions between CY 2021 and CY 2023. During that period, price pressures consistently breached the Reserve Bank of India's (RBI) target range. The current decline highlights the effectiveness of the RBI's calibrated monetary tightening and the Government's disciplined fiscal approach. Together, these measures contributed to restoring macroeconomic balance and anchoring inflation expectations.

4.60% India's Consumer Price Index in FY 2024-2025

Infrastructure investment continues to propel India's economic journey, reflecting the Government's firm focus on building long-term productive capacity and enabling equitable growth. Strategic sectors such as railways, highways, urban redevelopment, and water and sanitation

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

remain key to this ambition, driving both connectivity and social impact at scale. This sustained emphasis on capital expenditure significantly bolstered logistics and expanded access to essential public services, including electricity and clean water, for households across the country. Flagship programmes such as the Jal Jeevan Mission (JJM) and the PM Gati Shakti Master Plan are playing stellar role in narrowing the rural-urban divide, facilitating the transformation of Tier-II and Tier-III cities into emerging hubs of economic activity.

In alignment with this vision, the Government earmarked Rs. 11.21 lakh cr for capital expenditure in FY 2025-2026, representing 3.10% of GDP. This marks an increase from the previous year's outlay of Rs. 11.11 lakh cr and highlights the priority placed on infrastructure-led growth. Complementing this public investment push is a sharpened focus on monetising existing public assets through a revamped Asset Monetisation Plan, alongside the rollout of a structured three-year Public-Private Partnership (PPP) project pipeline to enhance private sector participation in critical sectors. These coordinated measures are designed to unlock efficiencies and fortify India's infrastructure ecosystem, laying the foundation for broad-based, durable economic progress.

Outlook

India's economic trajectory continues to be shaped by the bold and aspirational roadmap of Viksit Bharat @2047 - a long-term national vision to transform the country into a fully developed economy by the centenary of independence. At the core of this vision lies the target of becoming a USD 30 Tn economy by CY 2047, driven by inclusive growth, technological advancement, and infrastructure-led transformation. The projected real GDP growth of 6.50% for both FY 2025-2026 and FY 2026-2027 is a bold step in this direction, reaffirming the underlying macroeconomic resilience and the strength of policy continuity. This forward momentum is being driven by a favourable combination of strong domestic demand, accelerated digitalisation, and ongoing structural reforms – all strengthening the foundation of a more agile, competitive, and future-ready economy.

USD 30 Tn	Projected Size of Indian Economy by CY 2047

(Source: https://www.ubs.com/global/en/investment-bank/insights-and-data/2024/indias-outlook-2025-2026-story.html)

INDUSTRY OVERVIEW

FMCG Industry

India's Fast-Moving Consumer Goods (FMCG) sector, accounting for ~3% of GDP and employing close to 3 mn people, remains a critical pillar of economic growth and livelihood generation. As the fourth largest contributor to the country's GDP, the sector remains closely aligned with consumption-led growth. In FY 2024-2025, the sector witnessed measured progress amidst a cautious consumption environment. Rural markets remained the primary growth lever, backed by deeper market penetration, expanding retail networks, and a growing preference for affordable product offerings. Urban demand, however, trailed in comparison, as discretionary spending continued to be subdued against a backdrop of persistent economic uncertainty.

~3%	FMCG Sector's Contribution to India's GDP
3 Mn	People Employed in FMCG Sector

One of the key challenges during the year was persistent food inflation, which placed significant pressure on mass-market urban consumption. However, easing input costs, such as palm oil and crude derivatives, towards the end of FY 2024-2025 offered a degree of relief, enabling FMCG companies to recalibrate pricing strategies and protect margins. Notably, premium and discretionary product segments, along with rural-focused FMCG brands, demonstrated greater resilience in the face of macroeconomic pressures. In contrast, seasonal portfolios, particularly winter-related goods, suffered due to an unusually delayed and milder winter season.

(Source: Indian FMCG Sector Outlook – Stable, June 2025

https://indiamacroindicators.co.in/resources/blogs/fmcg-sector-in-india-key-trends-and-economic-drivers)

Rural FMCG Sales

Rural India reaffirmed its strategic importance to the FMCG sector in FY 2024-2025, delivering growth that clearly outpaced their urban markets. This sustained rural resilience is the outcome of multiple structural enablers, including a well-timed and evenly distributed monsoon, robust crop yields, and a calibrated increase in Minimum Support Prices (MSP) for key agricultural commodities. Collectively, these factors boosted rural incomes and purchasing power, setting the stage for increased consumer demand.

(Source: https://nielseniq.com/global/en/insights/analysis/2025/fmcg-growth-momentum-shifts-rural-india-and-small-players-take-charge/)

Government welfare initiatives such as the Pradhan Mantri Awaas Yojana (PMAY-G) and the Pradhan Mantri Gram Sadak Yojana (PMGSY) played a stimulative role in shaping rural consumption by improving housing infrastructure and connectivity. These Focussed endeavours, while improving access to goods and services, also contributed to the structural transformation of rural demand. As a result, consumption patterns in rural areas are evolving, with a growing appetite not only for essential goods but also for premium and value-added products – signalling a more aspirational rural consumer.

Despite macroeconomic headwinds like persistent inflation and volatility in input costs that have put pressure on margins, rural markets continued to demonstrate resilient demand dynamics. Core consumption categories such as edible oils, packaged atta, and spices remained the key drivers of growth, reflecting sustained demand despite the ongoing challenge of food inflation. Traditional trade channels, especially kirana stores, continue to serve as the backbone of rural retail. However, the steady rise of modern trade, e-commerce, and quick commerce platforms beyond urban centres is reshaping access and widening consumer choice in semi-urban and rural pockets.

For FMCG companies eyeing long-term growth in India, rural markets have moved from being a strategic option to a business imperative. With the majority of India's population residing in villages, future growth trajectories must be steered through rural engagement. Success in the rural landscape demands more than just product placement; it calls for robust trust-building, tailored innovation, and deep cultural sensitivities to the local ethos. Companies that invest in understanding rural aspirations, enhance last-mile connectivity, and deliver value-driven solutions will be best positioned to unlock the next wave of sustainable growth in the Indian FMCG sector.

Outlook

After a period of sluggish growth, India's FMCG sector is poised for a moderate rebound in FY 2025-2026. According to Crisil Ratings, revenue growth is expected to improve to 6–8% in FY 2025-2026, up from the 5–6% estimated for FY 2024-2025.

5-6%	Estimated Revenue Growth of FMCG Sector in FY 2025-26

This rebound will be supported by improving urban sentiment and sustained rural resilience, backed by a favourable policy environment and easing macroeconomic pressures. Urban consumption, which was constrained by elevated inflation and economic uncertainty, is gradually gaining momentum. Easing food inflation, lower interest rates, and tax relief measures announced in the Union Budget are helping revive consumer sentiment. At the same time, rural demand is projected to remain stable, aided by continued Government spending on welfare programmes, a potentially good monsoon, and an upward revision in Minimum Support Prices (MSP) for key crops.

Volume growth in the range of 4-6% is anticipated, reflecting a balanced demand revival across both urban and rural markets. Crisil Ratings also highlighted that pricing actions will play a key role in driving FY 2025-2026 revenue growth, contributing approximately 2 percentage points. As input costs for critical raw materials, including palm oil, coffee, copra, wheat, and tea continue to remain elevated, FMCG companies are expected to pass on some of these cost pressures to consumers. This sets the stage for a strategic price increase in select essential categories, particularly in soaps, biscuits, hair oils, and beverages, helping firms protect margins while maintaining competitiveness in a cautiously recovering market.

(Source:https://www.cnbctv18.com/market/earnings/fmcg-earnings-outlook-revenue-profit-to-inch-up-in-fy26-demand-revival-crisil-19575880.htm)

Digital transformation is emerging as a critical enabler of reach, agility, and consumer engagement, expanding FMCG companies' footprint into India's hinterlands. With internet penetration on track to reach 1 Bn users by CY 2025, digital platforms are reshaping rural access and redefining purchase behaviour. Online platforms are increasingly becoming the gateway to consumers in remote areas, offering a cost-effective and scalable solution for market penetration. By CY 2030, 40% of all FMCG purchases in India is expected to take place online, with e-commerce accounting for an 11% share of total sectoral sales, highlighting the irreversible shift towards digitally enabled consumption.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

Structural economic reforms, including the Goods and Services Tax (GST) and demonetisation, have also laid the groundwork for long-term formalisation of the economy. GST alone is expected to contribute an additional USD 15 Bn annually to India's economy. Together, these developments are streamlining the supply chain, improving operational efficiency, and driving consistent demand across both urban and rural markets. As India transitions into a more digitally connected and economically integrated consumer market, the conducive business environment is set to enhance the overall performance of the FMCG sector.

40%	FMCG Purchases Expected to be Online in CY 2030
11%	Expected Contribution of E-commerce to Total FMCG Sales in CY 2030

(Source: https://www.ibef.org/industry/fmcg)

Growth Drivers

Rising Disposable Incomes

The upward trajectory of disposable incomes continues to be a structural catalyst for the FMCG sector's growth in India. This rise is broadening consumer appetite for a wide range of products, from daily essentials to personal care and durables. The Union Budget 2025-26 amplified this momentum through progressive fiscal measures, including the proposed increase in the basic income tax exemption limit to Rs. 4 lakhs and eliminating tax liability for individuals earning up to Rs. 12 lakhs annually under the new tax regime. These interventions are expected to provide significant tax relief, augment household liquidity, and translate into stronger consumption across urban and rural markets alike.

(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2098406)

India's Demographic Profile

India's youthful demographic stands as a powerful engine of growth for the FMCG sector. With a median age of just 29.8 years in CY 2024, significantly younger than major economies like China and the US, the country boasts one of the world's most vibrant and future-facing consumer segments. This digitally savvy, brand-conscious, and upwardly mobile generation is driving demand for convenience, innovation, and quality across products categories. As this cohort accelerates urbanisation and redefines lifestyle aspirations, its influence is reshaping market dynamics and creating fertile ground for sustained growth in the sector.

(Source: The World of Factbook, Central Intelligence Agency (CIA), ESCAP)

MSMEs as a Vital Engine

India's Micro, Small, and Medium Enterprises (MSMEs) remain integral to the resilience, responsiveness, and inclusivity of the FMCG ecosystem, by fostering innovation, offering cost-effective production, and ensuring agile supply chains. With over 63 mn MSMEs employing more than 113 mn people in CY 2024, accounting for nearly 40% of the national workforce, this sector plays a pivotal role in driving demand, enabling last-mile distribution, and supporting localised manufacturing. Having contributed around 30% to India's GDP and 45% of its manufacturing output in CY 2024, MSMEs are essential to ensuring scalability and speed in a highly competitive FMCG landscape.

(Source: https://kinaracapital.com/growth-and-expansion-of-msmes-in-india/)

Retail Industry Expansion

India's retail sector continues to act as a powerful growth multiplier for the FMCG industry. As one of the most dynamic and fast-expanding segments of the economy, retail accounted for over 10% of India's GDP and employed approximately 8% of the workforce in CY 2024. Ranked as the fifth-largest global retail destination, India offers immense scale and reach for FMCG brands. According to a recent analysis by the Boston Consulting Group (BCG), India's retail market is projected to reach an impressive USD 2 Tn by CY 2032. This expansion, fuelled by the rise of organised retail, e-commerce, and digital payment systems, is enabling FMCG companies to broaden market reach, deepen consumer connect, and unlock consistent top-line growth.

(Source: https://www.ibef.org/industry/retail-india)

Digital Transformation

The FMCG sector is undergoing a fundamental shift, as digital transformation reshapes the way companies operate, engage, and compete. As part of this changing paradigm, Industry 4.0 technologies, including IoT, artificial

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

intelligence, and big data analytics, are being embedded across the entire value chain, from manufacturing to consumer engagement. These innovations are resulting in smarter production systems, real-time inventory tracking, predictive maintenance, and agile supply chain management. Additionally, digital platforms are streamlining marketing efforts, personalising customer experiences, and lowering operational costs, delivering greater efficiency, responsiveness, and precision. This digital pivot is amping up competitiveness and enabling FMCG companies to navigate complexity with accelerated speed and adaptability.

Importance of Sustainability

Sustainability has evolved into a core business priority, redefining the principles that guide product development, operational strategy, and value delivery across the FMCG industry. With environmentally conscious consumers exerting increasing influence, companies are proactively investing in eco-friendly packaging, emissions reduction, circular supply chains, and ethical sourcing. Not anymore optional, these green initiatives effectively align with evolving consumer values - forging long-term brand equity, meeting regulatory expectations, and inculcating lasting resilience in a rapidly changing business environment.

Increasing Investments

The FMCG sector is benefitting from sustained investor interest and a progressive policy imperative. Recent regulatory reforms aimed at easing FDI norms led to substantial capital inflows, enabling companies to scale operations, enhance supply chain efficiency, and create new employment opportunities. Simultaneously, Government initiatives aimed at strengthening key sectors like MSMEs, agriculture, and education are generating downstream demand for FMCG products across diverse consumer segments. This convergence of investment momentum and inclusive policy action is bolstering the sector's posture for long-term, inclusive growth.

Government Initiatives

Policy interventions remain instrumental in shaping the growth trajectory of India's FMCG sector, creating an ecosystem that is more inclusive, efficient, and transparent. Landmark initiatives such as GST, Make in India, and Digital India collectively improved the ease of doing business, streamlined tax administration, and expanded digital and logistical infrastructure. These structural shifts lowered operational costs, benefiting both manufacturers and consumers. On the social development front, flagship schemes like Jan Dhan Yojana and Ujjwala Yojana significantly boosted financial inclusion and improved household affordability, particularly in rural and underserved geographies. These programmes broadened the consumer base and unlocked new avenues of demand for FMCG products. Moreover, regulatory measures around food safety, packaging, and labelling strengthened consumer trust – an increasingly critical differentiator for sustaining brand loyalty and market expansion. With consistent and effective execution, these policy initiatives have the potential to open new growth avenues and enhance the long-term resilience of the FMCG sector.

(Source: https://rupyz.com/newsletter/key-government-initiatives-influencing-fmcg-growth/)

Shoe Wear Industry

India's shoe wear industry, among the largest globally, is undergoing significant transformation in CY 2025, fuelled by growing consumer aspirations, rising brand orientation, and the rapid growth of organised retail. Supported by favourable Government policies and a growing middle class, the sector is evolving from unorganised, price-driven sales to more branded, lifestyle-oriented consumption.

Valued at USD 26 Bn in CY 2024, the market is projected to grow more than three-fold, reaching USD 90 Bn by CY 2030. One of the key drivers of this expansion is the decisive consumer pivot towards non-leather segments, including sneakers, athleisure, and casual wear, which are expected to command nearly 75% of the total market by the end of the decade.

(Source: https://www.wrightresearch.in/encyclopedia/chapter-report/chapter-1-overview-of-the-indian-footwear-sector-2025/)

USD 26 Bn	Shoe Wear Industry Market Size in CY 2024

India's young, style-conscious consumers, armed with increasing disposable incomes, is increasingly seeking footwear that blends fashion and functionality. This evolution, coupled with a decisive shift towards non-leather footwear, is being driven by a growing middle class, rapid urbanisation, and a strong tilt towards branded, casual, and lifestyle-oriented footwear. The athleisure and sports footwear segment, in particular, is gaining significant traction, reflecting heightened consumer focus on health, comfort, and wellness-led choices. Technology-integrated footwear, such as fitness tracking, is gaining ground to support active lifestyles. The Indian athletic footwear market was valued at USD 5.9 Bn in CY 2024 and is projected to exhibit a CAGR of 5.2% from CY 2025 to CY 2033, reaching approximately USD 9.8 Bn by the end of the forecast period.

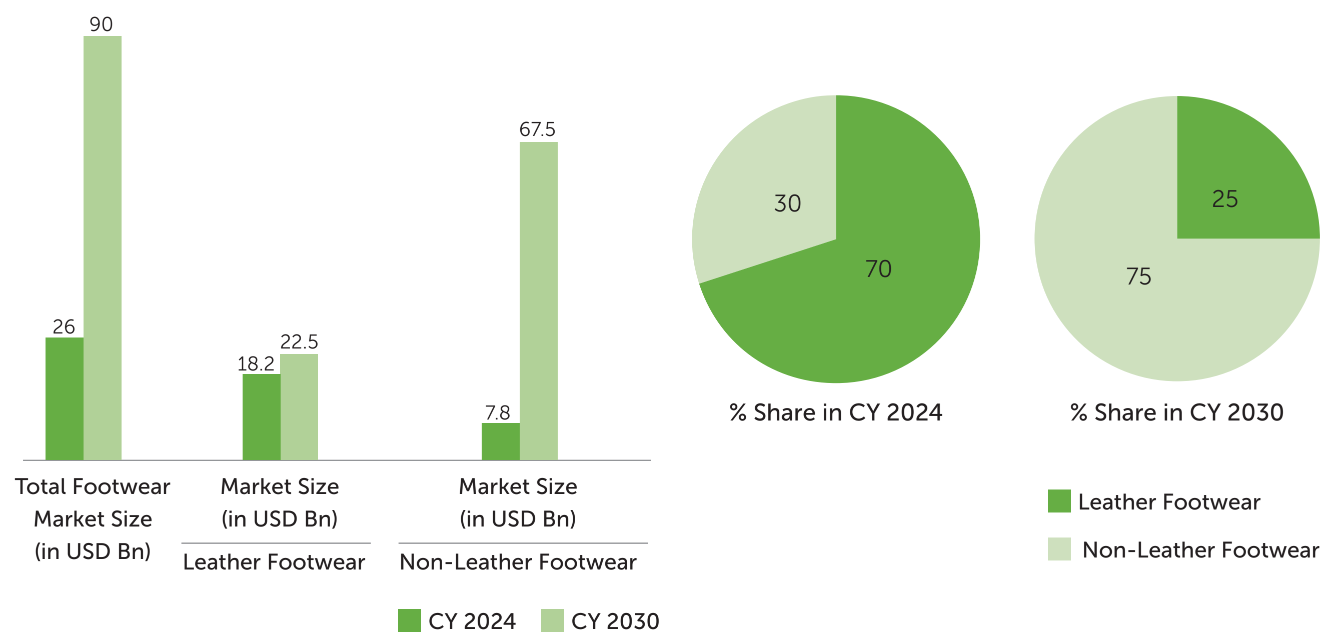
(Source: https://www.imarcgroup.com/india-athletic-footwear-market)

USD 5.9 Bn Athletic Footwear Industry Market Size in CY 2024

The rapid expansion of E-commerce further democratised access, offering consumers a wide array of styles at competitive prices, even in Tier-II and Tier-III cities. As a result, Indian consumers are now building multi-functional footwear wardrobes, with distinct pairs for casual, formal, athletic, and occasion-specific needs. This trend is driving two-pronged amplification, including volumes and premiumisation, creating lucrative opportunities for both domestic and global footwear brands operating in India's vibrant consumer market.

Sustainability is emerging as a defining narrative for the future of the footwear industry. With rising awareness about environmental impact, consumers are gravitating towards footwear that is eco-friendly and ethically produced. This shift is prompting brands to adopt green practices, incorporate recyclable materials, and enhance transparency across their supply chains.

Projections for Indian Footwear: Non-Leather Footwear Set to Achieve High Growth



(Source: https://gtri.co.in/DisplayFlagshipReports.aspx?ID=28#:~:text=The%20Indian%20footwear%20market%2C%20currently,cottage%20industries%20to%20large%20corporates)

Outlook

India is taking significant strides to transform its leather and footwear industry into a global manufacturing powerhouse, aiming for a turnover of USD 90 Bn by CY 2030. Supporting this ambition is the Indian Footwear and Leather Development Programme (IFLDP), backed by a Government allocation of Rs. 1,700 cr. The initiative is geared towards building world-class infrastructure, offering targeted incentives and accelerating the modernisation of production capabilities across leather and footwear units. The IFLDP encompasses the development of integrated manufacturing clusters for leather footwear

and accessories, bolstering institutional capabilities and amplifying the global visibility of Indian brands.

USD 30 Bn Projected Shoe Wear Industry Market Size in CY 2030

To nurture design excellence, the Government is collaborating with cutting-edge institutions such as CSIR-CLRI to set up state-of-the-art studios across the nation. Specialised courses in shoe and garment design are being introduced to build a skilled, future-ready workforce. By merging heritage craftsmanship with technological innovation, the Indian shoe wear industry continues to play a defining role in India's industrial and economic progress, creating a solid foundation for future growth and global competitiveness.

Growth Drivers

Restricting Finished Shoe Imports

India is actively reshaping its footwear production landscape by downsizing reliance on finished footwear imports. This strategic thrust is accelerating domestic manufacturing, aided by the relative ease of scaling operations in this sector compared to more complex high-tech sectors. Both homegrown enterprises and multinational players are ramping up capacity, diversifying sourcing ecosystems and accelerating the transition away from overdependence on key import markets like China and Vietnam. This shift is strengthening India's position as a self-reliant and scalable manufacturing base.

State-Level Participation for Regional Growth

Tamil Nadu's leadership in footwear manufacturing, supported by a mature industrial ecosystem, skilled talent base, and sustained investor interest has set an inspiring precedent for other states. Building on this momentum, states like Uttar Pradesh, Haryana, Andhra Pradesh, and Telangana are actively positioning themselves as alternative manufacturing destinations. Competitive state-level policies, coupled with strong investor engagement and infrastructure development, are propelling the formation of regional clusters, boosting domestic capacity and generating employment at scale.

Design and R&D Hubs for Non-Leather Footwear

The sector is witnessing a decisive shift towards innovation-led growth, particularly in the non-leather footwear segment. Purpose-led R&D and design centres are enabling Indian brands to create globally relevant, differentiated products. These hubs are also spearheading the adoption of sustainable materials. With increased investment in future-leaning research, the industry is witnessing greater automation, more efficient production processes, and enhanced scalability, all of which are strengthening India's position in international markets and fuelling export-led growth.

Strengthening Import Regulations under FTAs

Tighter enforcement of rules of origin under regional trade agreements such as the ASEAN FTA and SAFTA is proving instrumental in safeguarding the interests of domestic manufacturers. By preventing third-party circumvention, these regulations help in maintaining the integrity of preferential trade terms. Strategic trade compliance is emerging as a growth enabler, promoting fair competition and strengthening the position of local manufacturers. This, in turn, is enabling them to scale operations, enhance competitiveness, and access regional markets on more equitable terms, paving the way for sustainable industrial growth and greater integration into global value chains.

Increasing Adoption of Technology

The Indian footwear industry is increasingly embedding leading-edge technologies across the value chain to drive transformation. In manufacturing, automation and artificial intelligence (AI) are streamlining production processes, enhancing efficiency, and reducing costs. In the retail domain, digital tools such as augmented reality (AR)-based virtual try-ons are enhancing consumer engagement and convenience, facilitating the visualisation of products before purchase, a critical feature for the growing e-commerce space. This digital shift is positioning Indian players to meet evolving global standards and deliver superior customer experiences.

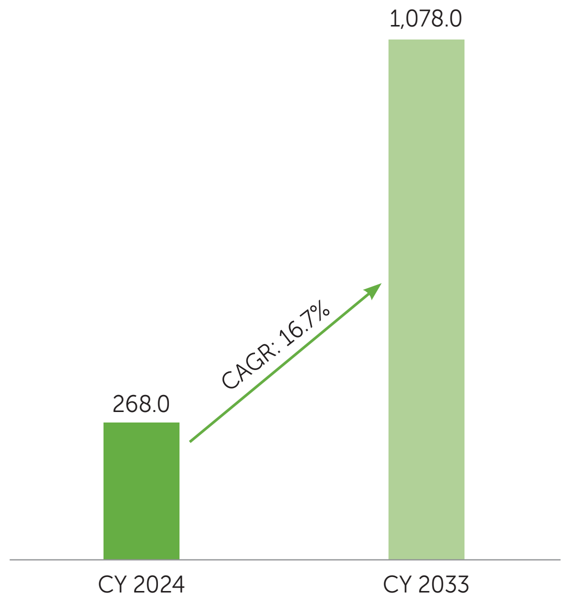
Ice Cream Industry

India's ice cream industry is experiencing a robust growth trajectory, reaching a valuation of Rs. 268.0 Bn in CY 2024. With a projected CAGR of 16.7%, the sector is poised to hit Rs. 1,078.0 Bn by CY 2033. This surge is driven by rising disposable incomes, a growing appetite for indulgent treats, and a steady stream of innovative product offerings from leading brands. Furthermore, the rapid expansion of both online and offline distribution networks is enabling

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

wider market penetration across urban and rural areas. As preferences evolve, the industry is transitioning from a seasonal category to a year-round indulgence, helping brands tap into diverse consumer segments and boost overall market share.

Indian Ice Cream Industry Market Size (in Rs. Bn)



(Source: https://www.imarcgroup.com/ice-cream-market-india#:~:text=Ice%20Cream%20Market%20in%20India%20%2D%20Industry%20Overview%202025%2D2033:,key%20drivers%20propelling%20market%20growth.)

Beyond a growing demand from consumers, the ice cream industry is evolving towards a more sustainable and health-conscious future. Companies are increasingly embracing eco-friendly sourcing practices, energy-efficient production technologies, and natural flavouring alternatives to remain in step with shifting consumer values. The industry's influence extends well beyond its core, stimulating growth across allied sectors, including dairy, food processing, and agriculture, creating employment opportunities and strengthening export potential. Complementing this momentum, the Indian Government is actively supporting the ecosystem by driving domestic consumption and upgrading infrastructure across the supply chain. Moreover, policy initiatives are empowering stakeholders, including farmers, suppliers, cold storage providers, and retailers, positioning the industry for long-term, inclusive growth.

Outlook

India's ice cream industry is on a strong growth trajectory, with its market size expected to reach Rs. 1,078.0 Bn by CY 2033. This surge is expected to be propelled by rising disposable incomes, evolving consumer tastes for indulgent and health-conscious options, and the rapid expansion of both traditional and modern distribution networks across urban and rural markets.

(Source:https://www.imarcgroup.com/ice-cream-market-india#:~:text=Ice%20Cream%20Market%20in%20India%20%2D%20Industry%20Overview%202025%2D2033:,key%20drivers%20propelling%20market%20growth)

Growth Drivers

Shifting Consumer Preferences

As incomes rise and palates evolve, there is a growing willingness to pay a premium for indulgent ice creams that present an appealing blend of unique flavours, superior ingredients, and richer taste experiences. This trend has given rise to a new segment of high-end brands and boutique parlours that cater specifically to the demand for luxurious frozen treats.

Traditional flavours like vanilla and chocolate are now being replaced or reimagined by adventurous and global flavour profiles such as salted caramel, matcha green tea, tiramisu, cookie dough, and exotic fruits. This widening of flavour palate intensified competition within the sector, prompting brands to push the boundaries of innovation in flavour development, texture experimentation, and creative presentation.

Rising Health Awareness

A rising focus on wellness is transforming product development, with consumers ready to pay a premium for better-for-you alternatives that align with dietary goals. Ice creams with low-sugar, low-fat, and plant-based or vegan ingredients are gaining traction among health-conscious consumers. This is driving innovation in the form of dairy-free formulations and fortified ice creams infused with herbs, prebiotics, probiotics, and micronutrients. Innovative ingredient substitutions, such as replacing traditional skimmed milk powder with whey protein isolate (WPI), are enabling brands to enhance protein content without compromising texture or taste - a phenomena that is particularly appealing to vegetarian and protein-conscious consumers.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

Growth in E-Commerce

The growing expansion of e-commerce and quick commerce channels is redefining access and convenience in the ice cream category. With the rise in smartphone usage and digital adoption, consumers are increasingly turning to online purchases with the expectation of swift, temperature-controlled delivery. In this backdrop, several quick commerce platforms joined hands with top ice cream brands to offer near-instant delivery and best-in-class product freshness, making them especially popular during summer months and festive seasons.

Expansion of Retail and Cold Chain Infrastructure

India's modern retail evolution, through supermarkets, hypermarkets, and convenience stores, along with major advancements in cold chain logistics, is significantly expanding the physical availability of ice cream across India. Simultaneously, significant investments in cold chain infrastructure are facilitating efficient storage, handling, and transportation of temperature-sensitive products like ice cream, maintaining quality and shelf life throughout the supply chain. This reliability allowed brands to expand their product variety and distribution footprint across both urban and semi-urban markets, penetrating deeper into Tier-II and Tier-III cities. With the Indian cold chain market expected to reach Rs. 3,79,870 cr. by CY 2028, the ecosystem is set to provide a robust backbone for scalable and reliable distribution, leveraging investments in cold storage, refrigerated transportation, and retail display solutions.

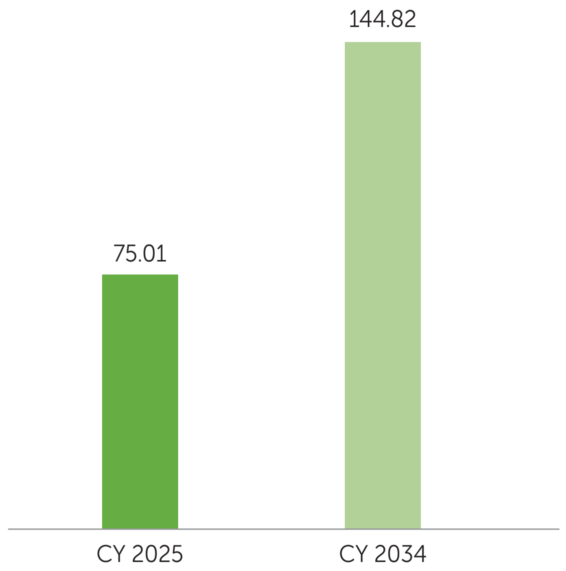
(Source: https://www.thermalcontrolmagazine.com/industry-analysis/cold-chain-infrastructure-set-for-substantial-expansion-in-india/)

Beverages Industry

India's beverage industry is charting a strong upward trajectory, reaching an estimated valuation of USD 75.01 Bn in CY 2024. With projections indicating a CAGR of 6.80% between CY 2025 and CY 2034, the industry is anticipated to touch approximately USD 144.82 Bn by CY 2034. This growth will primarily be driven by rising demand for functional beverages such as plant-based juices and health drinks. Accelerated by the rapid expansion of retail networks, innovative packaging solutions, and a growing consumer shift towards health-conscious consumption, the industry is evolving into a dynamic blend of convenience, nutrition, and lifestyle appeal.

(Source: https://www.expertmarketresearch.com/reports/india-beverage-market)

Indian Beverages Industry Market Size (in USD Bn)



Growth Drivers

Growth of Regional Brands

Regional beverage brands are emerging as powerful contenders in India's diverse marketplace. By offering products tailored to local tastes and harnessing strong distribution networks, these brands are gaining ground, particularly in semi-urban and rural regions.

Surge in Instant Coffee Consumption

India's Instant coffee segment is witnessing robust growth, especially among urban youth seeking quick, convenient beverage options. The introduction of flavoured variants such as vanilla, caramel, and hazelnut, coupled with premium blends, enhanced the appeal of instant coffee, contributing to the growing revenue of the Indian beverage market.

Shift towards Sustainable Packaging

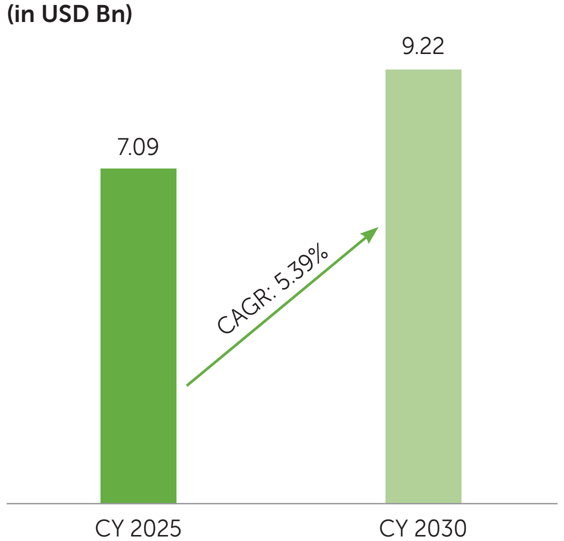
Environmental sustainability is reshaping the future of the beverage industry, with packaging at the forefront of this transformation. Beverage companies are increasingly embracing eco-friendly practices, ranging from responsibly sourced ingredients to energy-efficient production and recyclable packaging. As sustainability remains a prime consideration for both consumers and manufacturers, these initiatives go a long way in mitigating environmental impact and strengthening brand image.

OTC Pharmaceuticals Industry

India's Over-the-Counter (OTC) pharmaceutical market is entering a new era of accelerated growth, propelled by a cultural shift towards preventive self-care, greater health consciousness, rising consumer confidence, and the rapid expansion of digital pharmacy platforms. As consumers increasingly seek accessible and affordable wellness solutions, the market is expected to grow from USD 7.09 Bn in CY 2025 to USD 9.22 Bn by CY 2030, with a CAGR of 5.39% during the forecast period.

USD 9.22 Bn OTC Pharmaceuticals Industry Market Size by CY 2030

Indian OTC Pharmaceuticals Industry Market Size (in USD Bn)



(Source: https://www.mordorintelligence.com/industry-reports/india-otc-drugs-market)

Consumers are increasingly opting for OTC medications to manage routine health concerns, drawn by their ease of access, both online and offline, coupled with affordability and time efficiency. The growing trend of self-medication, where individuals treat minor ailments without a doctor's prescription, is gaining traction across the country.

Outlook

India's OTC pharmaceutical market is poised for robust growth, driven by converging forces across regulatory imperatives, technological prowess, and infrastructural developments. A critical enabler of this trajectory will be the implementation of clearer and more standardised regulatory frameworks that govern the production, distribution, and sale of OTC drugs. By enforcing stringent quality benchmarks, transparent labelling norms, and structured usage guidelines, these reforms aim to enhance consumer safety and product credibility. As a result, consumers will have greater trust in the efficacy and reliability of OTC products, while the market will benefit from reduced circulation of counterfeit and substandard medicines.

Parallel to regulatory advancements, rapid strides in digital health technologies are transforming how Indians access and engage with OTC medications. The rising prevalence of mobile health apps, telemedicine platforms, and e-pharmacy services is making healthcare more decentralised, personalised, and accessible. For millions, particularly in underserved or remote areas, these tools are opening a new window to seek virtual consultations, monitor health remotely, and purchase OTC products with ease. By bridging the gap between conventional healthcare services and self-care, digital innovation is promoting more responsible and informed self-medication practices.

Furthermore, the expansion of infrastructure in rural and semi-urban regions is unlocking fresh growth avenues for the OTC sector. Improved logistics, growing penetration of organised retail, and rising health awareness are accelerating OTC adoption beyond India's urban centres. As the lines between wellness, prevention, and treatment continue to blur, more consumers across diverse socioeconomic backgrounds are set to gain access to essential self-care solutions, delivering greater public health outcomes.

(Source: https://www.techsciresearch.com/blog/how-india-s-booming-self-medication-trend-is-driving-the-otc-pharma-market/4675.html)

Growth Drivers

Wider Access to OTC Drugs

OTC medications in India are now widely available across various retail channels, extending beyond conventional pharmacies to include general stores, supermarkets, and digital platforms. The rapid growth of e-pharmacies has transformed the availability, making the purchase of non-prescription drugs more convenient and hassle-free than ever. This ease of access is accelerating the acceptance of self-care practices across urban and semi-urban regions.

Expanding Product Portfolio

Pharmaceutical companies are actively diversifying their OTC product offerings to address rising consumer demand. High-demand categories such as pain relievers, digestive aids, dermatological treatments, and immunity boosters are witnessing continuous product innovation. New product formats like effervescent tablets, topical gels, flavoured syrups, combination therapies, herbal supplements, and medicated creams are gaining favour for their usability, appeal, and differentiated experience.

Digital Transformation

India's digital health revolution is reshaping the way consumers engage with OTC products. The rise of e-pharmacy platforms is streamlining product discovery, ordering, and doorstep delivery, saving time and offering unmatched convenience. These platforms are significantly improving the accessibility and distribution of OTC medications, especially benefitting those residing in remote areas, along with those facing mobility challenges. Unlike traditional brick-and-mortar stores with limited inventory, e-pharmacies offer a broader range of products and brands, enabling better consumer choice.

Government Initiatives

Government initiatives such as the Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) are strengthening the OTC ecosystem by promoting access to affordable, high-quality generic medicines at significantly lower prices. Through an expanding network of Janaushadhi Kendras, essential medications are made more affordable and accessible to millions, supporting wider adoption of self-care practices. Such initiatives are reducing dependency on expensive branded drugs without compromising treatment quality.

CONTRACT MANUFACTURING INDUSTRY

India is fast emerging as a preferred hub for contract manufacturing, drawing significant interest from global enterprises looking for a blend of efficiency, scalability, and cost optimisation. Amidst rising cost pressures worldwide, companies across sectors are increasingly outsourcing operations to streamline resources and augment profitability. Given this context, India offers an attractive value proposition – cost-effective production capabilities, a large skilled workforce, and improving infrastructure.

Market reports indicate a surge in demand for contract manufacturing services across sectors such as pharmaceuticals, electronics, consumer goods, and automotive. This momentum is further bolstered by India's large and growing consumer base, coupled with an increasing expectation for faster, more flexible production cycles. In addition, the active involvement of manufacturing consultants and advisory firms is helping businesses navigate operational complexities, optimise processes, and meet international quality standards.

Recognising the sector's strategic potential, the Indian Government permitted 100% Foreign Direct Investment (FDI) under the automatic route for contract manufacturing. This progressive policy aims to open up new commercial opportunities and attract greater foreign capital by easing investment barriers, making India a more appealing destination for global companies seeking to expand their manufacturing operations. As a result, in the wake of global supply chain realignments, particularly the US-China trade tensions, India is emerging as a viable and competitive alternative, offering favourable business conditions, policy support, and a large domestic market.

(Source: https://india.acclime.com/guides/contract-manufacturing/)

Technological innovation is playing a prime role in shaping the future of India's contract manufacturing industry. Success in this space now depends on manufacturers' ability to adopt and integrate cutting-edge digital solutions. Technologies such as Artificial Intelligence (AI), Machine Learning (ML), 5G connectivity, and advanced computing are revolutionising the production landscape. These digital tools empower manufacturers to make data-driven decisions, optimise operations, improve cost efficiency, and enhance product quality, thereby positioning them to meet the evolving demands of modern consumers.

Forward-leaning contract manufacturers that invest in these digital capabilities are well-equipped to respond to rapidly shifting consumer preferences and rising expectations around customisation, speed, and quality. As digital-savvy consumers demand more personalised

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

and high-quality products, agility and tech adoption have emerged as decisive competitive differentiators.

Moreover, this digital shift aligns with a broader industry trend – one that witnesses major consumer goods companies, both domestic and international, increasingly outsourcing production to third-party manufacturers. This approach complements their core competencies and helps them scale quickly and respond to dynamic market demands. In India, this outsourcing trend is further amplified by the rising demand for packaged consumer goods, positioning contract manufacturers as vital partners in enabling fast, efficient, and scalable production.

Just like the FMCG industry, the contract manufacturing industry has evolved multi-fold over the years:

Phase I (The 1980s)	Phase II (The 2000s)	Phase III (Present Times)	Phase IV (The Future)
• Small Scale Industry (SSI) reservations • Tax exemptions for SSI	• Area-based reservations • Direct tax exemption • Indirect tax exemption	• GST • One Country - One Market • Changes in distribution network • E-commerce and modern trade leading to an explosion of small brands, seeking to avoid investing in manufacturing facilities	• Global sourcing hub like pharma generics • Explosion of small brands having no intent to invest in manufacturing facilities • Most product categories in India are duopolies or oligopolies, unlike in the US or Europe, which have various brands in each category • Investment in leading-edge production systems and supply chain integration • In-depth understanding of the preferences of India's next major consumer segment and inculcating the ability to meet them • Increasing flexibility to produce in small batches

4. The commission included above is for FY 2024-2025 which will be paid during FY 2025-26.
5. Ms. Padmini Sekhsaria, though entitled to get the commission, opted to not take any commission from the Company for the Financial Year 2024-2025.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

FAVOURABLE OPPORTUNITIES FOR CONTRACT MANUFACTURERS IN INDIA

As India cements its position as a global contract manufacturing hub, businesses across industries are increasingly collaborating with third-party manufacturers to streamline operations, reduce costs, and accelerate growth. The new-age contract manufacturers offer more than scale and efficiency; they bring strategic depth, technical acumen, and industry-wide insights that strengthen every stage of the value chain.

Technical Expertise and Cross-Industry Insights

Serving clients across a wide cross-section of industries, including consumer goods, pharmaceuticals, electronics, and packaging, Indian contract manufacturers are uniquely positioned to deliver specialised expertise. Their exposure to various production processes enables them to acquire deep technical insights, that in turn, equip them with the ability to identify inefficiencies, optimise workflows, and recommend design improvements early in the development cycle. Their proactive risk identification helps brands avoid costly design flaws and prevent investment losses.

Significant Cost Savings

Outsourcing production to contract manufacturers allows companies to significantly reduce production costs without compromising quality. By eliminating the need for capital-intensive investments in infrastructure and equipment, businesses can achieve leaner operations. In addition, enterprises save on labour costs and minimise the complexities of managing multiple suppliers, as contract manufacturers provide end-to-end production capabilities under one roof.

Superior Product Quality

Indian contract manufacturers are known for precision-led production processes, ensuring consistently superior product quality. Harnessing sophisticated technologies such as CNC machines, 3D printers, and high-accuracy tools for cutting, drilling, and milling, they deliver products that meet exacting standards. Backed by a team of experienced engineers and technicians, these manufacturers combine craftsmanship with technology to deliver functionally robust and visually refined products.

Scalable Production Capabilities

For startups and growing businesses, scaling production to meet rising demand can be challenging with limited resources. Contract manufacturers offer the flexibility and capacity to ramp up production in line with demand, without compromising delivery timelines or operational stability. Their large-scale operations, established machinery, and workforce allow partners to respond swiftly and consistently to market fluctuations, and scale without disrupting existing operations.

Regulatory Compliance and Industry Standards

Indian contract manufacturers are well-versed in both domestic and international compliance mandates. Whether navigating safety protocols, environmental regulations, or quality certifications, they help global brands sail through legal complexities smoothly. This ensures uninterrupted operations and facilitates smoother entry into foreign markets.

Reduced Time-to-Market

Partnering with Indian contract manufacturers allows businesses to drastically compress product development lifecycles. With immediate access to ready-to-use infrastructure, skilled labour, modern equipment, and integrated supply chains, businesses can move from prototyping to production and market launch much faster. This accelerated speed-to-market is a critical advantage in fast-moving industries where timing determines market leadership.

Local Supply Chain Connectivity

Indian contract manufacturers maintain deep-rooted supply chain linkages, ensuring reliable access to raw materials at competitive prices. Their proximity to trusted local suppliers reduces transportation costs, shortens delivery timelines, and ensures consistent material availability. These factors are critical for efficient and uninterrupted production.

THREATS

Rising Competition

The contract manufacturing industry is dynamic and increasingly competitive, driven by the rapid expansion of FMCG companies into new geographies and product categories. As businesses scale and diversify, they often

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

rely on an extended network of manufacturing partners, intensifying competition within the sector. In this evolving landscape, contract manufacturers must continuously pursue innovation, invest in sophisticated technologies, upgrade operational efficiency, and expand their capabilities to stay ahead. As the pressure to deliver cost-effective, high-quality, and scalable solutions is taking centre stage, manufacturers are seeking unique ways to maintain agility and meet client expectations across diverse markets.

Competition from the Unorganised Sector

India's FMCG landscape is uniquely fragmented, comprising both large national players and a multitude of strong regional and unorganised entities. While national brands benefit from widespread distribution and recognition, they face persistent competition from smaller, region-specific players with sharp consumer insights, hyper-local reach, and price competitiveness, commanding strong loyalty in specific geographies. Moreover, their agility and proximity to the end consumer allow them to compete effectively, even against larger, organised players, posing a substantial challenge to contract manufacturers aligned with national and multinational brands.

Intellectual Property (IP) Protection

Safeguarding intellectual property is a critical concern in contract manufacturing arrangements. Without robust legal safeguards, there is a heightened risk of technology leaks, design theft, or process replication. To mitigate potential risks, businesses must embed robust IP protection clauses within contracts and enforce comprehensive non-disclosure agreements (NDAs). Additionally, partnering with reputable manufacturers known for their commitment to IP integrity and conducting thorough due diligence can further protect proprietary assets and reduce the risk of information leakage or misuse.

Ensuring Consistent Quality Control

Maintaining product consistency across outsourced manufacturing setups calls for disciplined oversight. Variations in quality, if gone unnoticed, can undermine brand credibility and consumer trust. To mitigate this risk and maintain high standards, it is imperative for businesses to implement rigorous quality assurance frameworks that include scheduled factory audits, supplier evaluations, and compliance verifications. Clearly defined performance metrics and regular inspections help ensure that every product batch aligns with the brand's specifications before reaching the market.

Managing Supply Chain Risks

The global supply chain ecosystem remains vulnerable to a range of disruptions, arising from material shortages, logistical delays, and geopolitical tensions. Over-reliance on single sources leaves companies exposed to sudden shocks. Diversifying suppliers, maintaining buffer inventories, and using real-time monitoring can help mitigate these risks and ensure operational continuity in an increasingly unpredictable environment.

Enhancing Operational Transparency

Lack of visibility in operations can weaken coordination, impede efficiency, and increase the risk of delays across the value chain. Implementing digital tools like ERP systems and real-time production tracking enhances transparency across the manufacturing process. Improved visibility enables faster, data-informed decisions and seamless collaboration with production partners.

Why HFL for Contract Manufacturing

India's contract manufacturing landscape is undergoing a structural transformation, propelled by the Make in India initiative and the rising demand from the FMCG sector. As the industry emerges as a key lever of economic growth, it is playing an increasingly vital role in value creation, employment generation, and positioning India as a global manufacturing hub. At the forefront of this transformation is HFL ('Our Company'), recognised as one of India's most diversified and agile contract manufacturers. Our strategic approach blends disciplined organic growth with calibrated inorganic expansion through targeted acquisitions. In doing so, we remain ahead of market shifts and efficiently cater to the evolving priorities of clients across sectors.

At HFL, we offer an end-to-end manufacturing ecosystem supported by advanced infrastructure and seamlessly integrated backend services covering processing, packaging, warehousing, and logistics. This one-stop platform accelerates time-to-market and enhances operational efficiency, offering full-spectrum solutions for a broad spectrum of FMCG products. Moreover, it guarantees protection of clients' intellectual property and ensures consistent, high-quality output. By outsourcing production to HFL, clients can redirect internal resources on innovation, brand building, and strategic growth.

Adaptive Business Model for Diverse Client Needs

We operate on a flexible, three-tier business model tailored to different customer requirements:

- **Dedicated Manufacturing Facilities:** Built to serve the exclusive needs of anchor clients with large production volumes
- **Shared Production Units:** Optimised for companies with moderate production needs, offering economies of scale
- **Turnkey Private Label Solutions:** Designed for emerging brands, enabling a quick go-to-market journey from concept to shelf

Excellence in Execution and Operational Efficiency

Our strength lies in execution. Leveraging extensive project management capabilities, we are able to scale operations rapidly, modernise existing infrastructure, and commission new production lines within aggressive timelines. This efficiency significantly reduces capital overheads, allowing brand partners to channel investments into growth and value innovation.

Expansive Product Portfolio and Strategic Partnerships

Our manufacturing footprint spans a broad spectrum of categories, including home & personal care, food & beverages, leather goods, mosquito repellents, ice cream, footwear and OTC pharmaceuticals. This breadth, combined with our ability to adapt swiftly to evolving consumer demand, positions us as a preferred manufacturing partner across domestic and international markets. We foster enduring client relationships built on trust, confidentiality, and quality. Long-term contracts with clients provide revenue stability and reaffirm our position as a reliable and scalable partner with a growing global presence.

GROWTH DRIVERS FOR CONTRACT MANUFACTURERS

As a strategic extension of the FMCG value chain, the growth pattern of the contract manufacturing industry closely follows that of the broader FMCG landscape. Accordingly, the structural tailwinds driving the FMCG expansion are equally relevant to the contract manufacturing ecosystem.

COMPANY OVERVIEW

Hindustan Foods Limited ('HFL' or 'Our Company' or 'We') stands at the forefront of India's contract manufacturing landscape, well-established as the country's largest and most diversified FMCG contract manufacturer. With over three decades of industry stewardship, we thrive on a well-diversified, stable business model, bringing resilience to our operations and outlook. Our expansive portfolio spans key categories, including personal care, beauty and cosmetics, food & beverages, home care, health and wellness, leather and sports footwear, and pest control. Augmented by robust R&D capabilities, we continue to expand our formulation expertise across a wide range of FMCG products.

We have 28 top-of-the-line manufacturing facilities strategically located across India, allowing us to operate fully integrated plants that bring together sophisticated processing technologies, automated packaging lines, warehousing, and logistics infrastructure. Our in-house laboratories ensure stringent quality benchmarks, while dedicated product development centres foster continuous innovation. These capabilities empower us to deliver pace, consistency, and scalability – hallmarks of a trusted manufacturing partner.

FY 2024-2025 was a defining year in our evolution. We successfully entered and scaled across high-growth categories such as ice creams, OTC pharma, shoes, and beverages, showcasing our prowess in replicating excellence across new categories. This strategic diversification led to a structural evolution in our operating model, striking a more balanced mix between shared manufacturing infrastructure and dedicated long-term engagements. As a leading provider of end-to-end contract manufacturing solutions, we continue to serve a broad spectrum of domestic and international clients, delivering comprehensive, high-quality manufacturing services across multiple FMCG segments.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

Financial Highlights

(Rs. in cr)

Particulars	FY 2024-2025	FY 2023-2024	YoY Growth (in %)
Revenue from Operations	3,578.9	2,761.9	29.6
EBITDA	307.7	228.9	34.4
Profit After Tax	109.6	93.0	17.8
Basic Earnings per Share (Rs.)	9.51	8.23	15.5

Statement of Key Ratios

Types of Ratios	Explanation of Ratios	FY 2024-2025	FY 2023-2024	% Change
Inventory Turnover Ratio (Times)	Inventory Turnover measures how often a company sells and replenishes its inventory within a specific period. It is calculated by dividing the Cost of Goods Sold (COGS) by the average inventory during that time.	4.48	5.50	(18.5)
Current Ratio (Times)	The Current Ratio is a key liquidity metric that assesses a company's capacity to meet its short-term obligations, typically those due within a year. It is determined by dividing current assets by current liabilities.	1.45	1.26	15.1
Net Profit Margin (%)	Net Profit Margin indicates the percentage of revenue that remains as net profit after all expenses and taxes are deducted. It is calculated by dividing net profit after tax by total revenue (turnover).	3.08	3.38	(8.9)
Debtors Turnover (Days)	The Debtors Turnover Ratio is a financial metric that evaluates how efficiently a company manages credit sales and collects payments from customers. It is calculated by dividing total turnover by the average trade receivables during the period.	19.72	18.57	6.2
Return on Net Worth (%)	Return on Net Worth (RoNW) is a profitability indicator that reflects how effectively a company generates profit from its shareholders' equity. It is expressed as a percentage and calculated by dividing the net profit for the year by the average net worth during the same period.	14.27	18.22	(21.7)

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

RISKS AND THEIR MITIGATION STRATEGY

Operating within a dynamic and multifaceted environment is central to our role as a leading contract manufacturer. This operational breadth inevitably exposes us to a variety of business risks that could impact performance and stability. Recognising this, we maintain a proactive and structured risk management framework designed to anticipate challenges, reduce their likelihood, and limit financial exposure to manageable levels. Rather than treating risk as an isolated concern, we integrate it into core business planning. By embedding mitigation strategies into our everyday processes, we safeguard performance, protect stakeholder interests, and build long-term resilience across economic cycles.

Risk	Impact	Mitigation Strategy	Risk Level
Economic Risk	Our operations are influenced by a range of macroeconomic variables, including inflation fluctuations, regulatory shifts, currency exchange volatility, rising interest rates, and political uncertainty. Additionally, evolving consumer preferences present an ongoing challenge. Collectively, these dynamic external factors have the potential to materially affect our business performance and operational stability.	In response, we continue to base our strategy around the contract manufacturing of a broad spectrum of essential goods, keeping our business relatively insulated from economic slowdowns. The steady demand for everyday consumer necessities provides a natural hedge against market fluctuations. Our diversified contract manufacturing portfolio, spanning multiple FMCG segments, further enhances consistency, allowing us to maintain smooth and uninterrupted functioning across our facilities.	Medium
Liquidity Risk	Our exposure to liquidity risk arises from the potential difficulty of securing sufficient funds to meet our financial commitments promptly or, in some cases, entirely.	In response, we focus on effective management of cash flow variability. Deploying a forward-looking strategy that spans short, medium, and long-term horizons, we ensure early identification of potential risks, followed by the prompt implementation of mitigation measures.	Low
Contract Risk	Our business remains susceptible to financial or reputational setbacks if client-specific expectations and compliance standards are not consistently met.	In response, we prioritise consistent delivery of high-quality products as a core mitigation strategy to secure contract renewals from existing clients and attract new business engagements.	Low
Raw Material Price Risk	Our operations are vulnerable to raw material risks arising from global and regional market dynamics, including supply constraints, demand fluctuations, and inventory imbalances. Volatility in raw material prices, particularly upward trends, can directly affect our operating costs and overall profitability.	In response, we structured our business model to allow cost escalations to be transferred to our principals. This approach helps cushion our financial performance from external fluctuations. Additionally, our well-established supplier network and deep industry insight position us well to procure raw materials efficiently, while acting swiftly to market volatilities.	Low

Risk	Impact	Mitigation Strategy	Risk Level
Personnel Risk	Our ability to attract and retain skilled talent is facing increasingly intense competition within the contract manufacturing industry. This persistent challenge heightens the risk of potential staffing gaps, which can make it difficult to fill key roles across the organisation in a timely manner.	In response, we follow a structured and strategic recruitment process designed to ensure alignment between role requirements and individual capabilities. Our human resources team remains focused on timely hiring, cultural fit, and skill relevance, ensuring that the right talent is placed in the right roles.	Medium
Quality and Safety Risk	Our reputation in the marketplace is closely tied to stringent adherence to safety and protection protocols. Any deviation from these standards carries the risk of reputational damage, potentially eroding trust, goodwill, and credibility we have nurtured with clients, partners, and the wider community.	In response, we maintain a quality management system that ensures thorough, end-to-end oversight across the entire production lifecycle, starting from raw material sourcing to the final delivery of finished products.	Low

HUMAN RESOURCE MANAGEMENT

At HFL, we value our employees as the mainstay of our Company. Through an agile and relevance-driven talent strategy that emphasises on attracting, nurturing, and retaining high-calibre individuals, we foster a supportive and progressive work environment. By consistently monitoring employee engagement, we enhance productivity, while our round-the-year training focuses on health, safety, and skill advancement. Our commitment to career development, inclusivity, empowerment, and well-being leads to a value-accretive employee experience and strengthens organisational resilience. Above all, we maintain world-class safety protocols across all operational sites, working closely with regulatory bodies to ensure strict compliance and prevent workplace incidents.

As of March 31, 2025, our workforce comprised 1,458 employees.

To recognise the contribution of our employees and strengthen our long-term value creation agenda, we undertook two key initiatives during the year:

- A preferential share allotment in our footwear subsidiary, offering identified investors an equity stake and fostering a shared vision for future growth
- The launch of an ESOP scheme, designed to reward high performers, enhance talent retention, and attract future leaders to drive our Company's continued success

CORPORATE SOCIAL RESPONSIBILITY

We stay committed to setting higher benchmarks in ethical, inclusive, and sustainable business conduct, aligning with our Corporate Social Responsibility (CSR) philosophy. We view social and environmental stewardship as essential components of our core strategy. By embedding innovation into our CSR practices and integrating them with day-to-day business functions, we continue to play an active role in shaping a more resilient national ecosystem.

Through our targeted initiatives, we cover a vast set of focus areas, including quality education, public health, sanitation, environmental sustainability, sports development, and the promotion of arts and culture. Over time, we have been able to create meaningful impact in the lives of numerous underserved individuals. Our efforts enabled underprivileged children to access education, government schools to secure improved infrastructure, and vulnerable communities to receive critical medical support.

We are enhancing learning environments in government schools by providing essential resources such as books, uniforms, laptops, desks, and sports equipment, along with ensuring access to clean drinking water. Moreover, through the installation of water systems and solar-powered streetlights, we are creating a secure, functional, and well-lit school surrounding.

Going forward, the empowerment of the girl child remains a strategic priority, with targeted initiatives around menstrual hygiene, education, and overall wellness. As part of our broader mission to serve those in need of medical attention, we remain actively engaged in supporting life-changing healthcare services. Our dedicated efforts span cancer treatments, cataract surgeries, and the distribution of prosthetic limbs and mobility aids to differently abled and economically disadvantaged individuals. Together, these sustained endeavours reflect our firm resolve to build a more empowered society.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

A strong internal control environment is an essential pre-requisite to safeguard stakeholder interests, ensure compliance, and enable sustainable value creation. The Board of Directors of our Company established a comprehensive framework of Internal Financial Controls (IFC) as defined under the explanation to Section 134(5)(e) of the Companies Act, 2013. These control systems are designed to be robust and appropriate to the scale, complexity, and nature of our operations. Recognising the dynamic context in which we operate, we view our IFC framework as an evolving and living system. It adapts continually to reflect changes in business models, technology, competition, industry benchmarks, regulations, legislation, and the overall economic landscape. As the business expands and diversifies, control gaps may naturally arise. To address this, we follow a structured process to proactively identify, assess, and mitigate such gaps. In addition, we introduce new or enhanced controls whenever necessary to ensure that control gaps or other material risks are effectively managed.

CAUTIONARY STATEMENT

This document contains statements about expected future events and financials of our Company, which are 'forward-looking.' By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in this section of the Annual Report.

NOTICE

Notice is hereby given that the **40th (Fortieth) Annual General Meeting** of the Members of **Hindustan Foods Limited** ('the Company') will be held on **Tuesday, September 23, 2025 at 11:30 a.m.** through Video Conference facility **('VC')** or Other Audio - Visual Means **('OAVM')**, to transact the following businesses. The venue of the Meeting shall be deemed to be the Registered Office of the Company at Office no. 3, Level-2, Centrium, Phoenix Market City, 15, LBS Road, Kurla (West), Mumbai - 400 070, Maharashtra, India.

ORDINARY BUSINESS:

1. a. To consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025 and together with the Reports of the Board of Directors and Auditors thereon and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025, including the Audited Balance Sheet as at March 31, 2025, Statement of Profit & Loss and Statement of Cash Flows for the year ended on that date and the Reports of the Board of Directors and Auditors thereon be and are hereby considered, approved and adopted."

   b. To consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025 together with the Report of the Auditors thereon and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, including the Audited Balance Sheet as at March 31, 2025, Statement of Profit & Loss and Statement of Cash Flows for the year ended on that date and the Report of the Auditors thereon be and are hereby considered, approved and adopted."

2. To appoint Mr Nikhil Vora (DIN: 05014606), as a Director who retires by rotation and being eligible offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 ('the Act') Mr Nikhil Vora (DIN: 05014606), who retires by rotation at this Meeting, be and is hereby re- appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. To ratify the remuneration payable to the Cost Auditor:

   To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 ('the Act') read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Act (including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. Poddar & Co. Cost Accountants (Firm Registration No. 101734), appointed by the Board of Directors of the Company in their Meeting held on August 8, 2025, as the Cost Auditors to conduct the audit of the cost records of the Company in relation to its business for the Financial Year ended March 31, 2026, amounting to Rs. 5,25,000/- (Rupees Five Lakhs Twenty Five Thousand Only) plus out of pocket expenses and taxes as applicable, be and is hereby ratified and confirmed;

   RESOLVED FURTHER THAT any one of the Directors or Company Secretary be and are hereby severally authorised to undertake all actions, deeds, matters, and things as may be necessary or expedient for or in connection with this resolution and to settle any question or difficulty that may arise in this regard in the best interest of the Company."

NOTICE (Contd.)

4. Appointment of Secretarial Auditors and fixing their remuneration

   To consider and if thought fit, to pass with or without modification, the following resolution as **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr Pankaj S Desai (Membership No. ACS3398), who has confirmed his eligibility to be appointed as the Secretarial Auditors of the Company in terms of Regulation 24A (1A) of the SEBI Listing Regulations, be and is hereby appointed as the Secretarial Auditors of the Company, for a term of five consecutive years, commencing from Financial Year 2025-26 till Financial Year 2029-30."

   RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to include any committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) and the Company Secretary of the Company be and are hereby authorised to fix the annual remuneration plus applicable taxes and out-of pocket expenses payable to Mr Pankaj S Desai during his tenure as the Secretarial Auditors of the Company and to do all such acts, deeds and things as may be required and take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

5. Increase in borrowing power in terms of Section 180 (1) (c) of the Companies Act, 2013 and authorising the Board to borrow moneys in excess of Paid-up Share Capital, Free Reserves and Securities Premium of the Company upto Rs. 1,000 Crores:

   To consider and if thought fit, to pass with or without modification, the following resolution as **Special Resolution:**

   "**RESOLVED THAT** in supersession of the earlier resolution passed by the Members on 37th Annual General Meeting held on Thursday, September 22, 2022 and pursuant to the provisions of Sections 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) read with the rules made thereunder, as may be amended from time to time, the Board of Directors of the Company (hereinafter referred as 'Board' which term shall include a Committee thereof authorised for the purpose) be and are hereby authorised to borrow any sum or sums of money, from time to time from any one or more persons, Bank/s, firms, bodies corporate, foreign lender/s or financial institutions from any other source in India or outside India whomsoever on such terms and conditions and with or without security as the Board of Directors may think fit notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from Company's bankers in the ordinary course of business) may exceed the paid-up capital and free reserves and securities premium of the Company, provided that the total principal amount upto which such monies may be raised or borrowed or already borrowed by the Board of Directors shall not exceed the aggregate of the paid up capital and free reserves and securities premium of the Company or by more than Rs. 1,000 Crores (Rupees One Thousand Crores Only) at any point of time whichever is higher.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors (including any Committee which the Board may have constituted or may hereinafter constitute to exercise the power conferred by this Resolution) and the Company Secretary of the Company, be and are hereby authorised to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution."

6. Authorizing the Board under Section 180 (1) (a) of the Companies Act, 2013 to create/ modify charge on the movable/ immovable assets Including undertakings of the Company, both present and future, to secure borrowings:

NOTICE (Contd.)

To consider and if thought fit, to pass with or without modification, the following resolution as **Special Resolution:**

"**RESOLVED THAT** in supersession of the earlier resolution passed by the Members on 37th Annual General Meeting held on Thursday, September 22, 2022 and pursuant to the provisions of Sections 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) read with the rules made thereunder, as may be amended from time to time, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee thereof authorised for the purpose) of the Company, to mortgage, hypothecate, pledge and/or charge all or any of the movable and/or immovable properties of the Company (both present and future) wheresoever's situated and / or any other assets including tangible and intangible assets or properties of the Company and / or the whole or part of any of the undertaking of the Company together with or without the power to take over the management of the business or any undertaking of the Company in case of events of defaults, in favour of the Banks, Financial Institutions, any other Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed or to be availed by the Company, by way of loans, debentures (comprising fully/partly Convertible Debentures and/or Secured/ Unsecured Non-Convertible Debentures or any other securities) or otherwise, in foreign currency or in Indian rupees, from time to time, up to the Borrowing limits approved or as may be approved by the Shareholders, from time to time, under Section 180(1)(c) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) along with interest, additional interest, accumulated interest, default interest, further interest, principal amounts, premia on prepayment, liquidated charges, commitment charges or costs, expenses, any fees and all other monies whatsoever stipulated in or payable under the respective financing documents and any other agreements and amendments thereto that have or may be entered into by the Company in respect of such borrowings.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors (including any Committee which the Board may have constituted or may hereinafter constitute to exercise the power conferred by this Resolution) and the Company Secretary of the Company, be and are hereby authorised to finalise, settle and execute such documents/deeds/writings/papers/agreements/ undertakings as may be required and to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/ charge/ pledge/ hypothecation as mentioned aforesaid."

7 Approval for variation of utilisation of proceeds of Preferenetial allotment of 72,71,081 Convertible Warrants into Equity on a preferential basis to Non-Promoter QIB & Non-QIB's within the approved objects limits.

To consider and if thought fit, to pass with or without modification, the following resolution as **Special Resolution:**

RESOLVED THAT pursuant to the applicable provisions of law and in partial modification of the resolution passed by the Shareholders of the Company on Friday, October 20, 2023, approving the issue of 72,71,081 convertible warrants on a preferential basis to Non-Promoter Qualified Institutional Buyers (QIBs) and Non-QIBs for cash consideration ("the Issue"), the approval of the Members be and is hereby accorded for the variation, deviation of the unutilised proceeds raised through the Issue, specifically, 25% of the proceeds raised against 72,71,081 warrants and 75% of the proceeds raised against 67,39,072 warrants (after cancellation of 5,32,009 warrants and subsequent conversion of the balance into equity shares) ("The issue"), reducing from originally Object No. 1 i.e. "Funding inorganic growth opportunities and Strategic Acquisitions" and adding it to Object No. 2 i.e. "Capital expenditure for new green fields project to be spent by the Company and/or its Subsidiaries" and "Capital expenditure in Company and/or its Subsidiary Companies current units and projects i.e. brown field project", both of which were part of the originally stated and approved objects of the issue, the detailed proposed allocation of funds and proposed variation is tabulated below:

Amt. In Crores

Original objects of the issue of convertible warrants		Amount grouped for each objects	Revised Amount grouped for each objects after cancellation of Warrants	Actual Amount Received against Warrants	Amount utilised as at June 30, 2025	Balance unutilised amount as at June 30, 2025	Amount proposed to be altered within the objects
Funding inorganic growth opportunities and strategic acquisitions		175.000	158.125		79.315		108.125
Capital expenditure for new green fields project of the	Company	50.000	50.000		42.090		60.000
	Subsidiaries	25.000	25.000	377.500	24.060	148.392	45.000
Capital expenditure in its current units and projects for brown field expansion of the	Company	35.000	35.000		29.650		45.000
	Subsidiaries	15.000	15.000		12.050		25.000
General Corporate Purpose		96.500	90.875		41.943		90.875
Issue expenses		3.500	3.500		0.000		3.500
TOTAL		**400.000**	**377.500**	**377.500**	**229.108**	**148.392**	**377.500**

RESOLVED FURTHER THAT pursuant to the applicable provisions of the Companies Act, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable laws, the consent of the Members of the Company be and is hereby accorded for the variation in the objects of the issue proceeds total aggregate to Rs. 377.50 Crores, such that the originally allocated amount of Rs. 158.125 Crores towards "Funding inorganic growth opportunities and strategic acquisitions" shall be reduced by Rs. 50 Crores and the revised allocation will be Rs. 108.125 Crores. The balance of Rs. 50 Crores shall be reallocated, distributed and added towards the objects as mentioned below:

a) Rs. 10 Crores to be added towards funding its "Capital expenditure for new greenfield projects" to be spent directly by the Company.

b) Rs. 20 Crores to be added towards funding its "Capital expenditure for new greenfield projects" to be spent by the Subsidiary Companies of the Company.

c) Rs. 10 Crores to be added towards "Capital expenditure in its current units and projects i.e. brown field expansion" to be spent directly by the Company and

d) Rs. 10 Crores to be added towards "Capital expenditure in its current units and projects i.e. brown field expansion" to be spent by the Subsidiary Companies of the Company.

The allocation of Rs. 90 Crores towards "General Corporate Purposes" remains unchanged. While keeping the total utilisation within the originally approved framework after cancellation of warrants.

NOTICE (Contd.)

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) or Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, desirable or expedient to give effect to this resolution, including making necessary disclosures to stock exchanges and regulatory authorities."

By Order of the Board of Directors

Place: Mumbai
Date : August 8, 2025

BANKIM PUROHIT
Company Secretary and Legal Head

Registered Office:
Office No.3, Level-2, Centrium, Phoenix Market City,
15, LBS Road, Kurla (West), Mumbai 400 070,
Maharashtra, India
Website: www.hindustanfoodslimited.com
Email : investorrelations@thevanitycase.com
CIN : L15139MH1984PLC316003

NOTICE (Contd.)

NOTES:

1. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. Further, additional information as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Circulars issued thereunder are also annexed.

2. The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 20/2020 dated May 5, 2020 read with subsequent circulars issued from time to time, the latest one being General Circular no. 09/2024 dated September 19, 2024 ('MCA Circulars'), and other applicable Circular issued by the Securities and Exchange Board of India ('SEBI') ('SEBI Circular') has allowed the Companies to conduct the AGM through Video Conferencing or Other Audio-Visual Means ('VC/OAVM') till September 30, 2025. In accordance with the MCA Circulars, provisions of the Act, the 40th AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company at Office No.3, Level-2, Centrium, Phoenix Market City, 15, LBS Road, Kurla (West), Mumbai 400 070, Maharashtra, India. MUFG InTime India Private Limited (Formerly known as Link Intime India Private Limited) ("MUFG InTime") will be providing facilities in respect of:

   (a) voting through remote E-voting;

   (b) participation in the AGM through VC/OAVM facility;

   (c) E-voting during the AGM.

3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/ HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THE AGM IS BEING HELD PURSUANT TO MCA CIRCULARS THROUGH VC/ OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXY (IES) BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP INCLUDING ROUTE MAP ARE NOT ANNEXED TO THIS NOTICE.**

4. **Participations of Members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.**

5. Members of the Company under Institutional / Corporate Members are encouraged to attend and vote at the AGM through VC. Institutional / Corporate participant Members intending to authorise their representatives to participate and vote at the Meeting are requested to send a scanned copy (PDF/JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at investorrelations@thevanitycase.com.

6. Pursuant to the provisions of Section 91 of the Act, read with Rule 10 Companies (Management and Administration) Rules, 2014, and pursuant to Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books of the Company shall remain closed from **Friday, the September 19, 2025 to Tuesday, the September 23, 2025** (both days inclusive).

7. Details as required in Regulations 26(4) and 36(3) of Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('ICSI'), in respect of the Directors seeking appointment / re-appointment at the AGM forms integral part of this Report. Requisite declarations have been received from the Directors seeking appointment / re-appointment. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the '**Annexure**' to the Notice.

   In terms of the provisions of Section 152 of the Act, Mr Nikhil Vora (DIN: 05014606), Non-Executive Non-Independent Director retires by Rotation at the 40th Annual General Meeting. Mr Nikhil Vora is interested in the Ordinary Resolution set out at Item No. 2 of the Notice with regard to his appointment.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

8. In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the Financial Year ended 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Additionally, in accordance with Regulation 36(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is also sending a letter to Shareholders whose e-mail addresses are not registered with Company/Registrar/DP providing the weblink of Company's website from where the Annual Report for FY 2024-25 can be accessed. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.hindustanfoodslimited.com, website of BSE Limited ('BSE') at www.bseindia.com and the National Stock Exchange of India Limited ('NSE') at www.nseindia.com and on the website of Company's Registrar and Transfer Agent ('RTA'), MUFG InTime at www.in.mpms.mufg.com

9. For receiving all communication (including Annual Report) from the Company electronically:

   a. 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), and AADHAAR (self-attested scanned copy of Aadhaar Card) by email to investorrelations@thevanitycase.com or to rnt.helpdesk@in.mpms.mufg.com

   b. Members holding Shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participant.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

10. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 read with Circular of SEBI on E-voting facility provided by Listed Entities dated December 9, 2020, given by MCA and Regulation 44 of the Listing Regulations, the Company is pleased to provide their Members with facility to exercise their right to vote on Resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through E-voting Services. The facility of casting the votes by the Members using an electronic voting system during the AGM will be provided by MUFG InTime.

    a. The Members who have cast their vote by remote E-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

    b. The remote E-voting period commences on **Saturday, September 20, 2025 (9:00 Hours IST) and ends on Monday, September 22, 2025 (17:00 Hours IST).** During this period, Members of the Company holding Shares either in physical form or in dematerialised form, as on the cut-off date of **Friday, September 12, 2025,** may cast their vote by remote E-voting. The remote E-voting module shall be disabled by MUFG InTime for voting thereafter. Once the vote on a resolutions is cast by the Member, the Member shall not be allowed to change it subsequently.

Remote e-voting Instructions for Shareholders are as follows:

As per the SEBI circular dated December 9, 2020, individual Shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

NOTICE (Contd.)

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility

Shareholders who have registered for NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".

b) Enter User ID and Password. Click on "Login"

c) After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for NSDL IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Proceed with updating the required fields.

c) Post successful registration, user will be provided with Login ID and password.

d) After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of NSDL

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the "Login" tab available under 'Shareholder/ Member' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 – Individual Shareholders registered with CDSL Easi/ Easiest facility

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com.

b) Click on New System Myeasi Tab

c) Login with existing my easi username and password

d) After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for CDSL Easi/ Easiest facility:

a) To register, visit URL:

   https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration

   https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration

b) Proceed with updating the required fields.

c) Post registration, user will be provided username and password.

d) After successful login, user able to see e-voting menu.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL

a) Visit URL: https://www.cdslindia.com

b) Go to e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) After successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

3. Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, user shall navigate through "e-voting" option.

c) Click on e-voting option, user will be redirected to NSDL/CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) After successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode/Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

I. Visit URL: https://instavote.linkintime.co.in

Shareholders who have not registered for INSTAVOTE facility:

II. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:

A. **User ID:**

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

B. **PAN:**

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **DOB/DOI:**

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. **Bank Account Number:**

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **NSDL form, shall provide 'D' above*

***Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Enter Image Verification (CAPTCHA) Code
- Click "Submit" (You have now registered on InstaVote).

Shareholders who have registered for INSTAVOTE facility:

a) Click on "**Login**" under 'SHARE HOLDER' tab.

  a. User ID: Enter your User ID

  b. Password: Enter your Password

  c. Enter Image Verification (CAPTCHA) Code

  d. Click "Submit"

b) Cast your vote electronically:

  a. After successful login, you will be able to see the "Notification for e-voting".

  b. Select 'View' icon.

  c. E-voting page will appear.

  d. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

  e. After selecting the desired option i.e. Favour / Against, click on 'Submit'.

  f. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Custodian / Corporate Body / Mutual Fund")

STEP 1 – Custodian / Corporate Body / Mutual Fund Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organisation ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 –Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

  a. Investor ID' –

    i. *NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*

    ii. *CDSL demat account – User ID is 16 Digit Beneficiary ID.*

  b. 'Investor's Name - Enter Investor's Name as updated with DP.

  c. 'Investor PAN' - Enter your 10-digit PAN.

  d. 'Power of Attorney' - Attach Board resolution or Power of Attorney.

  **File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.*

  e. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "**Votes Entry**" tab under the Menu section.

c) Enter the "**Event No.**" for which you want to cast vote.

d) Event No. can be viewed on the home page of InstaVote under "On-going Events".

NOTICE (Contd.)

e) Enter "**16-digit Demat Account No.**" for which you want to cast vote.

f) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

g) After selecting the desired option i.e. Favour / Against, click on 'Submit'.

h) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

OR

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will be able to see the "Notification for e-voting".

c) Select "View" icon for "**Company's Name / Event number**".

d) E-voting page will appear.

e) Download sample vote file from "**Download Sample Vote File**" tab.

f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "**Upload Vote File**" option.

g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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 evoting@nsdl.co.in or call at : 022 - 4886 7000
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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on "**Login**" under 'SHARE HOLDER' tab.
- Click "**forgot password?**"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Click "**forgot password?**"
- Enter User ID, Organisation ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

11. Login method for shareholders to attend the General Meeting through InstaMeet:

    a) Visit URL: https://instameet.in.mpms.mufg.com & click on "**Login**".

    b) Select the "Company Name" and register with your following details:

    c) Select Check Box - **Demat Account No. / Folio No. / PAN**

    - Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
    - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
    - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
    - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
    - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.

NOTICE (Contd.)

d) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

12. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the E-voting instructions.

13. Facility to join the Meeting shall be opened 30 minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

14. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

15. Members are encouraged to join the Meeting through Laptops for better experience.

16. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

17. 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.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

18. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the Company through e-mail on investorrelations@thevanitycase.com.

19. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.

20. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.

21. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.

22. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Note: Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"

2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet

3. Click on 'Submit'.

4. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

5. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

6. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the Meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

GENERAL INFORMATION:

23. The voting rights shall be as per the number of Equity Shares held by the Member(s) as **on Friday, September 12, 2025** being the **cut-off date.** Members are eligible to cast vote electronically only if they are holding Shares as on that date.

24. Your Board has appointed Mr Amit Surase, Practicing Company Secretary of M/s AUS & Co. (CP No.: 18482/ Membership No. 26485), to act as a Scrutiniser, to scrutinise the entire E-voting process in a fair and transparent manner. The Members desiring to vote through remote E-voting are requested to refer to the detailed procedure given hereinafter.

25. The Chairman shall, during the AGM, at the end of discussion/after every business item for the Resolutions on which voting is to be held, allow voting with the assistance of Scrutiniser, by way of E-voting system for all those Members who are present at the AGM through VC/ OAVM but have not cast their votes by availing the remote E-voting Facility.

26. The Scrutiniser shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting by way of E-voting and thereafter unblock the votes cast through remote E-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the AGM, a consolidated Scrutiniser'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 countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company www.hindustanfoodslimited.com and also on the website of MUFG InTime immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

27. Members who wish to inspect the documents, as mentioned in the Notice of the AGM or as required under the law, may write to the Company at investorrelations@thevanitycase.com and the Company shall endeavor to provide inspection of documents by such Member. 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 investorrelations@thevanitycase.com.

28. During the AGM, 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 under Section 189 of the Act shall be available for inspection.

OTHER INFORMATION:

29. In accordance with SEBI regulations, transfer of securities in physical form has been discontinued with effect from April 1, 2019. Accordingly, the Company/ MUFG InTime did not accept any fresh lodgement of share transfer requests in physical form. Shareholders holding shares in physical form were requested to dematerialise their holdings at the earliest.

NOTICE (Contd.)

Further, SEBI, vide circular dated July 2, 2025, has introduced a special window from July 7, 2025 to January 6, 2026 for Shareholders to re-lodge transfer requests that were originally submitted before April 1, 2019 but were rejected/returned/not processed due to document deficiencies. All such re-lodged transfers shall be processed only in dematerialised form with the due process for such transfer-cum-demat requests.

Eligible shareholders are encouraged to take advantage of this facility within the prescribed timeline.

30. Members are requested:

I. Write to the Company through email at investorrelations@thevanitycase.com atleast 7 days before the date of the Meeting, in case they desire any information as regards the Audited Accounts for the Financial Year ended March 31, 2025.

II. Intimate to the Registrar & Transfer Agent (RTA) of the Company immediately, about any change in their address.

III. Members holding Shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding Shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding Shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants and not to the Company's RTA.

For Shares held in physical form, to the Company/ RTA in prescribed Form ISR-1 and other forms pursuant to the SEBI Circular Nos. SEBI/HO/ MIRSD/MIRSD_RTAMB/ CIR/2021/655 dated November 3, 2021, SEBI/ HO/MIRSD/MIRSD-POD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2023/181 dated November 17, 2023. All the prescribed forms can be downloaded from the Company's website at www.hindustanfoodslimited.com under the category of Formats of KYC. The Company has sent communication to the Members holding Shares in physical form requesting them to furnish the required details.

IV. Quote Registered Folio no. or DP ID/Client ID no. in all their correspondence.

V. Approach the R&TA of the Company for consolidation of folios.

VI. Avail Nomination facility by filing in form SH-13 in accordance with Section 72 of the Act, and forward the same to the R&TA, if not done. (Applicable for those holding Shares in physical form).

VII. Send all Share transmission/ Transpositions/ Consolidation/ Duplication/ Name Deletion/ Replacement/ lodgments (physical mode) / correspondence to the R&TA of the Company, MUFG InTime, upto the date of Book Closure.

VIII. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company or the Company's RTA.

In case of non-updation of PAN or address with PIN code, contact details, mobile number, bank account details or specimen signature in respect of physical folios, the payment of dividend, interest or any other entitlements shall be processed only after receipt of all the required details.

IX. Pursuant to Section 101 and Section 136 of the Act, read with relevant Rule made there under, Companies can serve Notice and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s). Members holding Shares in physical form and have not registered their e-mail address can now register the same by clicking the link: https://in.mpms.mufg.com under Investor Services > E-mail Registration fill in the details, upload the required documents and submit. Members holding Shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon request.

NOTICE (Contd.)

By Order of the Board of Directors

Place : Mumbai
Date : August 8, 2025

BANKIM PUROHIT
Company Secretary and Legal Head

Registered Office:
Office No.3, Level-2, Centrium, Phoenix Market City,
15, LBS Road, Kurla (West), Mumbai 400 070,
Maharashtra, India
Website : www.hindustanfoodslimited.com
Email : investorrelations@thevanitycase.com
CIN : L15139MH1984PLC316003

NOTICE (Contd.)

EXPLANATORY STATEMENT

The statement of Material facts pursuant to Section 102 (1) of the Act relating to businesses mentioned under the Item Nos. 3 to 7 of the accompanying Notice.

IN RESPECT OF ITEM NO. 3

Pursuant to the provision of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, ('said statutory provisions') the Company is required to have the audit of cost accounting records of its business by a Cost Accountant in Practice and remuneration payable to the Cost Auditor shall be duly recommended by the Audit Committee to the Board of Directors for its consideration and approval. Also, the remuneration payable to the Cost Auditor will be subject to ratification by the Members.

In view of the aforesaid statutory provisions Board of Directors, on the recommendation of the Audit Committee at its Meeting held on August 8, 2025, has considered and approved the appointment of M/s Poddar & Co. (Firm Registration No. 101734) as the Cost Auditor of the Company to conduct the audit of its cost records in relation to its business for the Financial Year 2025-26 at remuneration detailed below:

Name of the Cost Auditor	Financial Year	Audit Fees
M/s Poddar & Co.	2025-26	Rs. 5,25,000/- (Rupees Five Lakhs Twenty Five Thousands Only) plus out of pocket expenses and applicable taxes

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

None of the Directors or the Manager or any other Key Managerial Personnel or their relatives are concerned or interested whether financially or otherwise, if any, in the resolution.

IN RESPECT OF ITEM NO. 4

Pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), the Board of Directors at their Meetings held on February 7, 2025, have approved and recommended the appointment of Mr Pankaj S Desai, Peer reviewed Practicing Company Secretary, as Secretarial Auditors of the Company on the following terms and conditions:

a) Term of appointment: For a term of 5 (Five) consecutive years from the Financial Year 2025-26 to 2029-30.

b) The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI Listing Regulations. While recommending the Board of Directors have also considered his experience, capability, audit experience and also evaluation of the quality of audit work done by him in the past.

Mr Pankaj S Desai has given his consent to act as Secretarial Auditors of the Company and confirmed that his appointment, if approved would be within the prescribed limits and that he is not disqualified to be appointed as Secretarial Auditor in terms of provisions of the Act & Rules made thereunder and SEBI Listing Regulations.

Accordingly, the Board of Directors recommends the Ordinary Resolution at Item no. 4 of the accompanying Notice for the approval of Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are is in any way, concerned or interested, financial or otherwise, in this resolution except to the extent of their Shareholding in the Company, if any.

IN RESPECT OF ITEM NO. 5

Pursuant to the Section 180(1)(c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up Share capital of the Company and its free reserve and securities premium requires the approval from the Shareholders of the Company.

The Members of the Company had vide Special resolution passed in the 37th Annual General Meeting held on September 22, 2022, authorised the Board of Directors to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company not exceeding Rs. 750 Crores (Rupees Seven Fifty Crores Only), for the business of the Company.

NOTICE (Contd.)

However, keeping in view Company's requirements to fund its growing activities and operations, the Board of Directors of the Company at its Meeting held on August 8, 2025, proposed to raise the existing borrowing limit from Rs. 750 Crores (Rupees Seven Fifty Crores Only) to Rs. 1,000 Crores (Rupees One Thousand Crores Only), which is subject to the approval of the Shareholders of the Company under the provisions of Section 180(1)(c) of the Companies Act, 2013 (the "Act"). Your consent is required under the provisions of Sections 180(1)(c) of the Act, to increase the borrowing limits.

Accordingly, the Board of Directors recommends the Special Resolution at Item no. 5 of the accompanying Notice for the approval of Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are is in any way, concerned or interested, financial or otherwise, in this resolution except to the extent of their Shareholding in the Company, if any.

IN RESPECT OF ITEM NO. 6

The Members of the Company had vide Special resolution passed in the 37th Annual General Meeting held on September 22, 2022, authorised the Board of Directors to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures, to secure the repayment of monies borrowed by the Company.

Under the provisions of Section 180(1)(a) of the Companies Act, 2013 the above powers can be exercised by the Board only with the consent of the Shareholders obtained by way of a Special Resolution.

Accordingly, the Board of Directors at its Meeting held on August 8, 2025, proposed to obtain fresh approval of the Shareholders by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, to create charge/ mortgage/hypothecation/pledge on the Company's assets including tangible and intangible, both present and future, in favour of the Banks, Financial Institutions, any other Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed or to be availed by the Company, by way of loans, debentures (comprising fully/partly Convertible Debentures and/or Secured/ Unsecured Non-Convertible Debentures or any other securities) or otherwise, in foreign currency or in Indian rupees, from time to time up to the limits approved or as may be approved by the Shareholders from time to time under Section 180(1)(c) of the Companies Act, 2013.

Accordingly, the Board of Directors recommends the Special Resolution at Item no. 6 of the accompanying Notice for the approval of Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in this resolution except to the extent of their Shareholding in the Company, if any.

IN RESPECT OF ITEM NO. 7

The Members of the Company had, through a special resolution passed on October 20, 2023, approved the preferential issue of 72,71,081 convertible warrants to Non-Promoter QIBs and Non-QIBs, in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"). The proceeds from the said issue were proposed to be utilised for the following purposes:

1. Funding inorganic growth opportunities and strategic acquisitions
2. Capital expenditure for new green fields project
3. Capital expenditure in its current units and projects for brown field expansion
4. General Corporate Purpose

The proposed net realization of the issue proceeds was Rs. 396.50 Crores after adjusting the issue expenses.

One of the allotee, Ms Vanaja Sundar Iyer has not exercised her option to convert 5,32,009 warrants, resulting in the forfeiture of the upfront amount of Rs. 7,49,99,969/- by the Share Allotment Committee of the Board of Directors in its Meeting held on June 18, 2025 as per Regulation 169(3) of the SEBI ICDR Regulations. These warrants stand cancelled, and the Company will not receive the remaining amount of Rs. 22,49,99,906/-. Accordingly, the total number of convertible warrants stands reduced from 72,71,081 to 67,39,072. Consequently, the Company did not received the balance amount of Rs. 22,49,99,906/- (being 75% of the consideration for the aforesaid warrants). Due to this the total proposed proceeds from the preferential issue stand revised from Rs. 396,50,00,000/- to Rs. 374,00,00,094/-.

Pursuant to ICDR Regulations, the Board of Directors in its Meeting held on August 8, 2025 proposed a variation in the object of the issue proceeds as stated in the Item No. 7 of the Notice of 40th AGM subject to approval of the Shareholders of the Company. Under the provision of the

NOTICE (Contd.)

ICDR Regulations the said deviation/ variation can be exercised by the Board only with the prior consent of the Shareholders obtained by way of a Special Resolution.

Further, the Company proposes to adjust and reduce Rs. 50 Cores from the originally approved Object No. 1 i.e. towards "Funding inorganic growth opportunities and Strategic Acquisitions" and adding it to Object No. 2 "Capital expenditure for new green fields project to be spent by the Company and/or its Subsidiaries" and "Capital expenditure in Company and/or its Subsidiary Companies in current units and projects i.e. brown field project".

The Company, along with its subsidiaries, is experiencing increased opportunities in greenfield and brownfield projects, as opposed to inorganic growth avenues. Those shift or variation of unutilised proceeds would be margin accretive to the Shareholders from a long-term perspective. The Company does not foresee any significant risk factor in this type of variation of unutilised proceeds.

In view of the above changes in the total proceeds from the preferential issue, and in the interest of transparency and good governance, the Board of Directors of the Company is placing the revised utilization of funds before the Members for their approval. The revised reallocation/ variation towards object for utilisation of proceeds is set out below:

Amt. In Crores

Particulars		Original Allocation	Revised Allocation on cancellation of Warrants with Board Approval	Proposed revised variation for Shareholders approval
Funding inorganic growth opportunities and strategic acquisitions		175.000	158.125	108.125
Capital expenditure for new green fields project of the	Company	50.000	50.000	60.000
	Subsidiaries	25.000	25.000	45.000
Capital expenditure in its current units and projects for brown field expansion of the	Company	35.000	35.000	45.000
	Subsidiaries	15.000	15.000	25.000
General Corporate Purpose		96.500	90.875	90.875
Issue expenses		3.500	3.500	3.500
TOTAL		**400.000**	**377.500**	**377.500**

Accordingly, the Board of Directors recommends the Special Resolution at Item no. 7 of the accompanying Notice for the approval of Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in this resolution except to the extent of their Shareholding in the Company, if any.

By Order of the Board of Directors

Place : Mumbai
Date : August 8, 2025

BANKIM PUROHIT
Company Secretary and Legal Head

Registered Office:
Office No.3, Level-2, Centrium, Phoenix Market City,
15, LBS Road, Kurla (West), Mumbai 400 070,
Maharashtra, India
Website : www.hindustanfoodslimited.com
Email : investorrelations@thevanitycase.com
CIN : L15139MH1984PLC316003

NOTICE (Contd.)

ANNEXURE TO THE NOTICE

Particulars and additional information of the Directors seeking appointment / re-appointment pursuant to Regulation 36(3) of the Listing Regulations and in terms of Secretarial Standards on General Meetings (SS-2):

Name of the Director	Mr Nikhil Vora
Category	Non-Executive, Non-Independent Director
Age	53 years
DIN	05014606
Date of first appointment	May 22, 2017
Date of last Re-appointment	Not Applicable
Brief Profile of the Director	Mr Nikhil Vora is Non-Executive Non-Independent Director of the Company and is the founder/CEO of Sixth Sense Ventures, India's first and largest Consumer fund. He has been associated with your Company since May 22, 2017. Mr Nikhil has over 32 years of experience in Investing and Financial Markets and is regarded as one of the strongest analytical minds in the country. He was the former Managing Director and Head of Research at IDFC Securities and Voted India's Best Analyst in the Asia Money Polls 2012 and Asia's Best Analyst by the Wall Street Journal. Also been accorded the Thought Leadership Award from IDFC Ltd
Expertise in specific functional area, Skill & Capabilities	Strategic Guidance and Business Management
Qualification	Member of the Institute of Cost and Works Accountants of India ('ICWA') Bachelor's degree in Commerce from University of Bombay Future Leaders Program at the Saïd Business School, University of Oxford
Directorship held in other Companies (including Foreign and Private Companies) (as on March 31, 2025)	16
Membership/chairmanship of the Committees of the Board of other Public Companies (as on March 31, 2025)	1
Listed entities from which the Director has resigned in the past three years	1
Details of Remuneration paid during the Financial Year 2024-25	He shall be paid remuneration by way of sitting fees for attending Meetings of the Board & Committees thereof, if any, as may be decided by the Board.
Remuneration sought to be paid	The remuneration is sought to be paid to Mr Nikhil Vora by way of sitting fees for attending Meetings of the Board & Committees thereof, if any.
Terms and conditions of appointment/re-appointment	Re-appointment as a Non-Executive Director of the Company, liable to retire by rotation to comply with the applicable provisions of Section 152 of the Act.
Shareholding in the Company (Equity) including shareholding as a beneficial owner	Nil
No. of Board Meetings attended during the year 2024-25	6 of 6
Relationship with other Directors / Manager / Key Managerial Personnel	Nil

DIRECTORS' REPORT

TO THE MEMBERS OF HINDUSTAN FOODS LIMITED

Your Directors are pleased to present Your Company's 40th (Fortieth) Annual Report on the business and operations, together with the Audited Financial Statements (Consolidated and Standalone) for the Financial Year ended March 31, 2025.

(Rs. In Crore)

Particulars	Consolidated		Standalone	
	Financial year ended March 31, 2025	Financial year ended March 31, 2024	Financial year ended March 31, 2025	Financial year ended March 31, 2024
Total Revenue	3578.93	2761.88	2752.45	2391.40
Profit for the year before finance charges and depreciation	**307.70**	**228.89**	**231.02**	**172.54**
Less: Finance charges	80.04	56.68	46.84	37.74
Profit before depreciation	**227.66**	**172.21**	**184.18**	**134.80**
Less: Depreciation	79.73	54.80	45.42	38.54
Profit for the year after finance charges and depreciation / before tax for the year	**147.93**	**117.41**	**138.76**	**96.26**
Less: Provision for Tax -				
Current Tax	37.57	29.87	33.74	23.33
Deferred Tax	0.72	(5.33)	1.68	(5.20)
Tax adjustments pertaining to previous years	-	(0.15)	-	(0.15)
Profit for the year after Tax	**109.64**	**93.02**	**103.34**	**78.28**
Other Comprehensive Income	0.46	1.24	0.66	0.91
Total Comprehensive Income	110.10	94.26	104.00	79.19

Your Company did not transfer any amounts to the General Reserve during the Year.

YEAR IN RETROSPECT

Your Company has once again delivered record operational performance, aligned with the Board's expectations and guidance, surpassing the landmark of Rs.100 Crores in Profit After Tax ('PAT') and reinforcing its leadership position in the industry.

Despite a global slowdown and prevailing uncertainties, the Company achieved its highest-ever annual profits and continued to strengthen existing business relationships and customer base. In addition, it expanded its operations by acquiring new facilities and diversifying its product portfolio into newer areas, laying the foundation for sustained growth.

During the Financial Year 2024-2025, consolidated revenue increased by approximately 30% over the previous year, reaching Rs. 3,578.93 Crores, as compared to Rs. 2,761.88 Crores in previous year. Consolidated PAT grew by 18%, rising to Rs.109.64 Crores from Rs.93.02 Crores last year.

This performance demonstrates your Company's resilience and commitment to growth, despite challenging global conditions and slowdown in FMCG consumption.

Your Directors are pleased to inform you that HFL Multiproducts Private Limited ('HMPL') Wholly-Owned Subsidiary of your Company, successfully ramped up its plant operations and commenced commercial production in Q4 of Financial Year 2023-2024. During the year under review, HMPL reported a turnover of Rs. 13.53 Crores, a significant increase from Rs. 1.58 Crores in the previous Financial Year. While HMPL recorded a net loss of Rs. 3.13 Crores for the year, it made strategic progress by acquiring a business undertaking from MMG Enterprises Private Limited under a Business Transfer Agreement dated January 3, 2025. The facility, located at IDCO Plot No B/6, Food Processing Park, Makundaprasad, District Khurda, Odisha, is engaged in the manufacturing, processing, and packaging of bottled water and associated components.

DIRECTORS' REPORT (Contd.)

Your Directors remain confident that HMPL will contribute meaningfully to the consolidated revenues of your Company in the coming years and continue its growth trajectory.

Your Directors are pleased to report that HFL Consumer Products Private Limited ('HCPPL'), a Wholly-Owned Subsidiary of your Company, achieved a strong operational performance for the year ended March 31, 2025. HCPPL reported total revenue from operations of Rs. 229.90 Crores, marking an impressive growth from Rs.150.30 Crores in the previous year. HCPPL also posted a PAT of Rs.3.95 Crores for the year under review. Your Directors remain optimistic that HCPPL will continue to contribute meaningfully to the Company's consolidated profitability in the upcoming financial year, driven by ongoing expansion and market demand.

Your Directors are further pleased to share that, the Company's strategic acquisition of Aero Care Personal Products LLP ('ACPPL') successfully marked our entry into the Color Cosmetics segment—an important expansion of our consumer product portfolio. ACPPL delivered its strongest financial performance to date in Financial Year 2024–25, reporting its highest-ever turnover of Rs. 131.02 Crores and a PAT of Rs. 5.16 Crores. With this promising trajectory, your Directors anticipate continued contributions from ACPPL to the Company's consolidated income in the coming financial year, reinforcing our growth momentum and diversification strategy.

During the year under review, HFL Healthcare and Wellness Private Limited ('HHWPL'), a material Wholly-Owned Subsidiary of your Company engaged in the OTC Healthcare and Wellness sector, continued its growth momentum. HHWPL reported a turnover of Rs. 92.99 Crores, up from Rs. 74.39 Crores in the previous year, and a PAT of Rs. 9.38 Crores, compared to Rs. 8.84 Crores in the prior period. Your Directors remain confident that this acquisition will contribute significantly to the Company's consolidated performance and support its expansion into global OTC Healthcare and Wellness markets.

Your Directors are pleased to report that the Company's acquisition of KNS Shoetech Private Limited ('KNS'), a Wholly-Owned Subsidiary of your Company, engaged in the manufacturing and supply of sports shoes and sneakers, has significantly scaled the Company's footprint in the footwear segment. KNS recorded its highest-ever turnover of Rs. 390.91 Crores in Financial Year 2024–25, a remarkable increase from Rs. 33.38 Crores in the previous year. Despite reporting a Net Loss of Rs.8.17 Crores, the substantial growth in revenue reflects strong operational traction and the potential of this segment.

Your Directors remain confident that this acquisition will contribute meaningfully to the Company's consolidated growth and position it as a key player in the global contract manufacturing space for sports shoes and sneakers.

Your Board is confident that customers will look at your Company's track record of executing greenfield and brownfield projects flawlessly and integrating acquisitions seamlessly, and continue to propel us towards sustained industry leadership in contract manufacturing, enhanced customer trust, and long-term value creation.

During the year under review, your Company has started a greenfield project in 'Nashik' to manufacture Ice Cream, this should enable your Company to better leverage the factory and enhancing capacity to serve a key new customers. Its commercial production has commenced in May 2025.

SHARE CAPITAL

CHANGE IN CAPITAL STRUCTURE

Your Company's Authorised Share Capital as on the date of this report is Rs. 55,15,22,530/- (Rupees Fifty Five Crores Fifteen Lakhs Twenty Two Thousand Five Hundred Thirty Only) divided into 26,57,61,265 (Twenty Six Crores Fifty Seven Lakhs Sixty One Thousand Two Hundred and Sixty Five) Equity Shares of Rs. 2/- (Rupees Two Only) each and 2,00,000 (Two Lakhs) 9% Redeemable Non-Convertible Preference Shares of Rs. 100/- (Rupees One Hundred Only) each.

During the year under review, Two of the Warrants holders of the Preferential issue made pursuant to Special Resolution passed through Extra-Ordinary General Meeting dated October 20, 2023 and allotted by the Board of Directors in their Meeting held on December 20, 2023 named Infinity Holdings and Infinity Capital (formerly known as Infinity Holding Sidecar I), Qualified Institutional Buyers, holding 14,64,530 Warrants each, had exercised their options aggregating to 29,29,060 (Twenty Nine Lakhs Twenty Nine Thousand Sixty) for the conversion of Warrants into equivalent number of Equity Shares having face value of

DIRECTORS' REPORT (Contd.)

Rs. 2/- (Rupees Two Only) each of the Company and upon receipt of an amount aggregating to Rs. 1,19,99,99,267/- (Rupees One Hundred Nineteen Crores Ninety-Nine Lakhs Ninety-Nine Thousand Two Hundred Sixty Seven Only), being 75% of the balance amount on the said Warrants, the Share Allotment Committee of the Board of Directors of your Company at their Meeting held on December 28, 2024, had allotted 29,29,060 Equity Shares having face value of Rs. 2/- (Rupees Two Only) each at a premium of Rs. 544.25/- per shares to Infinity Holdings and Infinity Capital.

As at March 31, 2025, 25,11,358 (Twenty Five Lakhs Eleven Thousand Three Hundred Fifty Eight) convertible warrants were outstanding for conversion into Equity Shares.

Your Company has not issued any Shares with differential voting rights or by way of Rights issue or Sweat Equity Shares. Further, it has not provided any money to its Employees for purchase of its own Shares hence your Company has nothing to report in respect of Rule 4(4), Rule 12(9) and Rule 16 of the Companies (Share Capital & Debentures) Rules, 2014.

Other / Debt Securities

Your Company has not issued any Debentures during the year under review. No other debt securities had been issued by your Company during the year.

MERGERS AND ACQUISITIONS

During the year under review, the Board of Directors of your Company has approved a Scheme of Arrangement under Section 230-232 and other applicable provisions of the Act, between (i) Avalon Cosmetics Private Limited ('The Demerged Company' or 'ACPL'), (ii) Vanity Case India Private Limited ('the Transferor Company' or 'VCIPL') with (iii) Your Company ('The Transferee Company' or 'The Resulting Company' or 'HFL') which interalia provides for i) Demerger of the Contract Manufacturing (Nashik) Business of ACPL with Your Company and ii) Amalgamation of VCIPL with your Company. This Scheme is subject to all necessary statutory / regulatory approvals under applicable laws including approval of the Hon'ble National Company Law Tribunal ('NCLT'). Your Company has received the observation letter dated February 28, 2025 from both the BSE Limited and The National Stock Exchange of India Limited ("NSE"), wherein the Stock Exchanges have granted their no objection to filing of the said scheme with the Hon'ble NCLT, Mumbai Bench and your Company has filed the Application with Hon'ble NCLT, Mumbai Bench on March 21, 2025. The appointed date is April 1, 2024 for the Demerged Company and October 1, 2024 for the Transferor Company or the Transferee Company.

During the year under review, your Company has additionally invested Rs. 43 Crores (Rupees Forty Three Crores Only) by way of Right issue of 4,30,00,000 (Four Crore Thirty Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each at par in KNS Shoetech Private Limited ('KNS') a Wholly Owned Subsidiary Company of your Company. The said Shares were allotted on September 10, 2024. Your Company's shareholding post this investment remains at 100% and KNS Continues to remain a Wholly Owned Subsidiary Company of your Company.

During the year under review, HFL Multiproducts Private Limited ("HMPL"), a Wholly Owned Subsidiary Company of your Company, entered into a Business Transfer Agreement ("BTA") on January 3, 2025 with MMG Enterprises Private Limited ("MMG") and its promoter, for acquisition of manufacturing facility of MMG situated at IDCO, District Khurda, Odisha 752055. Which is engaged in the business of manufacturing, processing, and packaging of bottled water including all their Components thereof ("Undertaking") on a slump sale and going concern basis.

This acquisition is in line with your Company's strategy to enter Contract Manufacturing and expansion of its business into bottled water including all its components thereof.

EMPLOYEES STOCK OPTION SCHEME

With the objective to enable the Eligible Employees of your Company, Group Companies, including Subsidiary Companies and Associate Companies of your Company, to share the value they create for your Company and align individual objectives of Employees with objectives of your Company in the coming years, the Board of Directors of your Company, based on the recommendation of the Nomination and Remuneration Committee, in their Meeting held on March 6, 2025 accorded its approval to the introduction of an Employee Stock Option Scheme namely "Hindustan Foods Limited Employee Stock Option Scheme 2025" ("HFL ESOS 2025" or "Scheme") to create and grant not exceeding 10,00,000 Options to the Eligible Employees under the HFL ESOS 2025, in one or more

DIRECTORS' REPORT (Contd.)

tranches, exercisable into not more than 10,00,000 Equity Shares of face value of Rs. 2/- (Rupees Two) each fully paid-up, for present and future grants, subject to adjustment with regards to various corporate actions which the Company may come out with.

The Shareholders of your Company approved the said Scheme by way of Postal Ballot on April 10, 2025. There has been no material change in the Scheme post its implementation. The Scheme is in compliance of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"). A certificate, issued by Pankaj S Desai, Practicing Company Secretary, Mumbai, Secretarial Auditors of your Company confirming that the Scheme has been implemented in accordance with SEBI SBEB Regulations and in accordance with the resolution passed by the Members of your Company, is available for inspection at the website of the Company at www.hindustanfoodslimited.com.

During the year under review, no options were granted under the said Scheme and consequently the disclosures to be made in terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI SBEB Regulations are not applicable.

Post the closure of the year, the Nomination and Remuneration Committee of the Board of Directors of your Company at their Meeting held on July 28, 2025, had granted 1,47,100 Stock Options to the eligible Employees of the Company and its Subsidiary Companies.

The disclosures in compliance of Regulation 14 of the SEBI SBEBSE Regulations, to the extent applicable, are available on the Company's website at www.hindustanfoodslimited.com.

DIVIDEND

To conserve resources and in order to strengthen your Company's financials, your Directors do not recommend any Dividend for the year under review.

DIVIDEND DISTRIBUTION POLICY

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the top 1000 listed entities based on Market Capitalisation are required to formulate a Dividend Distribution Policy, accordingly your Board has formulated and adopted the Policy. Your Company's Dividend Distribution Policy is based on the parameters laid down by Listing Regulations, and the details of the same are available on your Company's website at www.hindustanfoodslimited.com.

LISTING INFORMATION

Your Company's Equity Shares are listed on BSE Limited ('BSE') and on National Stock Exchange of India Limited ('NSE'). The applicable listing fees for Financial Year 2025-26 have been paid to the Stock Exchanges before the due dates. The Equity Shares of your Company were not suspended from trading on BSE and NSE at any point of time during the year under review.

DEPOSITORY SYSTEM

Your Company's Equity Shares are available for dematerialisation through National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). As on March 31, 2025, 97.84% of the Equity Shares of your Company were held in Demat form.

ACCREDITATIONS

Your Company continues to enjoy following accreditations:-

1. FSSC 22000 – Food Safety System Certification
2. ISO 9001:2015 - Quality Management System
3. ISO 14001:2015 – Environment Management System
4. ISO 45001: 2018 – Occupational Health & Safety Management System
5. ISO 13485:2016 – Medical Devices- Quality Management Systems
6. BRC GS - Global Standard for Consumer products Personal Care and Household
7. MHRA – Medical & Health Regulatory Authority certification.
8. BRC GS- GFSI – Global Standard for Food Products
9. Sedex SMETA 4 pillar – Sedex Members Ethical Trade Audit certification

PUBLIC DEPOSITS

Your Company has not accepted any deposits from Public / Members falling under the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. Your Company does not have any unpaid/ unclaimed deposits as on March 31, 2025.

SUBSIDIARIES, ASSOCIATES, JOINT VENTURE COMPANIES AND PARTNERSHIP FIRMS / LLP

HFL Consumer Products Private Limited ('HCPPL') continues to be the Wholly Owned Subsidiary of your Company as on date of this report. HCPPL is into the Business for Contract Manufacturing of Ice-Cream.

Your Company continues to hold 81% Partnership interest in Aero Care Personal Products LLP ("ACPPL") as on date of this report and ACPPL is into the Business of manufacturing and trade of Cosmetics, Personal Care and Toiletries Products.

HFL Healthcare and Wellness Private Limited ('HHWPL') (Formerly known as Reckitt Benckiser Scholl India Private Limited) continues to be a Wholly-Owned Subsidiary of your Company as on date of this report. HHWPL is into the business of manufacturing and supplying of footcare/ footwear products and also engaged in the business of OTC Healthcare and Wellness, segment as a Contract Manufacturer. During the year under review HHWPL was a material subsidiary of your Company as per the Listing Regulations.

HFL Multiproducts Private Limited ('HMPL'), continues to be a Wholly Owned Subsidiary of your Company as on date of this report. HMPL is into the business of food & beverages for a branded Company and has started business of manufacturing, processing and packaging of bottled water.

KNS Shoetech Private Limited ('KNS'), continues to be a Wholly-Owned Subsidiary of your Company as on date of this report. KNS is into the business of manufacturing the entire portfolio of sports shoes and sneakers and open footwear including all their Components thereof.

During the year under review, KNS allotted 9,33,100 (Nine Lakhs Thirty Three Thousand One Hundred) Compulsorily Convertible Preference Shares ("CCPS") on October 11, 2024, and 19,15,640 (Nineteen Lakhs Fifteen Thousand Six Hundred Forty) Compulsorily Convertible Debentures ("CCDs") on November 8, 2024, each having a face value of Rs.10/- and issued at Rs.50/-, per instrument, with Rs.12.5/- per instrument paid-up at the time of allotment to certain identified allottees, and the balance amount shall be received by KNS in tranches as and when called upon.

Your Company monitors the performance of its Subsidiary Companies, inter alia, Financial Statements, in particular investments made by Subsidiary Companies, are reviewed quarterly by your Company's Audit Committee.

Minutes of the Board Meetings of Subsidiary Companies are placed before your Company's Board regularly. A statement containing all significant transactions and arrangements entered into by Subsidiary Companies are placed before your Board. Presentations are made to your Board on business performance of Subsidiaries of your Company by the Senior Management.

In terms of the Company's Policy on determining "Material Subsidiary" and as defined in Regulation 16(1) (c) of the Listing Regulations as amended, HHWPL was determined as a Material Subsidiary of your Company in the immediately preceding Financial Year, however as on the date of this report HHWPL ceased to be a Material Subsidiary Company of your Company. Whereas KNS Shoetech Private Limited became Material Subsidiary of your Company. Your Company's Policy for determining Material Subsidiary is available on the Company's Website www.hindustanfoodslimited.com.

CONSOLIDATED FINANCIAL STATEMENTS

As stipulated by the Regulation 33 of the Listing Regulations, the Consolidated Financial Statements have been prepared by your Company in accordance with the applicable Accounting Standards. The Audited Consolidated Financial Statements, together with Auditors' Report, forms part of the Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the Financial Statements of each Subsidiaries, Joint Venture and joint operations in the prescribed Form AOC-1 forms part of the Financial Statements to this Report.

Pursuant to Section 136 of the Companies Act, 2013, the Financial Statements of the Subsidiary and Associate Companies are kept for inspection upon request made by the Shareholders at the Registered Office of the Company. The statements are also available on the Company's website www.hindustanfoodslimited.com.

CREDIT RATING

During the year under review, India Ratings and Research (Ind-Ra) has re-affirmed the Long-Term Issuer Rating to 'IND A+/ Stable' of your Company. The outlook is Positive.

DIRECTORS' RESPONSIBILTY STATEMENT

To the best of our knowledge and belief and based on the information and representations received from the operating management, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures;

(b) that such accounting policies as mentioned in Notes to the annual accounts have been selected and applied consistently and judgement 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, 2025 and of the profit of the Company for the year ended on that date;

(c) that 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) that the annual accounts have been prepared on a going concern basis;

(e) that proper internal financial controls are in place and that the internal financial controls are adequate and are operating effectively;

(f) that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and operating effectively.

MANAGEMENT AND KEY MANAGERIAL PERSONNEL

DIRECTORS

CHANGE IN DIRECTORATE

During the year under review, Mr Sandeep Mehta (DIN: 00031380), Independent Director of your Company, who was appointed on August 9, 2019 for a term of 5 years upto August 8, 2024, did not offer his candidature for re-appointment by the Shareholders for 2nd Term. Consequently, he ceased to be the Director with effect from end of business hours of August 8, 2024.

Mr Sarvjit Singh Bedi (DIN: 07710419) and Ms Amruta Adukia (DIN: 07877389) have tendered their resignations as Non-Executive Non-Independent Directors of your Company with effect from end of business hours of September 18, 2024 and February 12, 2025 respectively, citing professional responsibilities and commitments.

The Board appreciates on record their contribution in the guidance and expertise knowledge towards the goal of your Company, during their tenure.

RESOLUTIONS TO BE PASSED AT THE ENSUING AGM

DIRECTOR LIABLE TO RETIRE BY ROTATION

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of your Company, Mr Nikhil Vora (DIN: 05014606) Non-Executive, Non-Independent Director of your Company, retires by rotation at the ensuing Annual General Meeting and being eligible, Mr Nikhil Vora offers himself for re-appointment. Your Board has recommended his re-appointment.

The brief resume of Director seeking re-appointment at the ensuing AGM along with other details in pursuance of Regulation 36(3) of the Listing Regulations is enclosed herewith as Annexure to the Notice of the Annual General Meeting.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 2(51) and Section 203 of the Companies Act, 2013, Mr Sameer R Kothari, Managing Director, Mr Ganesh Argekar, Whole-time Director, Mr Mayank Samdani, Chief Financial Officer and Mr Bankim Purohit, Company Secretary and Legal Head are the Key Managerial Personnel of your Company.

INDEPENDENT DIRECTORS' DECLARATION

Pursuant to Section 149(7) of the Companies Act, 2013, your Company has received declarations from all the Independent Directors of your Company viz. Mr Shashi K Kalathil, Ms Honey Vazirani, and Mr Neeraj Chandra confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulation in respect of their position as an "Independent Director" of your Company. In terms of provisions of Section 134(3)(d) of the Companies Act, 2013, the Board of Directors of your Company have taken note of all these declarations of independence received from all the Independent Directors and have undertaken due assessment of the veracity of the same.

Further, the Independent Directors of your Company have confirmed that, they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence.

Your Board is of the opinion that, the Independent Directors of your Company possess requisite qualifications, experience, expertise (including proficiency) and they hold the highest standards of integrity that enables them to discharge their duties as the Independent Directors of your Company. Further, in compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of your Company have registered themselves with the Indian Institute of Corporate Affairs.

FAMILIARISATION PROGRAMMES

Familiarisation programmes for the Independent Directors were conducted during the Financial Year 2024-2025. Apart from this, there were quarterly business presentations by Mr Ganesh T Argekar, Executive Director (ED) of your Company. Details of the familiarisation programme are explained in the Corporate Governance Report and are also available on the Company's website and can be accessed at www.hindustanfoodslimited.com.

MEETINGS OF THE BOARD OF DIRECTORS

A minimum of 4 (Four) Board Meetings are held annually. Additional Board Meetings are convened by giving appropriate Notice to address the Company's specific needs and business Agenda. The Meetings of your Board of Directors are pre-scheduled and intimated to all the Directors in advance in order to help them plan their schedule. In case of business exigencies or urgency of matters, approvals are taken by convening the Meetings at a Shorter Notice with consent of the Directors or by passing resolutions through circulation as permitted under the applicable law, which are noted and confirmed in the subsequent Board and Committee Meetings.

During the year under review, the Board of Directors of your Company met 6 (Six) times viz. on May 21, 2024, August 13, 2024, September 24, 2024, November 12, 2024, February 7, 2025 and March 6, 2025. The details of the Board Meetings and the attendance records of the Directors are provided in the Corporate Governance Report which forms part of this Annual Report.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, the Independent Directors of your Company are required to hold at least one Meeting in a Financial Year without attendance of Non-Independent Directors and Members of the Management.

During the Financial Year 2024-2025, Independent Directors of your Company met twice on May 21, 2024 and February 07, 2025. All the Independent Directors were present at the Meeting.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations your Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Board and its Statutory Committees. Further, the performance evaluation criteria for Independent Directors included a check on their fulfilment of the independence criteria and their independence from the Management.

Based on various criteria, the performance of the Board, various Board Committees, Chairman and Individual Directors (including Independent Directors) was found to be satisfactory.

AUDIT COMMITTEE

During the year under review, Mr Sandeep Mehta ceased to be a Director upon completion of his term as an Independent Director. Additionally, Mr Sarvjit Singh Bedi and Ms Amruta Adukia, Non-Executive Non-Independent Directors of your Company, resigned due to their professional responsibilities and commitments Consequently, all three ceased to be Members of the Audit Committee. The reconstitution of the Audit Committee took place from time to time in order to comply with the minimum membership requirements and was maintained properly.

The Audit Committee now comprises of 3 (Three) Members, out of which 2 (Two) are Independent Directors. The Committee is chaired by Mr Shashi K Kalathil, Independent Director. Ms Honey Vazirani and Mr Ganesh Argekar are the other Members of the Committee.

The terms of reference, number of Meetings held during the Financial Year and other information of the Audit Committee are provided in Corporate Governance Report which forms part of this Annual Report.

All the recommendations made by the Audit Committee during the Financial Year under review were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

During the year under review, Mr Sarvjit Singh Bedi, Director of the Company, resigned due to his professional responsibilities and commitments. Consequently, he ceased to be a Member of the Nomination and Remuneration Committee. The reconstitution of the Nomination and Remuneration Committee took place in order to comply with the minimum membership requirements and was maintained properly.

The Nomination and Remuneration Committee now comprises of 3 (Three) Members out of which 2 (Two) are Independent Directors. The Committee is been chaired by Ms Honey Vazirani, Independent Director, who serves as the Chairperson of the Committee, Mr Shashi K Kalathil and Mr Shrinivas Dempo are the other Members of the Committee.

The terms of reference, number of Meetings held during the Financial Year under review and other informations of the Nomination and Remuneration Committee are provided in Corporate Governance Report which forms part of this Annual Report.

The Committee has formulated a Nomination and Remuneration Policy and the same has been uploaded on the website of your Company at www.hindustanfoodslimited.com.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee comprises of 4 (Four) Members out of which 2 (Two) are Independent Directors. The Committee is chaired by Mr Neeraj Chandra, Independent Director, who serves as the Chairman of the Committee, Mr Shrinivas Dempo, Ms Honey Vazirani and Mr Sameer Kothari are the other Members of the Committee.

The composition, terms of reference, number of Meetings held during the Financial Year under review and other informations of the Stakeholders Relationship Committee are provided in Corporate Governance Report which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As required under the Companies Act, 2013, a CSR committee of the Board is duly constituted to formulate and recommend to the Board, the CSR Policy indicating the Company's CSR activities to be undertaken. The CSR Policy as recommended by the Committee and as approved by your Board is available on your Company's website viz. www.hindustanfoodslimited.com.

The CSR Committee comprises of 3 (Three) Members out of which 1 (One) is Independent Director. The Committee is chaired by Mr Sameer Kothari. Mr Ganesh Argekar and Mr Shashi K Kalathil are the other Members of the Committee.

The terms of reference, number of Meetings held during the year and details of the role and functioning of the committee are given in the Corporate Governance Report which forms part of this Annual Report.

During the year under review, your Company took various initiatives towards supporting projects in the area of Education, Welfare, Healthcare and Safety Measures, Rehabilitation of homeless young women and providing various facilities to senior citizens and needy peoples. Based on the recommendation of the CSR Committee

DIRECTORS' REPORT (Contd.)

for the amount of expenditure to be incurred on the CSR activities, your Board and the Management of your Company had contributed towards the specified activities laid down under your Company's policy on expenditure on CSR.

The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules 2014 is set out as **Annexure I** forming part of this Annual Report.

RISK MANAGEMENT COMMITTEE

Knowing the importance of managing and pre-empting risks effectively for sustaining profitable business, your Company has constituted a Risk Management Committee, in line with the Listing Regulations, as it is covered and applicable to the top 1000 Listed entities.

The Risk Management Committee comprises of 6 (Six) Members out of which 2 (Two) are Independent Directors. The Committee is chaired by Mr Sameer Kothari. Mr Ganesh Argekar, Mr Shashi K Kalathil, Ms Honey Vazirani, Mr Mayank Samdani and Mr Bankim Purohit are the other Members of the Risk Management Committee of your Board.

The terms of reference, number of Meetings held during the Financial Year and details of the role and functioning of the committee are given in the Corporate Governance Report which forms part of this Annual Report.

DETAILS OF UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT

During the Financial Year 2024-2025, your Company has raised Rs. 120 Crores against conversion of warrants into Equity Shares. Apart from this, during the Financial Year 2023-2024, your Company had raised Rs. 175 Crores against receipt of being 25% upfront money against preferential issue of warrant and received 75% of the balance amount against the part conversion of warrants into Equity Shares. As on March 31, 2025, the Company has raised aggregating to Rs. 295 Crores through preferential issue.

The details of the funds raised, objects and amount of deviation, if any is provided in the below table:

(Rs. In Crores)

Sr. No	Original Object	Amount proposed in the offer document	Particulars of Issue	Utilisation of funds raised
1	Funding Inorganic growth opportunities and strategic acquisition	175.00	The Company had received Rs. 99,99,99,470.24/- i.e. 25% of the issue price for allotment of 72,71,081 Convertible Warrants on December 20, 2023.	78.64
2	Funding capital expenditure for new green field projects			
a.	Greenfield project of the Company	50.00	The Company has allotted 18,30,663 Equity Shares on February 2, 2024 on receipt of Rs. 74,99,99,748/- (Rupees Seventy Four Crores Ninety-Nine lakhs Ninety-Nine Thousand Seven Hundred Forty Eight Only).	42.09
b.	Greenfield project of the Subsidiary Company	25.00		24.06
3	Funding capital expenditure for Brown field projects			
a.	Brown field project of the Company	35.00	Further, the Company has allotted 29,29,060 Equity Shares on December 28, 2024 on receipt of Rs. 1,19,99,99,267/- (Rupees One Hundred Nineteen Crores Ninety-Nine Lakhs Ninety-Nine Thousand Two Hundred Sixty Seven Only).	29.65
b.	Brown field project of the Subsidiary Company	15.00		12.05
4	General Corporate purpose	96.50		35.02
	TOTAL	**396.50**		**221.51**

There is no deviation or variation in the utilisation of funds from the objects stated in the Explanatory Statement to the Notice for the Extra Ordinary-General Meeting held on October 20, 2023 for approval of Preferential allotment of Warrants. The funds raised through the respective issues were utilised for the purpose for which it was raised and in accordance with the objects of the said Preferential issue.

Pursuant to the provisions of Regulation 32 of the Listing Regulations the necessary disclosures were submitted with the Stock Exchanges and is available on website of the Company viz. hindustanfoodslimited.com.

INTERNAL CONTROL SYSTEM

Your Board has laid down Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134 (5) (e) of the Companies Act, 2013. Your Board believes that, your Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. Your Board is seized of the fact that IFC are not static and are in fact a fluid set of tools which evolve over time as the business, technology and fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There will therefore be gaps in the IFC as business evolves. Your Company has a process in place continuously identify such gaps and implement newer and or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2025 is given in a separate Annexure to this Report as **Annexure II**.

The Annexure in pursuance to the Rule 5 (2) of the Companies (Appointment and Remuneration) Rules, 2014, is not being sent along with this Report to the Members of your Company in line with the provisions of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary and Legal Head at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by the Members at the Registered Office of the Company, 21 days before the 40th Annual General Meeting and up to the date of the ensuing Annual General Meeting during the business hours on working days.

AUDITORS

1. Statutory Auditors

   Pursuant to the requirements of Section 139(2) of the Companies Act, 2013 ('the Act'), M/s M S K A & Associates, Chartered Accountants (Registration No.105047W) were appointed as a Statutory Auditors of your Company for a Second term of 5 (Five) consecutive years from the 37th Annual General Meeting held on September 22, 2022 till the conclusion of the 42nd Annual General Meeting to be held in the year 2027. As per notification issued by the Ministry of Corporate Affairs dated May 7, 2018, ratification of the Statutory Auditors at the Annual General Meeting is not required.

2. Cost Auditors

   Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to prepare, maintain as well as have the audit of its cost records conducted by a Cost Accountant and accordingly it has maintained such cost records. Your Board on recommendation of the Audit Committee of the Board of Directors in their Meeting held on August 8, 2025 has appointed M/s Poddar & Co., Cost Accountants (Firm Registration No: 101734) as the Cost Auditors of your Company for the year 2025-26 under Section 148 and all other applicable provisions of the Act.

   M/s Poddar & Co. have confirmed that they are free from disqualification specified under Section 141 (3) and proviso to Section 148 (3) read with Section 141(4) of the Companies Act, 2013 and that the appointment meets the requirements of Section 141 (3) (g) of the Companies Act, 2013. They have further confirmed their independent status.

   The remuneration payable to the Cost Auditor is required to be placed before the Members in the General Meeting for their ratification. Accordingly, a

DIRECTORS' REPORT (Contd.)

Resolution for seeking Members' ratification for the remuneration payable to M/s Poddar & Co. is included at Item No. 3 of the Notice convening the ensuing AGM.

M/s Poddar & Co., Cost Accountants have carried out the Cost Audit for applicable businesses during the year. There are no qualifications, reservations or adverse remarks or disclaimer made in the Cost Auditors' Report for the Financial Year 2024-2025, which requires any clarification or explanation.

3. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Rules thereunder, your Board of Directors has appointed CS Pankaj S Desai, Practicing Company Secretary (COP no. 4098 & Membership no. 3398) to carry out the Secretarial Audit for the Financial Year 2024-2025. The Secretarial Audit Report for the Financial Year ended March 31, 2025 forms a part of this Annual Report as **Annexure III**. The Secretarial Audit Report and Secretarial Compliance Report for the Financial year 2024-2025, does not contain any qualification, reservation, or adverse remark.

During the year under review, pursuant to the recent amendments to the Listing Regulations, the Board, at its Meeting held on February 07, 2025, based on the recommendation of the Audit Committee, has considered, approved, and recommended to the Members of your Company the appointment of CS Pankaj S Desai, Practicing Company Secretary as Secretarial Auditors of the Company. The proposed appointment is for a term of 5 (five) consecutive years from the Financial Year 2025-26 to the Financial Year 2029-30, on payment of such remuneration as may be mutually agreed from time to time.

CS Pankaj S Desai, Practicing Company Secretary has confirmed he is not disqualified from being appointed as the Secretarial Auditors of the Company under the amended SEBI regulations and satisfy the prescribed eligibility criteria. For further details on the proposed appointment of Secretarial Auditors is included at Item No. 4 of the Notice convening the ensuing AGM.

As per the requirements of the Listing Regulations, CS Pankaj S Desai, Practicing Company Secretary, have undertaken Secretarial Audit of HFL Healthcare and Wellness Private Limited, Material Subsidiary of your Company for the FY 2024-2025. The Secretarial Audit Report for the Financial Year ended March 31, 2025 is annexed as **Annexure – IIIA** to this Report.

STATUTORY AUDITORS' OBSERVATIONS

The notes on Financial Statements referred to in the Statutory Auditor's Report are self-explanatory and therefore, do not call for any further explanations or comments.

There are no qualifications, reservations or adverse remarks or disclaimer made in the Statutory Auditors' Report which requires any clarification or explanation.

ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to Regulation 24 (A) of the Listing Regulations, the Independent Secretarial Auditor, CS Pankaj S Desai, Practicing Company Secretary (COP no 4098 & Membership no. 3398) had undertaken an audit for the Financial Year 2024-2025 for the SEBI compliances, it does not contain any qualification, reservation, or adverse remark. The Annual Secretarial Compliance Report has been submitted to the Stock Exchanges within 60 days of the end of the Financial Year.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has established a Mechanism for the Directors and Employees to report their genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Code. It also provide for adequate safeguards against victimisation of Employees who avail the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Whistle Blower Policy also facilitates all Employees of your Company to report any instances of leak of Unpublished Price Sensitive information. This policy is also posted on the website of your Company at www.hindustanfoodslimited.com. The Audit Committee of your Company oversees the Vigil Mechanism.

RISK MANAGEMENT

Your Company follows well-established and detailed risk assessment and minimisation procedures, which are periodically reviewed by the Risk Management Committee and Board. Your Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organisation's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

The Senior Management assists your Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework.

The Risk Management policy is uploaded on the website of your Company and can be accessed at www.hindustanfoodslimited.com.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING ('BRSR')

As stipulated under the Regulation 34(2)(f) of the Listing Regulations and SEBI circular no. SEBI/LAD-NRO/GN/2021/22 dated May 5, 2021 read with SEBI circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 and recent circular dated March 28, 2025, circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 your Company provides the prescribed disclosures in new reporting requirements on Environmental, Social and Governance ('ESG') parameters called the Business Responsibility and Sustainability Report ('BRSR') which includes performance against the nine principles of the National Guidelines on Responsible Business Conduct and the report under each principle which is divided into essential and leadership indicators, forms part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the Notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

As required under Regulation 23(1) of the Listing Regulations, your Company has formulated a policy on dealing with Related Party Transactions. The Board approved amendment to the RPT Policy at its Meeting held on May 19, 2025. These changes were made to incorporate the amendments to the Listing Regulations. The Policy has been uploaded on your Company's website: www.hindustanfoodslimited.com.

The transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. All the transactions with Related Parties are placed before the Audit Committee and also the Board for their approval. Prior Omnibus approval of the Audit Committee and approval of your Board is obtained for the transactions which are foreseeable and a repetitive of nature. The transactions entered into pursuant to the approvals so granted are subjected to audit and a statement giving details of all Related Party Transactions is placed before the Audit Committee and the Board of Directors on a quarterly basis. Further, there were no material Related Party Transactions during the year under review with the Promoters, Directors or Key Managerial Personnel which may have a potential conflict with the interest of the Company. Accordingly, no transactions are required to be reported in Form No. AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of your Company and its future operations.

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

There are no material changes and commitments, affecting the financial position of your Company, which has occurred between the end of the Financial Year of your Company i.e. March 31, 2025 and the date of Board's Report i.e. August 8, 2025 except;

a) The Two more Warrants holders of the Preferential issue named Malabar Select Fund, Qualified Institutional Buyers ('QIB'), Non-Promoter and Bay Capital Holdings Limited, Non-Qualified Institutional Buyers ('Non-QIB'), Non-Promoter, holding 9,15,331 (Nine Lakhs Fifteen Thousand Three Hundreds Thirty

One) and 10,64,018 (Ten Lakhs Sixty Four Thousand Eighteen) Warrants respectively, had exercised their options aggregating to 19,79,349 (Nineteen Lakhs Seventy Nine Thousand Three Hundred and Forty Nine) for the conversion into equivalent number of Equity Shares having face value of Rs. 2/- (Rupees Two Only) each of your Company and upon receipt of an amount aggregating to Rs. 82,49,99,481.71/- (Rupees Eighty Two Crores Forty Nine Lakhs Ninety-Nine Thousand Four Hundred Eighty One and Seventy One Paisa Only), being 75% of the balance amount on the said Warrants, the Share Allotment Committee of the Board of Directors of your Company at their Meeting held on June 18, 2025, had allotted the aforementioned Equity Shares having face value of Rs. 2/- (Rupees two Only) each at a premium of Rs. 561.90 per share to Non-QIB per share and Rs. 544.25/- per share to QIB, respectively.

b) The remaining warrant holder, Ms Vanaja Sundar Iyer, Non-Qualified Institutional Buyers, Non-Promoter, had not exercised the option to convert 5,32,009 warrants into Equity Share, hence these warrants lapsed/cancelled and initial amount paid i.e., 25% upfront application money amounting to Rs. 7,49,99,969/- (Rupees Seven Crores Forty Nine Lakhs Ninety Nine Thousand Nine Hundred and Sixty Nine Only) at the time of allotment of warrants, have been forfeited by the Share Allotment Committee of the Board of Directors of your Company at their Meeting held on June 18, 2025, in accordance with the terms of the issue/allotment and Regulation and 169 (3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The Issued, Subscribed and Paid-up Share Capital as on the date of this report after Conversion of Convertible Warrants into Equity Shares and Forfeiture/ Cancellation of Warrants as mentioned above, stands increased from existing Rs. 25,10,04,826/- (Rupees Twenty-Five Crores Ten Lakhs Four Thousand Eight Hundred Twenty Six Only) divided into 11,75,02,413 (Eleven Crores Seventy-Five Lakhs Two Thousand Four Hundred Thirteen) Equity Shares of Rs. 2/- (Rupees Two Only) each and 1,60,000 (One Lakhs Sixty Thousand) 9% Redeemable Non-Convertible Preference Shares of Rs. 100/- (Rupees One Hundred Only) each to Rs. 25,49,63,524/- (Rupees Twenty-Five Crores Forty Nine Lakhs Sixty Three Thousands Five Hundred Twenty Four Only) divided into 11,94,81,762 (Eleven Crores Ninety Four Lakhs Eighty One Thousand Seven Hundred Sixty Two) Equity Shares of Rs. 2/- (Rupees Two Only) each and 1,60,000 (One Lakhs Sixty Thousand) 9% Redeemable Non-Convertible Preference Shares of Rs. 100/- (Rupees One Hundred Only) each.

c) Post the closure of the Financial Year, the Nomination and Remuneration Committee of the Board of Directors of your Company at their Meeting held on July 28, 2025, had granted 1,47,100 Stock Options to the eligible Employees of the Company and its Subsidiary Companies.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors nor the Cost Auditors reported to the Audit Committee of the Board, any instances of fraud committed against your Company by its officers or Employees, the details of which would need to be mentioned in this Report under section 143(12) of the Companies Act, 2013.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report highlighting the detailed review of operations, performance and future outlook of your Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information in respect of matters pertaining to conservation of energy, technology absorption, Foreign exchange earnings and outgo, as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in the **Annexure – IV** to this Report.

DIRECTORS' REPORT (Contd.)

ANNUAL RETURN

Pursuant to the provisions of Section 134 (3) (a) and Section 92 (3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of your Company for the Financial Year March 31, 2025 is uploaded on the website of your Company and can be accessed at www.hindustanfoodslimited.com.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made there under, your Company has formulated an Internal Policy on Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) and circulated to all the Employees, which provides for a proper mechanism for redressal of complaints of sexual harassment.

Your Company is committed to creating and maintaining an atmosphere in which Employees can work together without fear of sexual harassment, exploitation or intimidation. Your Board has constituted Internal Complaints Committees (ICCs) pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. ICCs is responsible for redressal of complaints related to sexual harassment at the workplace in accordance with procedures, regulations and guidelines provided in the Policy.

During the year under review, there were no complaints received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Accordingly, the Internal Complaints Committee (ICC) report is presented below with 'Nil' entries:

Number of complaints of sexual harassment received in the year;	NIL
Number of complaints disposed off during the year	NIL
Number of cases pending more than ninety days	NIL

Your Company is in compliances with the provisions relating to Maternity Benefit Act 1961.

COMPLIANCE WITH SECRETARIAL STANDARDS

Your Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118 (10) of the Companies Act, 2013.

CORPORATE GOVERNANCE

It has been the endeavor of your Company to follow and implement best practices in Corporate Governance, in letter and spirit. The following forms part of this Annual Report:

(i) Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel;

(ii) Management Discussion and Analysis Report;

(iii) Report on Corporate Governance and;

(iv) Practicing Company Secretary Certificate regarding compliance of conditions of Corporate Governance.

(v) Practicing Company Secretary Certificate confirming that none of the Director of your Company are disqualified as the Director of your Company.

OTHER DISCLOSURES

No disclosure or reporting is made with respect to the following items, as there were no transactions during the year under review:

- There was no change in the nature of business;
- The issue of Shares to the Employees of the Company under any scheme (sweat equity or stock options)
- No shares with differential voting rights and sweat equity shares have been issued;
- Managing Director & CEO has not received any remuneration or commission from any of its subsidiaries;
- There is no application made or pending proceeding under the Insolvency and Bankruptcy Code, 2016 (31 of 2016);
- There was no instance of one time settlement with any Bank or Financial Institution.

APPRECIATION AND ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the Government authorities, banks, customers, business associates and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company during the year under review.

For and on behalf of the Board of Directors

Place: Mumbai Date : August 8, 2025	Sameer R Kothari Managing Director DIN: 01361343	Ganesh T Argekar Executive Director DIN: 06865379

ANNEXURE – I TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:
   - Promotion of education
   - Promoting gender equality
   - Promoting social business projects
   - Ensuring environmental sustainability, ecological balance, protection of flora and fauna and animal welfare
   - Conservation of natural resources
   - Promoting health and hygiene
   - Protection of National heritage, art and culture

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr Sameer R Kothari	Chairman, Managing Director	2	2
2.	Mr Ganesh T Argekar	Member, Executive Director	2	2
3.	Mr Shashi K Kalathil	Member, Independent Director	2	2

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company –

   Web link – www.hindustanfoodslimited.com

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable– Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of section 135 - Rs. 89.931 Crore

   (b) Two percent of average net profit of the Company as per sub-section (5) of section 135 - Rs. 1.7986 Crore

   (c) Surplus arising out of the CSR projects or programs or activities of the previous Financial Years – NIL

   (d) Amount required to be set off for the Financial Year, if any –

   The amount available for set off is pertaining to Financial Year 2021-2022 is Rs. 0.0542 Crore and for Financial Year 2023-2024 is Rs. 0.0357 Crore.

   (e) Total CSR obligation for the Financial Year (b+c-d) - Rs. 1.7088 Crore

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - Rs. 1.709 Crore

   (b) Amount spent in Administrative Overheads – NIL

   (c) Amount spent on Impact Assessment, if applicable – Not applicable

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]– Rs. 1.709 Crore

ANNEXURE – I TO THE DIRECTORS' REPORT (Contd.)

(e) CSR amount spent or unspent for the Financial Year:

Amount (Rs. in Crore)

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1.709 Crore	-	-	-	-	-

(f) Excess amount for set off, if any –

Sl. No.	Particular	Amount (in Rs. Crore)
(1)	(2)	(3)
i.	Two percent of average net profit of the Company as per sub-section (5) of section 135	Rs. 1.7986 Crore
ii.	Total amount spent for the Financial Year	Rs. 1.7090 Crore
iii.	Excess amount spent for the Financial Year 2023-2024 [(ii)-(i)]	Rs. 0.0357 Crore
	Excess amount spent for the Financial Year 2021-2022	Rs. 0.0542 Crore
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]*	Nil

7. Details of Unspent CSR amount for the preceding three Financial Years: -

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs. Crore)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs. Crore)	Amount spent in the reporting Financial Year (in Rs. Crore)	Amount transferred to any fund specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs. Crore)	Deficiency, if any
					Amount (in Rs. Crore)	Date of transfer		
1.	March 31, 2022	NIL	NIL	NIL	NIL	-	NIL	NA
2.	March 31, 2023	0.2	NIL	0.2	NIL	-	NIL	NA
3.	March 31, 2024	NIL	NIL	NIL	NIL	-	Nil	NIL

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes √ No

If Yes, enter the number of Capital assets created/acquired: Not Applicable.

ANNEXURE – I TO THE DIRECTORS' REPORT (Contd.)

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of Company/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation / Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

Sd/-
Mr Ganesh Argekar & Mr Shashi Kalathil
(Members of CSR Committee)

Sd/-
Mr Sameer Kothari
(Chairman CSR Committee)

Not Applicable
[Person specified under clause; d of sub-section (1) of section 380 of the Act]
(wherever applicable)

ANNEXURE – II TO THE DIRECTORS' REPORT

INFORMATION PURSUANT TO SECTION 197 (12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1) Ratio of Remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the year 2024-2025.

Name of Directors and KMP	Ratio to median Remuneration of all employees	% increase in remuneration in Financial Year
Executive Director		
Mr Ganesh Argekar	31.26	32.00
Mr Sameer Kothari	105.00	0.00
Other KMPs		
Chief Financial Officer		
Mr Mayank Samdani	24.93	11.00
Company Secretary & legal head		
Mr Bankim Purohit	7.60	19.19

2) The percentage increase in the median remuneration of employees in the Financial Year – **1.35%.** (Due to wages settlement of workers of Baddi unit was effective from April 2025, the % increase is 1.35%, as compared to previous year.)

3) The number of permanent employees on the rolls of company - **1,458**

4) The average percentile increase in the salaries of the employees other than the Managerial Person (i.e. ED) is **8.46%.** While increase in the Managerial remuneration is **5.73%.** The average increase in remuneration of employees other than the managerial person is in line with the industry practice and is in within normal range.

5) We affirm that the remuneration paid to the Directors, Key Managerial Personnel and employees is as per the Remuneration Policy of the Company.

ANNEXURE – III TO THE DIRECTORS' REPORT

Form No. MR-3

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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2025

To,
The Members,
Hindustan Foods Limited
CIN: L15139MH1984PLC316003
Office No. 03, Level 2, Centrium, Phoenix Market City,
15, Lal Bahadur Shastri Rd, Kurla
Mumbai, Maharashtra, 400070

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HINDUSTAN FOODS LIMITED,** (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **HINDUSTAN FOODS LIMITED'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 authorised 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, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 and 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 Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities), 2021; ***(Not applicable during the period under review.)***

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

ANNEXURE – III TO THE DIRECTORS' REPORT (Contd.)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; ***(Not applicable during the period under review)***

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***(Not applicable during the period under review)***.

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder (Listing Regulations);

The other laws as may be applicable specifically to the Company are:-

A. Food items and related business:

1. Food Safety Standards Act, 2006 and Food Safety and Standards Rules, 2011;
2. Prevention of Food Adulteration Act 1954;
3. Bureau of Indian Standards (BIS) Act, 1986;

B. Footwear business:

To the best of my knowledge and belief and as confirmed by the Management of the Company there is no sector specific law applicable to the Company, with reference to the Footwear business.

C. Tea Business:

The Company is into the business of packing of tea. Hence there is no sector specific law applicable to the Company such as The Tea Board Guidelines and Orders and The Tea Act, 1953 and Tea Warehouse (Licensing) Order 1989. The laws applicable:

The Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Packaged Commodities) Rules, 1977 (SWMA).

The Prevention of Food Adulteration Act, 1954 and the Prevention of Food Adulteration Rules, 1955 and its first amendment, 2003 (PFA).

D. Pest repellents and other related items:

The Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Packaged Commodities) Rules, 1977 (SWMA).

E. Pharmaceutical and Non-Pharmaceutical related items:

The Petroleum Act, 1934 and the Petroleum Rules, 2002 and the Manufacture, Storage, and Import of Hazardous Chemicals Rules, 1989 and the Hazardous Waste (Management & Handling) Rules 1989 and Bio-Medical Waste (Management and Handling) Rules, 1998

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 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 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.

ANNEXURE – III TO THE DIRECTORS' REPORT (Contd.)

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchanges of India Limited read with the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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

During the period under review, all decisions at the Meetings of the Board and its Committee were carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has:

- The Board of Directors allotted 72,71,081 Convertible warrants into Equity Shares of the Company, on preferential basis to non-promoter entities on December 20, 2023. Out of which two of the warrant's holders exercised their option to convert 19,79,349 Convertible warrants into Equity Shares. Subsequently, the Share Allotment Committee of Board of Directors of the Company in their Meeting held on June 18, 2025 had allotted 19,79,349 Equity Share to the said warrant holder.
- The Company has proposed an Employee Stock Option Scheme 2025 and has issued the postal ballot notice dated March 6, 2025 to get the scheme passed by the shareholders as per the provisions of SEBI (SBEB & SE) Regulations, 2021.
- The Company is having one material subsidiary named HFL Healthcare and Wellness Private Limited (formerly known as Reckitt Benckiser Scholl India Private Limited).

Signature:-
Name of the Company Secretary: - Pankaj Desai
ACS No :- 3398
C. P. No :- 4098
UDIN NO :- A003398G000964160
Peer Review No. : 2702/2022

Place: - Mumbai
Date:- August 8, 2025

ANNEXURE I (INTEGRAL PART OF SECRETARIAL AUDIT REPORT)

To,
The Members,
Hindustan Foods Limited,

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain responsible 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 follow provide a responsible basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signature:-
Name of the Company Secretary: - Pankaj Desai
ACS No :- 3398
C. P. No :- 4098
UDIN NO :- A003398G000964160
Peer Review No. : 2702/2022

Place: - Mumbai
Date:- August 8, 2025

ANNEXURE – IIIA TO THE DIRECTORS' REPORT

Form No. MR-3

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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2025

To,
The Members,
HFL Healthcare and Wellness Private Limited
(Formerly known as Reckitt Benckiser Scholl India Private Limited)
CIN: U24232TN1994PTC048002
Plot F 73, 74 SIPCOT Industrial Park,
Irungattukotai, Sripermubudur,
Kancheepuram, Tamil Nadu - 602117

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by, HFL HEALTHCARE AND WELLNESS PRIVATE LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the HFL HEALTHCARE AND WELLNESS PRIVATE LIMITED'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 authorised 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, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 and 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; ***(Not applicable during the period under review)***;

(iii) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 ***(Not applicable during the period under review)***;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; ***(Not applicable during the period under review)***

(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; ***(Not applicable during the period under review)***

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; ***(Not applicable during the period under review)***

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***(Not applicable during the period under review)***

ANNEXURE – IIIA TO THE DIRECTORS' REPORT (Contd.)

d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; ***(Not applicable during the period under review)***

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities), 2021; (***Not applicable during the period under review)***

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ***(Not applicable during the period under review)***

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; ***(Not applicable during the period under review)***

h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; ***(Not applicable during the period under review)***

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***(Not applicable during the period under review)***

j) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; ***(Not applicable during the period under review)***

I further report that,

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Company was not required to enter into any listing agreements with the Stock Exchanges.

During the period under review, all decisions at the Meetings of the Board and its Committee were carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Signature:-
Name of the Company Secretary: - Pankaj Desai
ACS No :- 3398
C. P. No :- 4098
UDIN NO :- A003398G000964314
Peer Review No. : 2702/2022

Place: - Mumbai
Date:- August 8, 2025

ANNEXURE I (INTEGRAL PART OF SECRETARIAL AUDIT REPORT)

To,
The Members,
HFL Healthcare and Wellness Private Limited,

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain responsible 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 follow provide a responsible basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signature:-
Name of the Company Secretary: - Pankaj Desai
ACS No :- 3398
C. P. No :- 4098
UDIN NO :- A003398G000964314
Peer Review No. : 2702/2022

Place: - Mumbai
Date:- August 8, 2025

ANNEXURE – IV TO THE DIRECTORS' REPORT

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Account) Rules, 2014 and forming part of the Directors Report for the Financial Year ended March 31, 2025.

Particulars with Respect to Conservation of Energy etc. as per Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

1. Energy consumption: Energy consumption has been higher per unit of production as compared to previous year, due to increase in production and higher plant utilisation.
2. Total energy consumption and average rate are as under:

(A) Power and Fuel Consumption

(Amount in Rs.)

Particulars		Unit	Current Year
1	Electricity		
	Purchased Units	Kwh	3,48,93,993
	Total amount	Rs.	26,40,25,867
	Average Rate / Unit	Rs.	7.57
2	High Speed Diesel (For DG / Boiler / Hot Water Generator)		
	Quantity consumed	Ltr.	4,86,211
	Total amount	Rs.	4,26,76,879
	Average Rate / Liter	Rs.	87.77
3	Light Diesel Oil – For Boiler		
	Quantity consumed	L	5,40,000
	Total amount	Rs.	3,47,55,742
	Average Rate / Liter	Rs.	64.36
4	Briquettes – For Boiler		
	Quantity consumed	Kgs.	54,42,897
	Total amount	Rs.	3,51,66,424
	Average Rate / Kg	Rs.	6.46
5	LPG – For Band drier		
	Quantity consumed	Kgs.	22,421
	Total amount	Rs.	18,18,882
	Average Rate / Kg	Rs.	81.12
	Miscellaneous Power & Fuel Expenditure	Rs.	22,495

The steps taken or impact on conservation of energy:

1. Below mentioned are the major energy conservation initiatives undertaken by the Company during FY:2024-2025.
   - Sourcing of Solar Power through Third party Open Access in HFL Mysore.
   - Entered into a Group Captive energy agreement for sourcing its power from Solar sources in Sandila, Hyderabad & Mysore.

   - Replacing fossil fuel boiler in Hyderabad with bio-fuel boiler.
   - OEE improvements on production lines delivering better energy consumption / unit of production.

(B) Technology Absorption

(i)	The efforts made towards technology absorption.	Multinational vendors/inventors who has invented the molecules, studied its efficacy level by doing the clinicals are shortlisted. These molecules are adapted to our formulation and customized to Indian customers to best suit.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution.	Product improvement is one of the benefit because these specialty chemicals give the functional benefit. Due to cost incurred there is no cost saving but product performance is increased.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) – (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	No new technologies imported or absorbed in last three years for new product development.
(iv)	The expenditure incurred on Research and Development.	Approx Rs. 10 Lakhs p.a.

(C) Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	Foreign Exchange used for importing material, purchase of Fixed Assets, Capital advance and Travel Expenses of Employee for office work etc. were equivalent to Rs. 23.41 Crores.
	Foreign Exchange earned during the year by exporting finished products were equivalent to Rs. 80.42 Crores.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR]

HINDUSTAN FOODS LIMITED

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L15139MH1984PLC316003
2.	Name of the Listed Entity	Hindustan Foods Limited
3.	Year of incorporation	December 31, 1984
4.	Registered office address	Office No. 03, Level 2, Centrium, Phoenix Market City,15, Lal Bahadur Shastri Rd, Kurla Mumbai, Maharashtra - 400070
5.	Corporate address	Office No. 03, Level 2, Centrium, Phoenix Market City,15, Lal Bahadur Shastri Rd, Kurla Mumbai, Maharashtra - 400070
6.	E-mail	investorrelations@thevanitycase.com
7.	Telephone	+91 22 69801700
8.	Website	www.hindustanfoodslimited.com
9.	Financial year for which reporting is being done	April 01, 2024 to March 31, 2025
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited
11.	Paid-up Capital	INR 23,50,04,826
12.	Contact Person	
	Name of the Person	Mr Sameer R Kothari
	Telephone	+91 22 69801700
	Email address	business@thevanitycase.com
13.	Reporting Boundary	
	Type of Reporting (Standalone /Consolidated Basis)	Standalone
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Product/Services

16. Details of business activities

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1.	The Company majorly involved in contract manufacturing which covers diverse product range such as personal care, home care, foods, and beverages.	• Food beverages and tobacco products • Leather and Sports Shoes, Leather, and Sports Shoe products • Personal care and Home care • Pest Control • Healthcare and OTC	100%

17. Products/Services sold by the entity

S. No.	Product/Service	NIC Code (last 3 digits)	% of Total Turnover contributed
1.	Manufacturing of Food and Beverages	10794 Milk & Cereal based Baby Food, Extruded Snacks, Instant Porridge and Extruded Cereal Products 10791 Tea 10792 Coffee 10304 Fruit Juice 11041 Aerated Juice	44%
2.	Manufacturing of Home and Personal Care	20211 Pest Control Product 20233 Detergents 20239 Home Care Products	47%
3.	Others	15201 Leather 15209 Other footwear 2100 Healthcare and OTC	8%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

III. Operations

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

Location	Number of plants	No. of Offices	Total
National	18	2	20
International	0	0	0

19. Market served by the entity

	Locations	Numbers
• No. of Locations	National (No. of States)	12
	International (No. of Countries)	9
• What is the contribution of exports as a percentage of the total turnover of the entity?	2.95%	
• A brief on types of Customers	The Company engages in contract manufacturing business for the Fast-Moving Consumer Goods (FMCG) industry. It has a long-standing relationship with industry leaders which has allowed the Company to become the preferred choice for many brands. The Company offers a plethora of products through its flexible business models that enable the Company to serve industries of various sizes, categories, and niches. The Company manufactures popular products of top FMCG brands including Taj Mahal, Sunsilk, and many more. It has adopted three main kinds of business models – Dedicated Manufacturing, Shared Manufacturing and Private Label Manufacturing. The Company has expanded its business in the Beverages, Ice Cream and Home care segments during the year.	

IV. Employees

20. Details as at the end of Financial Year:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a.	Employees and workers (including differently abled)					
	Employees					
1.	Permanent (D)	903	815	90%	88	10%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total Employees (D+E)**	**903**	**815**	**90%**	**88**	**10%**

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
			Workers			
4.	Permanent (F)	555	545	98%	10	2%
5.	Other than Permanent (G)	4,157	3,592	86%	565	14%
6.	Total Workers (F+G)	4,712	4,137	88%	575	12%
b.	Differently abled employees and workers					
			Differently abled Employees			
1.	Permanent (D)	2	2	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total Employees (D+E)	2	2	100%	0	0
			Differently abled Workers			
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total Differently Abled workers (F+G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women

S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1.	Board of Directors	7	1	14.29%
2.	Key Management Personnel (other than Executive Directors)	4	0	0%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2024-2025 (Turnover rate in current FY)			FY 2023-2024 (Turnover rate in previous FY)			FY 2022-2023 (Turnover rate in previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	33%	4%	37%	31%	3%	34%	25%	2%	27%
Permanent Workers	0	0	0	0	0	0	0	0	0

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures

S. No	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Vanity Case India Private Limited	Holding Company	-	No
2.	HFL Consumer Products Private Limited	Wholly owned Subsidiary Company	100	No
3.	HFL Healthcare and Wellness Private Limited (formerly known as Reckitt Benckiser Scholl India Private Limited)	Wholly owned Subsidiary Company	100	No
4.	Aero Care Personal Products LLP	Subsidiary Company	81	No
5.	HFL Multiproducts Private Limited	Wholly owned Subsidiary Company	100	No
6.	KNS Shoetech Private Limited	Wholly owned Subsidiary Company	100	No

VI. CSR Details

24. a. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

Turnover (Rs. In Crores)	2,733.86
Net worth (Rs. In Crores)	852.30

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	If yes, then provide web-link for grievance redress policy	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Hindustan Foods | Corporate Policies (hindustanfoodslimited.com)	0	0	NA	0	0	NA
Investors (other than Shareholders)	Yes		0	0	NA	0	0	NA
Shareholders	Yes		0	0	NA	0	0	NA
Employees and workers	Yes		0	0	NA	0	0	NA
Customers	Yes		209	0	NA	163	0	NIL
Value Chain Partners	Yes		0	0	NA	0	0	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

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

S. No	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Business Continuity Plan and Disaster Resilience	Risk	HFL's Business Continuity Plan (BCP) primarily focuses on identifying the resources and capabilities required by the organisation to prepare for, respond to, and recover from potential threats. These potential threats include homogeneity in the customer portfolio, the location of operations, and inadequate succession planning. Furthermore, HFL considers political issues in various areas of facilities and operational interruptions due to equipment breakdown. Additionally, HFL considers disasters or emergencies at facilities or the head office resulting from natural disasters such as earthquakes, hurricanes, storms/cyclones, lightning, etc., as well as fire, explosions, riots, terrorism, and power failures.	HFL's key measures for the Business Continuity Plan include establishing operational units across India and implementing proper succession planning. A major focus is to diversify the customer base and avoid overdependence on a select few. Ice-cream manufacturing capacities created in Nashik and Sandila offers risk mitigation for our customers providing alternate production centres in the event of any disaster/ emergency. Additionally, all manufacturing facilities have well-prepared disaster management plans and are equipped for disaster preparedness.	Positive: Impact of HFL's key measures on the business continuity plan. However, costs can be incurred negatively during the time of disaster preparedness.
2.	Regulatory Compliance	Risk	The rapidly changing regulatory environment and adapting to major regulatory changes can cost the Company more.	In its current practice, HFL is compliant with all applicable laws and regulations. HFL always follows updates in the regulatory framework.	Positive: Ensuring compliance with all applicable laws and regulations fosters a positive environment for businesses.
3.	Business Ethics and Conduct and Corporate Governance	Risk	HFL operates within a context where it faces risks associated with corporate governance and ethical business practices. Engaging in unethical conduct can significantly damage the Company's reputation and result in financial repercussions, such as fines and penalties. On the other hand, implementing strong corporate governance practices contributes to the long-term sustainability and resilience of the business.	HFL recognises that good corporate governance plays a vital role in establishing trust among stakeholders, including shareholders, employees, the environment, and the communities it serves. Corporate governance is seen as an essential component of effective management at HFL, and the Company is committed to upholding the highest standards of integrity, ensuring compliance with laws and internal policies. To facilitate this, the Board of Directors has implemented a Code of Conduct Policy and a Whistle Blower Policy that applies to all. HFL has established various committees dedicated to sustainability matters. As per the Companies Act, 2013, HFL has a CSR Committee, which is a committee of the Board duly constituted to formulate and recommend CSR activities to be undertaken by the Company to the Board. Additionally, HFL has a Risk Management Committee that consists of a framework for identifying internal and external risks specifically faced by the Company, which also includes ESG-related risks.	Positive: Good governance leads to ethical actions and stronger stakeholder relationships.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

S. No	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Climate Change	Risk	Customer expectations are leaning towards embracing sustainability and implementing a low-carbon transition plan. This shift is due to the rapidly growing focus on climate change and responsible operations. As a result, the Company has taken a proactive stance towards climate change and the management of its emissions, recognising the complexity of this process. Moreover, companies are facing regulatory expectations concerning their efforts to address climate change.	The Company is focusing on the importance of GHG emission reduction and effective utilization of energy by selecting appropriate low-carbon transition technologies. Currently, Bio briquette is being used at some manufacturing facilities. The Company identified opportunities for improving energy efficiency. The Company has taken steps to increase renewable energy sourcing for its power requirement for three of its major facilities, through participation in a Group Captive arrangement under an SPV.	Negative: In the short term, there are capital and operating expenditures involved in the adoption of renewable energy sources and switching to cleaner fuels.
5.	Operational Excellence	Opportunity	Operational excellence is to enhance the business performance. It can be achieved by implementing and executing its day-to-day business better than its peers. It focuses on continuous improvement and lower costs when compared to competitors in their market and industry.	HFL has implemented various strategies to achieve operational excellence in manufacturing activities. These strategies include improving the efficiency of the equipment, increasing safety standards and measures, enhancing the quality of the products being developed, and evaluating the process for improvement opportunities. HFL has also implemented the 5S model and has been accredited with certifications such as ISO 9001:2008, BRC Food Certificates, and ISO 14001. Additionally, HFL aims to continually improve the organisation by focusing on customer requirements and process optimization.	Positive: Due to the increase in Productivity
6.	Employee and Workers Wellness Engagement and Talent Attraction and Retention	Opportunity	HFL believes that healthy employees and workers lead to a healthy Company. They prioritise wellness and enthusiasm to create the best place to work, which, in turn, attracts more talent to the Company. The availability of skilled Indian workers at relatively lower costs provides a significant advantage for companies to outsource and access a large pool of trained workers, which will help meet increasing business requirements.	HFL provides additional wellness benefits to its employees, such as recognition, leadership, and behavioural training, in addition to maintaining work-life balance and overall health. HFL's success largely depends on our highly skilled workers and our ability to hire, attract, motivate, retain, and train these personnel.	There are positive financial implications resulting from the quality and productivity of their employees' work.
7.	Workers Development and Skill Building	Opportunity	Worker development and skill development provide an excellent opportunity for Company to thrive. By investing in improving our workforce's expertise, HFL open the door to a brighter future filled with top-tier talent and a highly skilled workforce. This business decision ensures that our organisation is well-equipped to face tomorrow's challenges and ensure long-term growth.	HFL is fortunate to have an excellent record of worker and employee relations. HFL up-skills the workforce constantly through various training programmes. These investments meet workforce aspirations and provide us with increasing skill sets in a win-win relationship. Moreover, various programmes and initiatives taken by governments are further enhancing the availability of skilled workers.	Positive: Through Increased revenues
8.	Community Engagement	Opportunity	Community engagement is one of the key constituents for HFL to maintain harmony with the community and ensure smooth operations. In the long run, support from the communities is crucial for HFL's business operations. Therefore, building trust between the community and HFL's business operations is essential.	HFL ensures that the well-being of the local community is vital to their business. They achieve this through various CSR initiatives, which not only increase reach but also ensure the adoption of these initiatives by the communities.	Positive: It creates a positive brand image and goodwill. It maintains a reputation among communities.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

S. No	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	Diversity and Inclusion	Opportunity	Embracing gender equality, diversity, and inclusion helps companies attract and retain top talent. Promoting these principles is not only a matter of social justice but also makes good business sense. Companies that foster an inclusive environment where all employees feel valued and respected tend to have higher employee engagement, satisfaction, and productivity.	HFL focuses on and prioritises gender equality. Currently, female representation at the board level is around 10%. Female representation among employees and workers is at 14%. Additionally, HFL's units across India promote diversity in their business.	Positive impact due to diversity and inclusion in their business.
10.	Stakeholder Engagement	Opportunity	Stakeholder engagement is crucial for all internal and external stakeholders. Understanding the grievances of stakeholders and their feedback enables the Company to assess the key issues of stakeholders and devise a plan for improvement.	HFL clearly understands the grievances of its stakeholders. The Company provides efficient platforms for receiving stakeholders' grievances and ensures timely resolution. HFL offers different channels for different stakeholders to report their grievances. This mechanism allows stakeholders to freely provide feedback on the services offered by the Company.	Positive impact due to goodwill with all stakeholders.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	Hindustan Foods | Corporate Policies (hindustanfoodslimited.com)								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Disclosure Questions	P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9
4. Name of the national and international codes / certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company has been accredited with the following certifications: • ISO 9001:2015 • ISO 45001:2018 • ISO 14001:2015 • BRC GS • BRC Food Certificates • FSSC 22000 • ISO 13485:2016 • MHRA • Sedex SMETA 4 pillar
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We have established Environmental, Social, and Governance (ESG) Goals as part of our Sustainability Strategy. Through targeted initiatives, we aim to reduce our environmental footprint, support inclusive growth, and operate with integrity and accountability. As a contract manufacturing Company, we recognise our role in supporting the sustainability agendas of our clients while embedding ESG principles across our value chain.
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	The Company recognises the importance of sustainability and is taking significant steps to reduce its carbon footprint while also ensuring ethical business practices. The Company is committed to continuous improvement and intends to focus on reducing greenhouse gas emissions and increasing social impact initiatives in the coming year. The Company recognises the importance of ESG factors in its long-term growth and is committed to incorporating them into all aspects of its operations. Actions to increase the share of Solar power at its factories, replacement of fossil fuel with bio fuels, sourcing of surface water instead of underground water are under way.
Governance, Leadership and Oversight	
7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.**	
The Company strongly believes that long-term success is possible only by connecting economic growth with environmental stewardship and financial performance with social responsibility. As a responsible Company, the Company always strives to ensure that an ESG focus is embedded into its strategy and that growth ambitions are well-suited to sustainable development practices. The Company diligently uses the right approach to build a responsible business.	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Managing Director of the Company is responsible for implementation of all Business Responsibility (BR) policies and to oversee the performance on BR. Details of the Managing Director: Name: Mr Sameer R Kothari DIN: 01361343 Email ID: business@thevanitycase.com Telephone No: +91 22 69801700								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company is dedicated towards sustainability matters. It has a CSR Committee as per the Companies Act, 2013, a committee of the Board duly constituted to formulate and recommend CSR activities to be undertaken by the Company to the Board. In addition, the Company has a Risk Management Committee, consisting of a framework for identification of internal and external risks specifically faced by the Company which also includes ESG-related risks.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes, the Company reviews the performance against above policies. The review is conducted by the Managing Director, Executive Directors, and the Functional Heads.									The Company conducts periodic assessments as and when needed during the review meetings to evaluate the performance in relation to the above policies.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company ensures compliance with all statutory requirements and complies with the national voluntary guidelines on social, environmental, and economic responsibilities. These guidelines encompass all nine principles of the NGRBC.									The Company conducts periodic assessments as and when needed during the review meetings to evaluate the performance in relation to the above policies.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	No	No	No	No	No	No	No	No	No

12. If answer to Question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	NA	Yes	NA	NA	NA	NA	Yes	NA	NA
The entity is not at a stage where it is able to formulate and implement the policies on specified principles (Yes/No)	NA	Yes	NA	NA	NA	NA	Yes	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	No	NA	NA	NA	NA	No	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	No	NA	NA	NA	NA	No	NA	NA
Any other reason (please specify)	P2 - The Company engages in contract manufacturing business, with sourcing based on its principal Customers. P7 - The Company engages in contract manufacturing business and does not advocate for public policy positions.								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% Age of persons in respective category covered by the awareness programmes
Board of Directors	4	Statutory updates, roles and responsibilities, risk assessment, related party transactions and conflict of interest	100%
Key Management Personal	4	Statutory updates, roles and responsibilities, risk assessment, related party transactions and conflict of interest	100%
Employees other than BODs and KMPs	58	Trainings on Company policies, safety, quality control, audit, and good manufacturing practices	100%
Workers	30	Trainings on Company policies, safety, quality control, audit, and good manufacturing practices	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement/agencies / judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty /Fine	-	NA	NA	NA	NA
Settlement	-	NA	NA	NA	NA
Compounding Fees	-	NA	NA	NA	NA

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement/ agencies / judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	NA	NA	NA
Punishment	-	NA	NA	NA

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

   Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   The Company ensures in operating with highest standards of ethical conduct. The Company has detailed policies including Code of Conduct for Board of Directors and Senior Management available on our website, link: Hindustan Foods | Corporate Policies (hindustanfoodslimited.com).

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption**

	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

	FY 2024-2025 (Current Financial Year)		FY 2023-2024 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   Not Applicable

8. **Number of days of accounts payables (365 days /(Net Credit purchase / Average Trade payables)) in the following format**

	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Number of days of accounts payable	52	50

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

9. **Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0.02%	0.01%
	b. Number of trading houses where purchases are made from	1	1
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	0.00%	0.00%
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	0.00%	0.00%
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	0.69%	0.71%
	b. Sales (Sales to related parties/ Total Sales)	0.14%	0.02%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	99.12%	100%
	d. Investments (Investments in related parties/ Total Investments made)	100%	100%

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% Age of persons in value chain covered by the awareness programmes
Value chain partners (Vendors) are nominated by Principals. Principals conduct awareness programmes for the same.		

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same**

   Yes. The Company has procedures and policies in place such as, the Code of Conduct for Board of Directors and Senior Management Personnel and Related Party Transaction.

   Weblink to the code - Hindustan Foods | Corporate Policies (hindustanfoodslimited.com)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Type	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D)	0%	0%	Details of improvement activities undertaken in processes are as below: **Personal care** 1. Personal care formulations are developed without parabens 2. Sulfates are replaced with natural surfactants 3. Paraffin oil is replaced with natural emollients 4. 90% of the formulation contents natural ingredients 5. Synthetic fragrances are replaced by natural essential oils **Foods** 1. No preservative 2. No artificial colours 3. No artificial flavours 4. Naturally sourced raw materials 5. Increased shelf life with latest retort technology
Capital Expenditure (CAPEX)	0%	0.83%	

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   The Company has majorly involved in contract manufacturing which contributes to 100% of the total business activities. Since contract manufacturing forms a major part of the business activities, the Company has limited control over the procurement activities. All the sourcing processes are governed by the principal Company/ Customer. Thus, the Company does not have any specific sourcing guidelines of its own. However, the Company is in the process of introducing policies and procedures for supply chain in the upcoming years.

   b. **If yes, what percentage of inputs were sourced sustainably?**

   Not Applicable

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   Not applicable, as a contract manufacturer that does not have a brand name associated with it.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Yes, as per recent amendment in the Plastic Waste Management Rules issued by CPCB the factories have initiated registering itself under EPR as "Producer". The registered factories are filing their first annual returns as per EPR rules this year.

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LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   No, HFL has not conducted and LCA during the reporting period.

NIC Code	Name of Product/ Service	% of Total Turnover Contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
NA	NA	NA	NA	NA	NA

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable

Name of Product/Service	Description of the risk/concern	Action Taken
NA	NA	NA

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not Applicable

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
NA	NA	NA

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

   Not Applicable

	FY 2024-2025 (Current Financial Year)			FY 2023-2024 (Previous Financial Year)		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Malt based food	0.15%
Beverages	8.8%

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	815	570	70%	815	100%	NA	NA	815	100%	NA	NA
Female	88	47	53%	88	100%	88	100%	NA	NA	88	100%
Total	903	617	68%	903	100%	88	100%	815	100%	88	100%
Other than Permanent Employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Workers											
Male	545	244	45%	545	100%	NA	NA	545	100%	NA	NA
Female	10	2	20%	10	100%	10	100%	NA	NA	10	100%
Total	**555**	**246**	**44%**	**555**	**100%**	**10**	**100%**	**545**	**100%**	**10**	**100%**
Other than Permanent Workers											
Male	3,592	0	0%	3,592	100%	NA	NA	NA	NA	NA	NA
Female	565	0	0%	565	100%	0	0%	NA	0%	565	100%
Total	**4,157**	**0**	**0%**	**4,157**	**100%**	**0**	**0%**	**NA**	**0%**	**565**	**100%**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent):

	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.03%	0.04%

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2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

S. No.	Benefits	FY 2024-2025 (Current FY)			FY 2023-2024 (Previous FY)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1.	PF	100%	100%	Yes	100%	100%	Yes
2.	Gratuity	100%	100%	Yes	100%	100%	Yes
3.	ESI	100%	100%	Yes	100%	100%	Yes

3. Accessibility of workplaces: Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, all premises/offices are accessible to differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the equal opportunity policy is in place as Hindustan Foods | Corporate Policies (hindustanfoodslimited.com)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	100%	100%
Female	0%	0%	0%	0%
Total	**100%**	**100%**	**100%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	The Company is persistent in its commitment to conducting business in an ethical and legal manner. Employees are encouraged to express their concerns without hesitation. Employees' grievances are directed to the Reporting Manager / Factory Manager / General Manager Operations and Human Resources department. The Company takes stringent measures to address the issues and communicates the resolution to the individual who is the subject of the complaint.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-2025 (Current FY)			FY 2023-2024 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Permanent Employees						
Male	815	0	0%	870	0	0%
Female	88	0	0%	82	0	0%
Total	**903**	**0**	**0%**	**952**	**0**	**0%**
Permanent Workers						
Male	545	338	62%	337	311	64%
Female	10	0	0%	15	0	0%
Total	**555**	**338**	**61%**	**352**	**311**	**61%**

8. Details of training given to employees and workers:

Category	FY 2024-2025 (Current FY)					FY 2023-2024 (Previous FY)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (D/A)		No. (E)	% (E/D)	No. (F)	%(F/D)
Permanent Employees										
Male	815	815	100%	776	95%	870	870	100%	790	90%
Female	88	88	100%	79	90%	82	82	100%	72	87%
Total	**903**	**903**	**100%**	**855**	**95%**	**952**	**952**	**100%**	**862**	**90%**
Permanent Workers										
Male	545	545	100%	545	100%	337	337	100%	337	100%
Female	10	10	100%	10	100%	15	15	100%	15	100%
Total	**555**	**555**	**100%**	**555**	**100%**	**352**	**352**	**100%**	**352**	**100%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-2025 (Current FY)			FY 2023-2024 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Permanent Employees						
Male	815	652	80%	870	571	65%
Female	88	63	71%	82	62	75%
Others	0	0	0	0	0	0
Total	**903**	**715**	**79%**	**952**	**633**	**66%**

Category	FY 2024-2025 (Current FY)			FY 2023-2024 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Permanent Workers No. (E)						
Male	545	0	0%	337	0	0%
Female	10	0	0%	15	0	0%
Others	0	0	0%	0	0	0%
Total	**555**	**0**	**0%**	**352**	**0**	**0%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes
a. 1. If yes, What is the coverage of such system?	All manufacturing sites are covered under the Occupational Health and Safety Management System
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The Company ensures in providing a safe and healthy working environment to all our employees. Engagement with regulators to increase safety standards at our operation facilities and to ensure that no such incidents occur remains a priority for our business. Employee's participation in safety improvements has been enhanced through Safe Behavioural Observation programme across all factories.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/ No)	The Company regularly conducts safety Committee Meeting involving all employees and workers, with an objective to address health and safety matters. The Company provides various training sessions to workers, equipping them with the necessary knowledge to effectively report any incidents concerning health and safety.
d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.28	1.13
Total recordable work-related injuries	Employees	0	0
	Workers	1	4

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Safety Incident/Number	Category	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**

    The Company's plants are meticulously established, considering legal requirements to ensure a safe and healthy workplace. It employs a systematic approach for determining potential workplace hazards. All employees involved receive regular training sessions on Hazard Identification. The Company has put in place a system for identifying hazards, developing action plans, and implementing strategies to reduce or eliminate them.

13. **Number of Complaints on the following made by employees and workers:**

	FY 2024-2025 (Current Financial Year)			FY 2023-2024 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0	0	0	0	0
Health & safety	0	0	0	0	0	0

14. **Assessments for the year:**

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

    As of date, no significant risks/concerns from these assessments are outstanding.

LEADERSHIP INDICATORS

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

   a. Employees (Yes/No): Yes

   b. Workers (Yes/No): Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   Measures are undertaken to ensure that statutory dues have been deducted and deposited by value chain partners at the time of value chain partner invoice processing.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

3. **Provide the number of employees/workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	Current FY 2024-2025	Previous FY 2023-2024	Current FY 2024-2025	Previous FY 2023-2024
Employees	0	0	0	0
Workers	0	0	0	0

4. **Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Yes. The Company provides as per the requirement.

5. **Details on assessment of value chain partners:**

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners**

   As of date, no significant risks/concerns from these assessments are outstanding.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity:**

   Throughout its entire value chain, the Company actively engages with various stakeholders. Each business function compiles a comprehensive list of stakeholders and works to understand and meet their expectations. Stakeholders are identified based on the Company's industry dynamics, business model, and capital structure. These stakeholders are then categorised into four groups: Employees, Customers, Suppliers, Investors, and Communities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	• Monthly review meetings • emails • performance appraisal meeting • campaigns • circulars • notice board	Monthly, Quarterly, Half-Yearly	• Diversity • Quality of work and life • Fair wages & remuneration benefits • Training & Development • Career growth • Health & safety
Customers	No	• Emails • Distributor • Visits • Customer plant visits • Customer satisfaction survey	Need based	• Development interventions • Local employment generation
Suppliers	No	• Supplier meets • Emails • Plant visits • Discussion meetings	Monthly, Quarterly, Annually, Need based	• Cost • Timely delivery • On time payment
Investors	No	• Investor meets • Financial discussion meetings	Annual, Need based	• Good Return on Investments (ROI)
Communities	No	• In-person interaction, visiting the CSR project sites • Interacting with the communities	Need based	• Upliftment of the communities • Educating the girl-child

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company has a robust stakeholder consultation process. The Company seeks feedback from the stakeholders on environment, social and governance matters through different functional heads. The feedback is then consolidated and presented to the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the feedback obtained from the stakeholders is used to understand their expectations and develop a strategy to integrate the feedback in the policies and procedures of the Company.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   None

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	903	903	100%	952	952	100%
Other than permanent	0	0	0	0	0	NA
Total Employees	**903**	**903**	**100%**	**952**	**952**	**100%**
Workers						
Permanent	555	555	100%	352	352	100%
Other than permanent	4,157	0	0	0	0	NA
Total Workers	**4,712**	**555**	**11.78%**	**352**	**352**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-2025 Current Financial Year					FY 2023-2024 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. E	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	815	0	0	815	100%	870	0	0%	870	100%
Female	88	0	0	88	100%	82	0	0%	82	100%
Other than Permanent										
Male	0	0	0	0	0	0	0	0%	0	NA
Female	0	0	0	0	0	0	0	0%	0	NA
Workers										
Permanent										
Male	545	0	0%	545	100%	337	337	100%	0	0%
Female	10	0	0%	10	100%	15	15	100%	0	0%
Other than Permanent										
Male	3,592	3,592	100%	0	0%	3,443	3,443	100%	0	0
Female	565	565	100%	0	0%	620	620	100%	0	0

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3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/ wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective categories (Rs. in Crores)	Number	Median remuneration/ salary/ wages of respective categories (Rs. in Crores)
Executive Directors	2	2.760	0	0
Board of Directors (Non-Executive and Non-Independent)	2	0.031	0	0
Board of Directors (Non-Executive and Independent)	2	0.040	1	0.058
KMPs	4	1.123	0	0
Employees other than BoD and KMP	811	0.042	88	0.033
Workers	545	0.035	10	0.021

b. Gross wages paid to females as % of total Wages paid by the entity, in the following format:

	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Gross wages paid to females as % of total wages	5.02%	6.37%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Any complaints are directed to the Human Resources department. In specific instances, they may be referred to the Company Secretary department regarding ethical matters. Appropriate measures are taken in accordance with the relevant workplace policies and regulations. The resolution is communicated to the aggrieved individual.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

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7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of Female employees/ workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a mechanism for any complaints regarding discrimination or harassment to be directed to the Human Resources department. In such instances, stringent actions are taken in accordance with the relevant workplace policies and regulations. The resolution is communicated to the aggrieved individual.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

None

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

There has been no change in the process for addressing human rights grievances/complaints during the reporting year.

2. Details of the scope and coverage of any Human rights due diligence conducted.

No human rights due diligence was conducted during the reporting year

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	NIL. Value Chain Partners are nominated by the Principal. The Principle conducts periodic Audits to monitor the Vendors
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) (GJ)	13,583	10,546
Total fuel consumption (B) (GJ)	63,138	71,619
Energy consumption through other sources (C) Steam (GJ)	0	0
Total energy consumption (A+B+C) (GJ)	**76,720**	**82,165**
From non-renewable sources		
Total electricity consumption (D) (GJ)	1,12,167	84,428
Total fuel consumption (E) (GJ)	37,096	27,009
Energy consumption through other sources (F) (GJ)	0	0
Total energy consumption (D+E+F) (GJ)	**1,49,263**	**1,11,437**
Total energy consumption (A+B+C+D+E+F) (GJ)	**2,25,983**	**1,93,602**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ per INR in lakhs)	0.83	0.81
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	18.52	18.60
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment has been carried out by any external agency.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	1,73,755	1,09,482
(iii) Third party water	2,49,400	2,23,225
(iv) Seawater / desalinated water	0	0
(v) Others (Rainwater storage)	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**4,23,155**	**3,32,707**
Total volume of water consumption (in kilolitres)	**4,02,915**	**3,32,707**
Water intensity per rupee of turnover (Water consumed / Revenue from Operations) (kl per INR in lakhs)	1.47	1.40
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	33.01	31.97
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment has been carried out by any external agency.

4. Please provide the following details related to water discharged:

	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Water discharged by destination and level of treatment (in Kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
(iv) Send to third-parties		
- No treatment	0	0
- With treatment - please specify level of treatment	20,240	0
(v) Others		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
Total water discharged (in kilolitres)	**20,240**	**0**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment has been carried out by any external agency.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

- 11 number of sites have implemented a mechanism for Zero Liquid Discharge, wastewater generated is treated and reused within the site premises.
- HFL Baddi discharges treated water to CETP as per State government guidelines.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
SOx	T / Year	18.594	13.948
NOx	T / year	4.496	3.869
Particulate matter (PM)	T / year	3.927	3.804
Persistent organic pollutants (POP)	T / year	NA	NA
Volatile organic compounds (VOC)	T / year	NA	NA
Hazardous air pollutants (HAP)	T / year	NA	NA
Others – please specify	T / year	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment has been carried out by any external agency.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	T CO_2e	6,099.92	6,828.44
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	T CO_2e	22,121.87	16,651.17
Total Scope 1 and Scope 2 emissions intensity per INR in lakhs of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	T CO_2e / INR	0.103	0.099
Total Scope 1 and Scope 2 emissions intensity per INR in lakhs of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	T CO_2e / USD	2.31	2.26
Total Scope 1 and Scope 2 emissions intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment has been carried out by any external agency.

8. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details**

The Company is taking measures to reduce its carbon footprint through various initiatives. One of these projects includes the use of renewable energy. The Company has entered into a Group Captive energy agreement for sourcing its power from Solar sources; It is also replacing a fossil fuel fired boiler with bio briquettes as its fuel.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste **(A)**	695	609
E-waste **(B)**	0.4	2
Bio-medical waste **(C)**	1	1
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	0	0
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	804	599
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	1,833	1,612
Total (A+B + C + D + E + F + G+ H)	**3,333**	**2,822**
Waste intensity per INR to lakhs of turnover (Total waste generated / Revenue from operations)	0.012	0.012

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Parameter	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Waste intensity per INR to lakhs of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.273	0.271
Waste intensity in terms of physical output	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled	2,525	2,222
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**2,525**	**2,222**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	5	1
(ii) Landfilling	74	0
(iii) Other disposal operations	729	599
Total	**808**	**600**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment has been carried out by any external agency.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Since the Company is into a Contract Manufacturing business, all its operations are governed by the principal company (Customers) ranging from procuring raw materials and manufacturing products to safe disposal of waste. The Company has SOPs in place to ensure safe and responsible disposal of waste as per environment consent.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

None of our operations/offices are situated in/around ecologically sensitive areas.

S. No.	Locations of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NIL	NIL	NIL	NIL

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL	NIL	NIL	NIL	NIL	NIL

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the entity is compliant with the applicable environmental laws/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules. Its factories have applied for EPR registration as Producer and four of them have obtained the same; The others are awaiting approvals from the respective state pollution boards.

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
1.	NIL	NIL	NIL	NIL

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

There is no site located in areas of water stressed.

For each facility / plant located in areas of water stress, provide the following information:

i. Name of the area

ii. Nature of operations

iii. Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater/ desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed/ turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity (Kl/MT)	NA	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

Parameter	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i). Into Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii). Into Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii). Into Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv). Sent to third parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v). Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No, independent assurance has been carried out by any external agency.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Not reported

Parameter	Unit	FY 2024-2025 (Current Financial Year)	FY 2023-2024 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	TCO_2e	NIL	NIL
Total Scope 3 emissions per rupee of turnover	TCO_2e/INR	NIL	NIL
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	TCO_2e/MT	NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assurance has been carried out by any external agency.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

No specific initiative has been undertaken.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
NA	NA	NA	NA

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has formulated Risk Management Policy and the same has been uploaded on the Company's website Hindustan Foods | Corporate Policies (hindustanfoodslimited.com) . The role of the Risk Management Committee includes the implementation of Risk Management Systems and framework, reviewing the Company's financial and risk management policies, assess risk and procedures to minimise the same. Risk management Policy and Terms of Reference included Business continuity plan.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not Applicable.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact

Not Applicable.

8. How many Green Credits have been generated or procured:

a. By the listed entity – 0 Credits.

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners - 0 Credits.

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations.

HFL does not have any affiliations with trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
NA	NA	NA

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity

S. no	Public policy advocated	Method resort for such advocacy	Whether the information is available in the public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify	Web Link, if available
1.	NIL	NIL	NIL	NIL	NIL

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year-

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NIL	NIL	NIL	NIL	NIL	NIL

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Not Applicable

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
1.	NIL	NIL	NIL	NIL	NIL	NIL

3. Describe the mechanisms to receive and redress grievances of the community

The Company is committed to conducting business in an ethical manner. The Company provides appropriate channels to the communities to communicate their grievances to the Company. All such grievances are directed to the HR department and the resolution is intimated to the aggrieved individual.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Directly sourced from MSMEs/ Small producers	0.10%	0.10%
Sourced directly from within the district and neighboring districts	49%	47%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on a contract basis) in the following locations, as % of total wage cost:

Location	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Rural	66%	83%
Semi-urban	-	-
Urban	34%	17%
Metropolitan	-	-

(Place to be categorised as per RBI Classification System – rural / semi-urban / urban / metropolitan)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
NIL	NIL

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl.no	State	Aspirational District	Amount spent (INR)
1.	NIL	NIL	NIL

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No) -

No. Being a Contract Manufacturer, the Company has to follow the sourcing strategy provided by the principal company (Customer) which includes list of vendors, share of business, raw materials etc.

(b) From which marginalised/vulnerable groups do you procure? – Not Applicable

(c) What percentage of total procurement (by value) does it constitute? – Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

S. No	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
1.	NIL	NIL	NIL	NIL

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the Case	Corrective action taken
NIL	NIL	NIL

6. Details of beneficiaries of CSR Projects.

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	Hinduja Hospital [National Health & Education Society]	50	100%
2.	Ashoka University [International Foundation for Research and Education]	3	100%
3.	Komatireddy Pratheek foundation	20	100%
4.	Rashtriya Military School	60	100%
5.	Ekam Foundation	60	100%
6.	Angel Xpress Foundation	40	100%
7.	SRK Foundation	10	100%
8.	Rotary Club of Mumbai	20	100%
9.	Hyderabad Police Station Renovation	20	100%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
10.	Tata Memorial Centre	8	100%
11.	St. Jude India Child Care Centres	22	100%
12.	Mudita - An Alliance for Giving	35	100%
13.	Umang Foundation Trust [towards Wayanad Disaster Relief]	120	100%
14.	Umang Foundation Trust	82	100%
15.	Can Care Trust	5	100%
16.	Vishwa Jagruti Mission Trust	8	100%
17.	Government Primary School [Water Coolers]	60	100%
18.	Ashermukh Foundation	3	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   The Company continuously measures the satisfaction levels of Customers. It has a feedback form on their respective portals, where a customer can freely give feedback on the services being offered by the Company.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about

Information related to	As a percentage to total turnover
Environment and Social parameters relevant to product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

Note: Since HFL is into a contract manufacturing business, this scope is fully applicable to principal customers. Labelling and information printing depend entirely on customers' requirements.

3. Number of consumer complaints in respect of the following

	FY 2024-2025 Current Financial Year		Remarks	FY 2023-2024 Previous Financial Year		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others (Specifications, Labelling, and Packaging)	209	0		163	0	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR] (Contd.)

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, the Company have a framework or policy on cyber security and risks related to data privacy, Hindustan Foods | Corporate Policies (hindustanfoodslimited.com)

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of Customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products / services.

   Not applicable

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches - Nil

   b. Percentage of data breaches involving personally identifiable information of customers - Nil

   c. Impact, if any, of the data breaches - Nil

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

   Web link to access the information on products and services of the entity - Hindustan Foods | Products (hindustanfoodslimited.com)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   As contract manufacturers, we do not have direct interaction with consumers, and none of our products are sold directly to consumers.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   The Company continuously engages with Customers to ensure business continuity takes place properly. In case of any emergency disruption/discontinuation, we communicate through formal mail/call. In such cases of planned disruption activity, we will inform well in advance to Customers to ensure seamless operations.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Not applicable because we are in a Contract Manufacturing business.

REPORT ON CORPORATE GOVERNANCE

"Corporate governance is the relationship among various participants in determining the direction and performance of corporations. The primary participants are: shareholders; company management (led by the chief executive officer); and the board of directors." – CalPERS

FOR THE FINANCIAL YEAR 2024-2025

Your Directors are pleased to present your Company's Report on Corporate Governance for the Financial Year ended March 31, 2025, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations'). Corporate Governance is the interaction of the Management, Members and the Board of Directors to ensure that all Stakeholders are protected in their sole interest.

1. Company's philosophy on code of Governance

Your Company's philosophy on the code of Governance is to observe the highest level of ethics in all its dealings, to ensure efficient conduct of your Company and help your Company to achieve its goal in maximising value for all its Stakeholders as well as in achieving the objectives of the principles as mentioned in Regulation 4(2) of the Listing Regulations.

2. Board of Directors ('Board')

2.1 Composition and category of Directors

Your Company's Board comprises of an optimum combination of Executive and Non-Executive Directors. As on March 31, 2025, your Board comprises of Seven Members. Your Board is headed by a Non-Executive, Independent Director as a Chairman of your Company, a Managing Director and One Executive Director (ED)/ Whole time Director (WTD), Five Non-Executive Directors (NED) including One Woman Director, who is Non-Executive Independent Director and the remain two are Independent Directors (ID) apart from chairman. As on March 31, 2025, the number of IDs are not less than One Third of the total number of Directors, as required under listing Regulations.

Name of the Director	DIN	Category	Number of Equity Shares held as at March 31, 2025
Mr Shashi K Kalathil (Chairman)	02829333	Independent Non-Executive Director	Nil
Mr Shrinivas V Dempo	00043413	Non-Independent Non-Executive Director (Promoter)	20,00,000
Mr Sameer R Kothari	01361343	Managing Director (Promoter)	1,20,75,915
Mr Ganesh T Argekar	06865379	Executive Director	2,50,000
Ms Honey Vazirani	07508803	Independent Non-Executive (Woman Director)	Nil
Mr Nikhil K Vora	05014606	Non-Independent Non-Executive Director	Nil
Mr Neeraj Chandra	00444694	Independent Non-Executive Director	Nil
Mr Sarvjit Singh Bedi**	07710419	Non-Independent Non-Executive Director	1,96,770
Mr Sandeep Mehta*	00031380	Independent Non-Executive Director	Nil
Ms Amruta Adukia***	07877389	Non-Independent Non-Executive Director	1,07,917

Note:

*Mr Sandeep Mehta, Non-Executive Independent Director has completed his term of 5 Years as an Independent Director and did not offer his candidature for re-appointment for 2nd term, consequently he ceased to be a Director with effect from August 8, 2024.

**Mr Sarvjit Singh Bedi Non-Executive Non-Independent Director has resigned from the Directorship with effect from September 18, 2024.

***Ms Amruta Adukia Non-Executive Non-Independent Director has resigned from the Directorship with effect from February 12, 2025.

None of the Directors held convertible instruments as on March 31, 2025.

2.2 Attendance of the Directors at the Board Meeting, Annual General Meeting and number of other Board of Director or Committees in which a Director is a Member or Chairperson.

Attendance of each of the Director at the Board Meetings, the last Annual General Meeting (AGM) held during the year and the number of Directorships and Committee Chairpersonships / Memberships held by them in other Public Companies are as given below:

Name of the Director	No. of Board Meetings attended during 2024-2025	Whether attended last AGM held in 2024	No. of Directorships in other Companiesº	No. of Committee positions held in other Companies	
				Chairperson	Member
Mr Shashi K Kalathil	6 of 6	Yes	-	-	-
Mr Shrinivas V Dempo	5 of 6	Yes	3	1	1
Mr Sameer R Kothari	6 of 6	Yes	-	-	-
Mr Ganesh T Argekar	6 of 6	Yes	-	-	-
Ms Honey Vazirani	6 of 6	Yes	-	-	-
Mr Nikhil K Vora	6 of 6	Yes	2	-	1
Mr Neeraj Chandra	6 of 6	Yes	2	1	3
Mr Sarvjit Singh Bedi##	2 of 2	Not Applicable	-	-	-
Mr Sandeep Mehta#	1 of 1	Not Applicable	1	-	1
Ms Amruta Adukia###	1 of 5	Yes	-	-	-

Note:

ºExcluding Directorships held in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

Mr Sandeep Mehta, Non-Executive Independent Director has completed his term of 5 Years as an Independent Director and did not offer his candidature for re-appointment for 2nd term, consequently he ceased to be a Director with effect from August 8, 2024.

##Mr Sarvjit Singh Bedi Non-Executive Non-Independent Director has resigned from the Directorship with effect from September 18, 2024.

###Ms Amruta Adukia Non-Executive Non-Independent Director has resigned from the Directorship with effect from February 12, 2025.

Notes:

1. During the Financial Year 2024-2025, none of the Independent Directors of your Company serves as an Independent Director in more than Seven Listed Companies and the Executive Director/ Managing Director does not serve as Independent Director in any other Listed Company.

REPORT ON CORPORATE GOVERNANCE (Contd.)

2. None of the Directors of your Company neither are member of more than ten committees nor are Chairperson of more than 5 committees across all the Public Limited Companies, whether listed or not, in which he/she is a Director. The Committees considered for the above purpose are those specified in Regulation 26(1)(b) of the Listing Regulations i.e. the Audit Committee and the Stakeholders' Relationship Committee.
3. None of the Directors of your Company is a Director of more than Seven Listed Companies.
4. None of the Directors of your Company have any relationships inter-se.
5. None of the Independent Directors of your Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable.

2.3 Names of the other listed entities where the Directors of your Company are the Directors as on FY ended March 31, 2025

Name of the Director	Name of the other listed Companies and Category of the Directorships
Mr Shashi K Kalathil	--
Mr Shrinivas V Dempo	1. Goa Carbon Limited – Chairman (Non-Executive, Non-Independent)
	2. Automobile Corporation of Goa Limited – Chairman (Non-Executive, Independent)
	3. Kirloskar Brothers Limited – Non-Executive, Independent Director
Mr Sameer R Kothari	--
Mr Ganesh T Argekar	--
Ms Honey Vazirani	--
Mr Nikhil K Vora	1. Parag Milk Foods Limited – Non-Executive, Non-Independent Director
	2. Bikaji Foods International Limited- Non-Executive, Independent Director
Mr Neeraj Chandra	1. Dalmia Bharat Sugar and Industries Limited- Non-Executive, Independent Director
Mr Sarvjit Singh Bedi##	--
Mr Sandeep Mehta#	--
Ms Amruta Adukia###	--

Note:

Mr Sandeep Mehta, Non-Executive Independent Director has completed his term of 5 Years as an Independent Director and did not offer his candidature for re-appointment for 2nd term, consequently he ceased to be a Director with effect from August 8, 2024.

##Mr Sarvjit Singh Bedi Non-Executive Non-Independent Director has resigned from the Directorship with effect from September 18, 2024.

###Ms Amruta Adukia Non-Executive Non-Independent Director has resigned from the Directorship with effect from February 12, 2025.

REPORT ON CORPORATE GOVERNANCE (Contd.)

a. **Meeting of the Board of Directors**

The information as required in Part A of Schedule II of the Listing Regulations is made available to your Board. The Board periodically reviews compliance reports of all laws applicable to your Company. The Board meets at least once a quarter to review the Quarterly Results, business policy and strategy apart from other items on the agenda and also on the occasion of the Annual General Meeting of the Shareholders. Additional Meetings are held, when necessary. The Notices of Board/ Committee Meetings is given well in advance to all the Directors. The Board Agenda includes an Action Taken report comprising of actions emanating from the Board Meetings and status updates thereof. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

The intervening period between two Board Meetings was well within the maximum gap of 120 days prescribed under the Listing Regulations. Six Board Meetings were held during the Financial Year 2024-2025 viz. on May 21, 2024, August 13, 2024, September 24, 2024, November 12, 2024, February 7, 2025 and March 6, 2025.

During the year under review, your Board passed one resolution on February 13, 2025 by way of circulation and the same was approved by majority of Directors on February 14, 2025.

Your Company did not have any pecuniary relationship or transactions with any of the Non-Executive Directors of your Company during the Financial Year 2024-2025, except for payment of the sitting fees.

b. **Directors Remuneration**

Remuneration of the Executive Directors is determined by the Board of Directors on the recommendation of the Nomination & Remuneration Committee, subject to the approval of the Shareholders, if required.

The Executive Directors are entitled to performance bonus for each Financial Year, as may be determined by the Board on the recommendation of the Nomination & Remuneration Committee; such remuneration is linked to the performance of your Company in as much as the performance bonus is based on various qualitative and quantitative performance criteria.

Non-Executive Directors are entitled to sitting fees for attending the Meetings of the Board and its various Committees. During the year under review, the sitting fees as determined by the Board are Rs. 50,000/- for each Meeting of the Board, Rs. 20,000/- for each Meeting of the Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and CSR Committee and Rs. 15,000/- for each Meeting of the Selection Committee.

The details of remuneration to each of the Directors on the Board during the Financial Year 2024-2025 are as follows:

(Amount in Rs.)

Name of the Directors	Fixed Salary			Commission (b)*	Sitting Fees (c)	Total Remuneration (a+b+c)	Service Contract / Notice Period/ Severance Fees
	Basic	Perquisites/ Allowances	Total (a)				
Mr Shashi K Kalathil	-	-	-	-	5,60,000	5,60,000	Re-appointed as an Independent Director for the 2nd term of 5 consequent years with effect from September 24, 2021 upto September 23, 2026

REPORT ON CORPORATE GOVERNANCE (Contd.)

(Amount in Rs.)

Name of the Directors	Fixed Salary			Commission (b)*	Sitting Fees (c)	Total Remuneration (a+b+c)	Service Contract / Notice Period/ Severance Fees
	Basic	Perquisites/ Allowances	Total (a)				
Mr Shrinivas V Dempo	-	-	-	-	3,30,000	3,30,000	Retirement by Rotation
Mr Sameer R Kothari*	-	-	1,71,60,000	2,53,00,000	-	4,24,60,000	Re-appointed as a Managing Director for 5 years with effect from May 22, 2022 upto May 21, 2027
Mr Ganesh T Argekar	-	-	1,25,38,845	-	-	1,25,38,845	Re-appointed as a Whole-time Director designated as Executive Director for 5 years with effect from May 19, 2023 upto May 18, 2028
Ms Honey Vazirani	-	-	-	-	6,00,000	6,00,000	Re-appointed as an Independent Director for the 2nd term of 5 consequent years with effect from September 23, 2022 upto September 22, 2027
Mr Nikhil K Vora	-	-	-	-	3,00,000	3,00,000	Retirement by Rotation
Mr Neeraj Chandra	-	-	-	-	4,00,000	4,00,000	Re-appointed as an Independent Director for the 2nd term of 5 consequent years with effect from January 25, 2024 upto January 24, 2029
Mr Sarvjit Singh Bedi##	-	-	-	-	Nil	Nil	Retirement by Rotation

REPORT ON CORPORATE GOVERNANCE (Contd.)

(Amount in Rs.)

Name of the Directors	Fixed Salary			Commission (b)*	Sitting Fees (c)	Total Remuneration (a+b+c)	Service Contract / Notice Period/ Severance Fees
	Basic	Perquisites/ Allowances	Total (a)				
Mr Sandeep Mehta#	-	-	-	-	70,000	70,000	Completed his term of 5 Years as an Independent Director and ceased to be a Director with effect from August 8, 2024
Ms Amruta Adukia###	-	-	-	-	Nil	Nil	Retirement by Rotation

Notes:

*On recommendation of the Nomination and Remuneration Committee, your Board in their Meeting held on February 8, 2023 passed the necessary resolution for approval of remuneration payable to Mr Sameer Kothari, Managing Director by way of Profit linked Bonus at the rate of 2% of the Net Profit (Profit after tax) for each of the Financial Years FY'23, FY'24 & FY'25.

Mr Sandeep Mehta, Non-Executive Independent Director has completed his term of 5 Years as an Independent Director and did not offer his candidature for re-appointment for 2nd term, consequently he ceased to be a Director with effect from August 8, 2024.

##Mr Sarvjit Singh Bedi Non-Executive Non-Independent Director has resigned from the Directorship with effect from September 18, 2024.

###Ms Amruta Adukia Non-Executive Non-Independent Director has resigned from the Directorship with effect from February 12, 2025.

None of the Directors of your Company hold Stock options as on March 31, 2025. The ED is not eligible for payment of severance fees and the contract with the ED may be terminated by either party giving the other party 6 months' Notice.

None of the Directors of your Company have any pecuniary relationship with your Company, except as mentioned above.

c. **Independent Directors' Meeting**

The Independent Directors of your Company met twice on May 21, 2024 and February 7, 2025 without the presence of Non-Independent / Executive Directors and Members of the Management. At this Meeting, the IDs inter alia reviewed the performance of the Non- Independent Directors and the Board of Directors as a whole, reviewed the performance of the Chairman of your Board and assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors.

d. **Familiarisation Programme for Independent Directors**

The Executive Director of your Company provides a brief of the industry and business of your Company to the new Independent Directors and also has a discussion to familiarise the Independent Directors with the Company's operations. At the time of regularisation of the appointment of an Independent Director, the appointment is

REPORT ON CORPORATE GOVERNANCE (Contd.)

formalised by issuing a letter to the Director, which inter alia explains the role, function, duties and responsibilities expected of him/her as an Independent Director of your Company. Your Board also from time to time familiarises the Independent Directors about the Company, its product, business, mitigation programs and statutory updates on the on-going events relating to the Company through presentations.

The details on your Company's Familiarisation Programme for Independent Directors can be accessed at: www.hindustanfoodslimited.com.

e. **Skill matrix for the Board of Directors**

The Board of Directors are collectively responsible for selection of a Member on the Board of your Company, based on the recommendations made by the Members of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee of your Company follows a defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board.

In terms of the requirement of the Listing Regulations, the Board has identified the following core skills/ expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

- Leadership experience

  Experience in leading well-governed large organisations, with an understanding of organisational systems and processes complex business and regulatory environment, strategic planning and risk management, understanding of emerging local and global trends and management of accountability and performance.

- Experience of crafting Business Strategies

  Experience in developing long-term strategies to grow consumer / FMCG business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions.

- Understanding of customer insights in diverse environment and conditions

  Experience of having managed organisation's with large consumer / customer interface in diverse business environments and economic conditions which helps in leveraging consumer insights for business benefits.

- Finance and Accounting Experience and Risk Management

  Leadership experience in handling Financial and Risk Management of a large organisation along with an understanding of Accounting and Financial Statements.

- Understanding use of Digital / Information Technology across the FMCG value chain

  Understanding the use of digital / Information Technology across the value chain, ability to anticipate technological driven changes and disruption impacting business and appreciation of the need of cyber security and controls across the organisation.

- Experience of Corporate Governance and understanding of the changing regulatory landscape

REPORT ON CORPORATE GOVERNANCE (Contd.)

Experience of having served in Public Companies in diverse industries to provide Board oversight to all dimensions of business and Board accountability, high governance standards with an understanding of changing regulatory framework.

Sr. No.	Particulars	Leadership Experience	Experience of crafting business strategies	Financial and Accounting experience	Understanding of customer insights in diverse environment and conditions	Corporate Governance
1.	Mr Shashi K. Kalathil	√	√	√	√	√
2.	Mr Shrinivas Dempo	√	√	√	√	√
3.	Mr Sameer Kothari	√	√	√	√	√
4.	Mr Ganesh Argekar	√	√		√	√
5.	Ms Honey Vazirani	√	√		√	√
6.	Mr Nikhil Vora	√	√	√		√
7.	Mr Neeraj Chandra	√	√		√	√
8.	Mr Sarvjit Singh Bedi##	√	√	√	√	√
10.	Mr Sandeep Mehta#	√	√	√		√
11.	Ms Amruta Adukia###	√	√	√		√

Mr Sandeep Mehta, Non-Executive Independent Director has completed his term of 5 Years as an Independent Director and did not offer his candidature for re-appointment for 2nd term, consequently he ceased to be a Director with effect from August 8, 2024.

##Mr Sarvjit Singh Bedi Non-Executive Non-Independent Director has resigned from the Directorship with effect from September 18, 2024.

###Ms Amruta Adukia Non-Executive Non-Independent Director has resigned from the Directorship with effect from February 12, 2025.

f. **Confirmation as regards independence of Independent Directors**

In the opinion of your Board, the existing Independent Directors fulfil the conditions specified under the Companies Act, 2013 and the Listing Regulations and are independent of the Management.

3. **Audit Committee**

3.1 **Details of the composition of the Audit Committee, Meetings and attendance of the Members are as follows:**

The Audit Committee of your Company is constituted in line with the provisions of Regulation 18(1) of the Listing Regulations read with Section 177 of the Companies Act, 2013.

The Company Secretary of your Company acts as the Secretary to the Committee. The Committee meets at least once a quarter. The terms of reference of the Audit Committee are as per the guidelines set out in Part C of Schedule II of the Listing Regulations. The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the Internal Auditors and the Statutory Auditors and notes the processes and safeguards employed by each of them. The Meetings of the Audit Committee are also attended by Chief Financial Officer, Statutory Auditors and Internal Auditors as special invitees.

Five Meetings of the Committee were held during the Financial Year 2024-2025 viz. on May 21, 2024, August 13, 2024, September 24, 2024, November 12, 2024 and February 7, 2025. The gap between two Meetings were not exceeded one hundred and twenty days. The quorum was present for all the above five Meetings.

The composition of the Committee and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Mr Shashi K Kalathil – Chairman	ID	5 of 5
Ms Honey Vazirani – Member	ID	5 of 5
Mr Sarvjit Singh Bedi – Member##	NED	1 of 2
Mr Sandeep Mehta – Member#	ID	1 of 1
Ms Amruta Adukia – Member###	NED	1 of 3
Mr Ganesh Argekar – Member*	ED	0 of 0

ID – Independent Director; NED – Non Executive Director; ED – Executive Director

Mr Sandeep Mehta, Non-Executive Independent Director has completed his term of 5 Years as an Independent Director and did not offer his candidature for re-appointment for 2nd term, consequently he ceased to be a Director with effect from August 8, 2024.

##Mr Sarvjit Singh Bedi Non-Executive Non-Independent Director has resigned from the Directorship with effect from September 18, 2024.

###Ms Amruta Adukia Non-Executive Non-Independent Director has resigned from the Directorship with effect from February 12, 2025.

*Mr Ganesh Argekar was appointed as Member of the Audit Committee on March 6, 2025 in place of Ms Amruta Adukia, consequent upon reconstitution of the Committee.

4 Nomination and Remuneration Committee

4.1 Details of the composition of the Nomination and Remuneration Committee, Meetings and attendance of the Members are as follows:

The Nomination and Remuneration Committee of your Company is constituted in line with the provisions of Regulation 19(1) and (2) of the Listing Regulations read with Section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee are as per the guidelines set out in Part D (A) of Schedule II of the Listing Regulations.

Three Meetings of the Committee were held during the Financial Year 2024-2025 viz. on May 21, 2024, January 6, 2025 and March 6, 2025.

The composition of the Committee and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Ms Honey Vazirani – Chairperson	ID	3 of 3
Mr Shashi K Kalathil – Member	ID	3 of 3
Mr Sarvjit Singh Bedi – Member#	NED	1 of 1
Ms Amruta Adukia – Member##	NED	1 of 1
Mr Shrinivas V Dempo – Member*	NED	1 of 1

ID – Independent Director; NED – Non Executive Director

#Mr Sarvjit Singh Bedi Non-Executive Non-Independent Director has resigned from the Directorship with effect from September 18, 2024.

##Ms Amruta Adukia Non-Executive Non-Independent Director has resigned from the Directorship with effect from February 12, 2025.

*Mr Shrinivas V Dempo was appointed as Member of the Nomination and Remuneration Committee on March 6, 2025 in place of Ms Amruta Adukia, consequent upon reconstitution of the Committee.

4.2 Nomination and Remuneration Policy

Your Company has formulated a Nomination and Remuneration Policy and the same has been uploaded on the website of the Company at www.hindustanfoodslimited.com.

Performance evaluation criteria for Independent Directors

The Directors other than Independent Directors of your Company evaluate performance of Independent Directors. The evaluation is based on the following criteria as to how an Independent Director:

1. Invests time in understanding the Company and its unique requirements;
2. Brings in external knowledge and perspective to the table for discussions at the Meetings;
3. Expresses his/her views on the issues discussed at the Board;
4. Keeps himself/herself current on areas and issues that are likely to be discussed at the Board level;
5. Upholds ethical standards of integrity and probity;
6. Exercises objective independent judgment in the best interest of the Company;
7. Effectively assisted the Company in implementing best corporate governance practice and then monitors the same;
8. Helps in bringing independent judgment during Board deliberations on strategy, performance, risk management, etc.;
9. Adheres to the applicable code of conduct for Independent Directors.

5 Stakeholders Relationship Committee

5.1 Terms of reference

The Committee is empowered to consider and approve the physical transfer/ transmission/ transposition of Shares, issue of new/ duplicate Share Certificates, deletion of name, consolidation of Share Certificates and oversees and reviews all matters connected with Securities transfer. The Committee also specifically looks into the redressal of Shareholders' and Investors' complaints/ grievances pertaining to transfer/ transmission of Shares, non-receipt of Share Certificates, non- receipt of Annual Report, etc.

5.2 Details of the composition of the Stakeholders Relationship Committee, Meetings and attendance of the Members are as follows:

The Stakeholders Relationship Committee of your Company is headed by a Non-Executive, Independent Director. The role of the committee includes resolving grievances of Shareholders, ensuring expeditious Share transfer process in line with the proceedings of the committee.

Four Meetings of the Committee were held during the Financial Year 2024-2025 viz. on May 21, 2024, August 13, 2024, November 12, 2024 and February 7, 2025.

The composition of the Committee and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Mr Neeraj Chandra - Chairman	ID	4 of 4
Mr Shrinivas V Dempo - Member	NED	3 of 4
Ms Honey Vazirani - Member	ID	4 of 4
Mr Sameer Kothari - Member	MD	4 of 4

ID – Independent Director; NED – Non-Executive Director and MD – Managing Director

5.3 Details of Shareholders' Complaints / request

The number of Complaints / requests received and resolved to the satisfaction of investors during the Financial Year March 31, 2025 and their break-up is as under:

Type of Complaint/Request	No. of Complaint / Request
Non-Receipt of Annual Reports	15
Transfer/Transmission/Name Deletion/Duplicate issue of Share Certificate	Transfer/Change of Name (9), Transmission (16), Name Deletion (14), Duplicate/Replacement/Split(10)
Updating of address/bank account details/KYC details	235
Others	369
Total	668

5.4 Compliance Officer

Name, designation and address of Compliance Officer under Regulation 6(1) of the Listing Regulations:
Mr Bankim Purohit
Company Secretary, Compliance Officer and Legal Head
Hindustan Foods Limited
Office No. 3, Level-2, Centrium, Phoenix Market City,
15, LBS Marg, Kurla (W), Mumbai 400 070, Maharashtra, India
Tel: 022 - 69801700
Email: investorrelations@thevanitycase.com

6 Corporate Social Responsibility (CSR) Committee – Mandatory Committee

As required under Section 135 of the Companies Act, 2013, a committee of your Board was constituted to oversee and give direction to the Company's CSR Activities. Your Company has formulated CSR Policy and the same has been uploaded on your Company's website www.hindustanfoodslimited.com.

6.1 Terms of reference

I. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII, as per the Companies Act, 2013;

II. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;

III. To monitor the CSR policy of the Company from time to time;

REPORT ON CORPORATE GOVERNANCE (Contd.)

IV. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

6.2 Details of the composition of the CSR Committee, Meetings and attendance of the Members are as follows:

The CSR Committee of your Company is headed by Mr Sameer Kothari, Managing Director of your Company. Two Meetings of the Committee were held during the Financial Year 2024-2025, viz. on May 21, 2024 and February 7, 2025. The composition of the Committee and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Mr Sameer Kothari – Chairman	MD	2 of 2
Mr Ganesh Argekar- Member	ED	2 of 2
Mr Shashi K Kalathil - Member	ID	2 of 2

MD – Managing Director; ED –Executive Director; ID – Independent Director

7 Risk Management Committee – Mandatory Committee

In compliance with the provisions of Listing Regulations and Companies Act, 2013, your Board had duly constituted a Risk Management Committee on June 26, 2020 under the Chairmanship of Mr Sameer Kothari, Managing Director of your Company.

Your Company has formulated Risk Management Policy and the same has been uploaded on the Company's website www.hindustanfoodslimited.com. The role of Risk Management Committee includes the implementation of Risk Management Systems and framework, review the Company's financial and risk management policies, assess risk and procedures to minimise the same.

7.1 Terms of reference

The Terms of Reference of the Committee are to:-

(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 your 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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

7.2 Details of the composition of the Risk Management Committee, Meetings and attendance of the Members are as follows:

The Risk Management Committee of your Company is headed by Mr Sameer Kothari, Managing Director of your Company. Two Meetings of the Committee were held during the Financial Year 2024-2025, viz. on July 25, 2024 and February 7, 2025.

The composition of the Committee and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Mr Sameer Kothari – Chairman	MD	2 of 2
Mr Ganesh Argekar – Member	ED	2 of 2
Mr Shashi K Kalathil – Member	ID	2 of 2
Ms Honey Vazirani – Member	ID	2 of 2
Mr Mayank Samdani – Member	Group Chief Financial Officer	2 of 2
Mr Bankim Purohit - Member	Company Secretary and Legal Head	2 of 2

MD – Managing Director; ED –Executive Director; ID – Independent Director

8 Senior Management:

Particulars of senior management including the changes therein since the close of the previous financial year.

Sr no.	Name of Senior Management	Designation
1	Mr Mayank Samdani	Group Chief Financial Officer
2	Mr Sunil Plakkat	President - Manufacturing Excellence
3	Mr Sanjay Sehgal	President - Healthcare and Wellness
4	Mr Bankim Purohit	Company Secretary, Compliance Officer and Legal Head
5	Mr Prasad Kali	General Manager - Projects
6	Mr Ashish Vyawahare	General Manager- Corporate Quality and R&D
7	Mr Vimal Solanki	General Manager- Business Development & Corporate Communications
8	Ms Nalini Kalra	General Manager – Business Development (Private Labels)
9	Mr Robin D'Souza	General Manager - Business Development
10	Mr Alok Bodhankar	General Manager - Human Resources
11	Mr Manojkumar Patani	President - Icecream Business

9 Selection Committee- Non-Mandatory Committee

The Selection Committee is formed for advising and recommending in matters of recruitment of Senior Management of your Company and one level below to the CEO of the Company and related matters thereof. The Selection Committee recommends to the Nomination & Remuneration Committee about their opinion on the candidates proposed to be appointed at Senior level of the Management of your Company. Your Board constituted this Committee on August 28, 2020.

REPORT ON CORPORATE GOVERNANCE (Contd.)

9.1 Terms of reference

The Terms of Reference of the Committee are to:-

a. Identifying the list of criteria to be considered in recruiting candidates at Senior level and one level below CEO of your Company.

b. To review & recommend to Nomination & Remuneration Committee and Management, suitable candidate at Senior level & one level below CEO of your Company on payroll.

9.2 Details of the composition of the Selection Committee, Meetings and attendance of the Members are as follows:

The Committee was not required to meet during the Financial Year 2024-2025. The composition of the Committee and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Mr Sameer Kothari	MD	Not Applicable
Mr Shashi K Kalathil	ID	
Mr Neeraj Chandra	ID	
Ms Honey Vazirani	ID	

MD – Managing Director; ID – Independent Director

10 General Meetings and Postal Ballot

I. General Meetings:- Annual General Meetings/ Extra-Ordinary General Meetings

Location and time, where last three AGMs were held:

Financial Year Ended	Date and Time	Venue
March 31, 2022	September 22, 2022 at 11:30 am	AGM through Video Conferencing / Other Audio Visual Means facility [Deemed Venue for Meeting: Registered Office: Office no. 3, level-2, Centrium, Phoenix Market City, 15, LBS road, Kurla (W), Mumbai 400 070]
March 31, 2023	September 15, 2023 at 11:30 am	AGM through Video Conferencing / Other Audio Visual Means facility [Deemed Venue for Meeting: Registered Office: Office no. 3, level-2, Centrium, Phoenix Market City, 15, LBS road, Kurla (W), Mumbai 400 070]
March 31, 2024	September 24, 2024 at 04:30 pm	AGM through Video Conferencing / Other Audio Visual Means facility [Deemed Venue for Meeting: Registered Office: Office no. 3, level-2, Centrium, Phoenix Market City, 15, LBS road, Kurla (W), Mumbai 400 070]

No Extra-ordinary General Meeting of the Members was held during the year 2024-2025.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The following is/are the special resolution(s) passed at the previous three AGMs:

AGM held on	Special Resolution passed	Summary
September 22, 2022	Yes	1. Re-appointment of Ms Honey Vazirani (DIN: 07508803) Independent Director for the 2nd term of 5 (five) consecutive years 2. Increase in borrowing power in terms of Section 180 (1) (c) of the Companies Act, 2013 and authorising the Board to borrow moneys in excess of Paid-up Share Capital, free reserves and Securities Premium of the Company upto Rs. 750 Crores 3. Authorising the Board under Section 180 (1) (a) of the Companies Act, 2013 to create/ modify charge on the movable/ immovable assets Including undertakings of the Company, both present and future, to secure borrowings 4. Enabling resolution for raising funds upto Rs. 300 Crores through issue of securities
September 15, 2023	Yes	1. Enabling resolution for raising funds upto Rs. 500 Crores through issue of securities
September 24, 2024	No	Not Applicable

II. Resolution passed through Postal Ballot

During the year under review no resolution were required to pass through Postal Ballot.

III. Proposed Postal Ballot

The Company has proposed the below resolutions to be passed through Postal Ballot:

Pursuant to Section 110 of the Companies Act, 2013 ('the Act') read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the details of the proposed resolutions by way of Postal Ballot are as follows:

A. Based on the recommendation of NRC, and in terms of the provisions of Section 62(1)(b) of the Act, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Act read with rules framed thereunder, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("the SEBI SBEB Regulations"), the Listing Regulations, the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed, the Foreign Exchange Management Act, 1999, and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019, as amended from time to time, and any other applicable laws for the time being in force, the Board of Directors had approved the below resolution in their Meeting held on March 6, 2025 subject to approval of the Members:

   a. Approve the Employee Stock Option Scheme 2025 ("HFL ESOS 2025" or "Scheme")

   Further, a Special Resolution seeking Member's approval for above mentioned resolution through Postal Ballot, for which the remote e-voting period commenced on March 12, 2025 and ended on April 10, 2025, was also approved.

REPORT ON CORPORATE GOVERNANCE (Contd.)

B. Based on the recommendation of NRC, and in terms of the provisions of Section 62(1)(b) of the Act, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Act read with rules framed thereunder, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("the SEBI SBEB Regulations"), the Listing Regulations the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed, the Foreign Exchange Management Act, 1999, and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019, as amended from time to time, and any other applicable laws for the time being in force, the Board of Directors had approved the below resolution in their Meeting held on May 19, 2025 subject to approval of the Members:

   a. Grant of options under Employee Stock Option Scheme 2025 ("HFL ESOS 2025" or "Scheme") to the Eligible Employees of Hindustan Foods Limited ('HFL' or 'the Company')

   b. Grant of options under Employee Stock Option Scheme 2025 ("HFL ESOS 2025" or "Scheme") to the Eligible Employees of Group Companies, including Subsidiary Companies and Associate Companies of Hindustan Foods Limited ("HFL" or "the Company")

   Further, a Special Resolutions seeking Member's approval for above mentioned resolutions through Postal Ballot, for which the remote e-voting period commenced on May 23, 2025 and ended on June 21, 2025, was also approved.

11 Means of Communication

The extract of the quarterly Un-Audited/ Audited Financial Results were published in the Free Press Journal (English Daily) and Navshakti (Marathi Daily). The results were also displayed on your Company's website www.hindustanfoodslimited.com and also on the website of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), where the Shares of your Company are listed. The Shareholders can access the Company's website for financial information, shareholding information etc.

All price sensitive information and matters which are material and relevant to Shareholders are intimated to the Stock Exchanges where the securities of your Company are listed and are also displayed on your Company's website.

Your Company submits to the BSE and NSE all Compliances, disclosures and communications through BSE's Listing Centre portal and NSE's NEAPS portal.

Your Company's Annual Report is e-mailed to all the Shareholders of your Company who has registered their e-mail id's with your Company and also made available on the website of your Company www.hindustanfoodslimited.com. Pursuant to the various SEBI Circulars and MCA Circulars, soft copies of the Annual Report for the Financial Year 2023-2024 were circulated to the Members of your Company.

Press Releases, Corporate/Earnings Presentations and Schedule of analyst or institutional investors meet are displayed on the website of your Company www.hindustanfoodslimited.com and are also submitted to the Stock Exchanges where the Shares of your Company are listed. No Unpublished Price Sensitive Information (UPSI) is discussed in the presentation made to institutional investors and financial analysts.

The Management Discussion and Analysis Report is provided separately as a part of this Annual Report.

12 Disclosures

12.1 Related Party Transactions / Materially significant related party transactions

In terms of Regulation 23(1) of the Listing Regulations, the Board of Directors of your Company has approved and adopted a policy on Related Party Transactions from time to time and the same has been uploaded on the website of your Company and can be accessed at: www.hindustanfoodslimited.com.

During the year under review, there were no transactions between the Company and the Promoters, Directors or KMPs or Management, or their relatives, etc. that had a potential conflict with the interests of your Company at large. The Register of Contracts containing transactions in which Directors are interested is placed before your Board in all the quarterly Board Meetings.

12.2 Indian Accounting Standards (IND AS)

Your Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing the Financial Statements.

12.3 Confirmation by the Board of Directors acceptance of Recommendation of Mandatory Committees

In terms of the amendments made to the Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from its mandatory committees.

12.4 Fees paid to Auditors

The total fee for all the services paid by the Company and its Subsidiaries to the Statutory Auditors, and all the entities in the network firm / network entity, of which Statutory Auditors are a part, for the Financial Year 2024-2025 are as follows:

Auditors remuneration (excluding GST) as on year ended March 31, 2025	Rs. in Crores
As auditor:	
Statutory audit	0.33
Limited review fees	0.18
In other capacity:	
Other matters	0.01
Total	**0.52**

12.5 Prevention of Insider Trading

Pursuant to Listing Regulations, your Company has formulated the "Code of Conduct" and "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information" ('HFL Code') which allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in your Company's Shares. It also prohibits the purchase or sale of Company's Shares by the Directors, designated employees and connected persons and their immediate relatives, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the Trading Window to deal in the Company's Shares is closed. The Company Secretary and Compliance Officer is responsible for implementation of the HFL Code.

12.6 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In terms of the recent amendment of Listing regulations, the following are the details of the complaints during the year:

a.	Number of complaints filed during the Financial Year	Nil
b.	Number of complaints disposed off during the Financial Year	Nil
c.	Number of complaints pending as on end of the Financial Year	Nil

12.7 Statutory Compliance, Penalties and Strictures

During the year 2022-2023, there was no instances of penalties and strictures imposed on your Company by any Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets.

In the Financial Year 2023-2024, your Company had filed a Suo-moto Settlement application without admitting or denying the violation with the SEBI in the matter of Regulation 17(1)(b) of Listing Regulations, which was settled upon payment of Rs. 24.32 Lakhs. Despite this, BSE imposed a separate penalty of Rs. 84.49 Lakhs under the SOP circular for the same matter, post a waiver request and hearing, the penalty was reduced to Rs. 52.21 Lakhs, which your Company paid under protest. Your Company has filed an appeal before SAT against the penalty levied by BSE & the said appeal has been admitted and the outcome is awaited.

During the year under review, there was no instances of penalties and strictures imposed on your Company by any Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets.

12.8 Disclosures of Loans and advances by Company and subsidiaries in the nature of loans to firms/companies in which Directors are interested by name and amount

The Disclosures regarding loans and advances provided to firms/companies including Company's Subsidiaries in which Directors are interested is disclosed in the Note no 37 of the Standalone Financial Statement and Note no 36 of the Consolidated Financial Statement which sets out related party transactions/disclosures pursuant to Ind AS.

12.9 Policy for Determining Material Subsidiaries

Your Company has one material unlisted Subsidiary Company viz. HFL Healthcare and Wellness Private Limited **("HHWPL")**, whose Net worth exceeds 10% of the Consolidated Net Worth of your Company effective from May 18, 2023 and during the year under review, HHWPL continues to be a material subsidiary of your Company, as defined in Regulation 16 of the Listing Regulations as on March 31, 2025.

The Board of Directors of your Company periodically reviews the statement of all significant transactions and arrangements entered into by the unlisted Subsidiary Companies. Copies of the Minutes of the Board Meeting of the unlisted Subsidiary Companies were placed at the Board Meetings of your Company held during the year.

Your Company has framed the policy for determining material Subsidiary and the same is disclosed on your Company's website www.hindustanfoodslimited.com.

The requirement of appointment of Independent Director of your Company on the Board of Directors of the material unlisted Subsidiary Companies as per Regulation 24 of the Listing Regulations does not apply as on March 31, 2025.

12.10 Details of material Subsidiaries; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Sr. No.	Subsidiaries whose Turnover / net worth exceeds 10% of the Group's Consolidated net worth	Name of statutory auditors	Date of appointment of statutory auditors	Date of Incorporation	Place of Incorporation
1	HFL Healthcare and Wellness Private Limited	M/s NKN and Co.	April 16, 2025	May 10, 1994	Tamil Nadu

12.11 Compliance with mandatory requirements and adoption of the non-mandatory requirements

Your Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations. Your Company has partially adopted the non-mandatory requirements. Disclosures of the extent to which the discretionary requirements have been adopted are given elsewhere in this report.

12.12 Commodity price risks or foreign exchange risks and hedging activities

This has been discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

12.13 Utilisation of funds raised through preferential allotment or qualified institutions placement

Your Company had raised the funds through Preferential Issue of Convertible Warrants in the year 2023-2024. There is no deviation or variation in the utilisation of funds from the objects stated in the Explanatory Statement to the Notice of the Extra Ordinary-General Meeting held on October 20, 2023 for Issue of Convertible Warrants on preferential basis

REPORT ON CORPORATE GOVERNANCE (Contd.)

to the certain Qualified Institutional Buyers and Non-Qualified Institutional Buyers under Non-Promoter category for cash. The funds raised through the said issues were utilised for the purpose for which it was raised and in accordance with the objects of the said preferential issue. The details of fund raised and Utilisation thereof has been provided in Director's Report.

12.14 Code of Conduct

In terms of Regulation 17(5) of the Listing Regulations, your Company has adopted the Code of Conduct for the Board Members and Senior Management of the Company which has been posted on your Company's website www.hindustanfoodslimited.com. Requisite annual affirmations of Compliance with the code have been made by the Directors and Senior Management of your Company.

The declaration of the Managing Director is given below:

I, Sameer R Kothari, Managing Director of Hindustan Foods Limited, declare that all Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Company's Code of Conduct during the Financial Year 2024-2025.

Place : Mumbai.
Date : August 8, 2025

Sameer R Kothari
Managing Director

12.15 Compliance Certificate from CEO / CFO

As required by Regulation 17(8) of the Listing Regulations, the CEO and CFO of your Company have furnished the Compliance Certificate of the Financial Statements for the year ended March 31, 2025 to the Board of Directors. The same is enclosed at the end of the report.

12.16 Whistle Blower Policy

Your Company has in place a Vigil Mechanism / Whistle Blower Policy. The policy provides a channel to the employees to report to the Management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy. The mechanism provides for adequate safeguards against victimisation of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

12.17 Details of non-compliance with requirements of Corporate Governance Report

Your Company has complied with all the requirements of the Corporate Governance Report as specified in sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.

12.18 Details of compliance with Corporate Governance requirements

Your Company has complied with the Corporate Governance requirements as specified in Regulation 17 to 27 and Clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

12.19 Practicing Company Secretary Certificate on Corporate Governance

As required by the Listing Regulations, the Compliance Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed to the Corporate Governance Report.

The Company has also obtained a Certificate from Mr Pankaj S Desai, Practicing Company Secretary (COP no. 4098), confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this Corporate Governance Report.

REPORT ON CORPORATE GOVERNANCE (Contd.)

13 General Shareholder Information

13.1 Annual General Meeting

Date and Time: Tuesday, September 23, 2025 at 11:30 a.m. IST

Venue Facility: Hybrid Annual General Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM) [Deemed Venue for Meeting: Registered Office: Office no. 3, level-2, Centrium, Phoenix Market City, 15, LBS Road, Kurla (W), Mumbai 400 070, Maharashtra, India]

13.2 Financial Year:

a. The Company's Financial Year is from April 1 to March 31

b. Financial Year Dates (2025-26)

(Tentative and subject to change)

Results for quarter ending June 30, 2025	By August 14, 2025
Results for quarter ending September 30, 2025	By November 14, 2025
Results for quarter ending December 31, 2025	By February 14, 2026
Results for quarter ending March 31, 2026	By May 28, 2026
Annual General Meeting for the year ending March 31, 2026	By September 30, 2026

13.3 Dividend Payment Date:

Not Applicable

13.4 Book Closure Date

Your Company's Share Transfer Books and Register of Members of Equity Shares shall remain closed from Friday, September 19, 2025 to Tuesday, September 23, 2025 (both days inclusive) for the purpose of Annual General Meeting.

13.5 Listing of Equity Shares

Your Company's Shares are listed on the BSE Limited ('BSE') as well as on the National Stock Exchange of India Limited ('NSE'). The address of BSE and NSE are as follows:

Name of Stock Exchanges	Address and Contact details
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 Tel.: (022) 22721233; Fax: 022 - 22721919; Website: www.bseindia.com
National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 070 Tel No.: 022 - 2659 8100; Fax No: 022 - 2659 8120; Website: www.nseindia.com

The Annual Listing Fee for the Financial Year 2024-2025 has been paid to the BSE & NSE.

13.6 The security of your Company was not suspended from trading.

13.7 Registrar and Share Transfer Agent

MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited)

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400083. Ph.: 022 - 49186000 Fax: 022 - 49186060

Email: rnt.helpdesk@in.mpms.mufg.com

REPORT ON CORPORATE GOVERNANCE (Contd.)

13.8 Share Transfer System

Your Board of Directors have delegated powers to the Registrar and Share Transfer Agents for effecting Share transfers, transmissions, splits, consolidation, sub-division, issue of duplicate Share Certificates, re-materialisation and dematerialisation etc., as and when such requests are received. Shares held in dematerialised form are traded electronically in the Depositories. As at March 31, 2025, no Equity Shares were pending for transfer.

Your Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the SEBIs requirements. The audit reports for the Financial Year under review have been filed with the Stock Exchanges within 30 days of the end of each quarter.

In terms of Regulation 40(1) of the Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialised form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc.

Further, pursuant to SEBI Circular dated July 2, 2025, introduced a special window from July 7, 2025 to January 6, 2026 for shareholders to re-lodge transfer requests that were originally submitted before April 1, 2019 but were rejected/returned/not processed due to document deficiencies. All such re-lodged transfers shall be processed only in dematerialised form with the due process for such transfer-cum-demat requests.

Trading in Equity Shares of your Company is permitted only in dematerialised form. SEBI has mandated that Securities of all Listed Companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, your Company/ its RTA has stopped accepting any fresh lodgment of transfer of Shares in physical form. Members holding Shares in physical form are advised to avail the facility of dematerialisation.

13.9 Distribution of Shareholding

Distribution Schedule as on March 31, 2025

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of total No. of Shares
Upto 500	72,060	95.7086	48,58,441	4.13
501 to 1000	1,687	2.2407	14,16,572	1.21
1001 to 2000	775	1.0294	11,33,689	0.96
2001 to 3000	295	0.3918	7,47,606	0.64
3001 to 4000	92	0.1222	3,28,390	0.28
4001 to 5000	78	0.1036	3,66,786	0.31
5001 to 10000	105	0.1395	7,47,502	0.64
10001 and above	199	0.2643	10,79,03,427	91.83
Total	**75,291**	**100.0000**	**11,75,02,413**	**100.00**

Distribution of Shareholding (Category wise) as on March 31, 2025

Category	No. of Shareholders	No. of Shares held	% of share Holding
Promoters	6	7,31,09,975	62.2200
Relatives of Promoters (other than immediate relative)	2	33,164	0.0282
Directors and their relatives	3	28,73,644	2.4456
Key Managerial Personnel	2	1,25,450	0.1068
Financial Institutions / Banks	2	1,680	0.0014
Bodies Corporate	154	21,53,038	1.8324

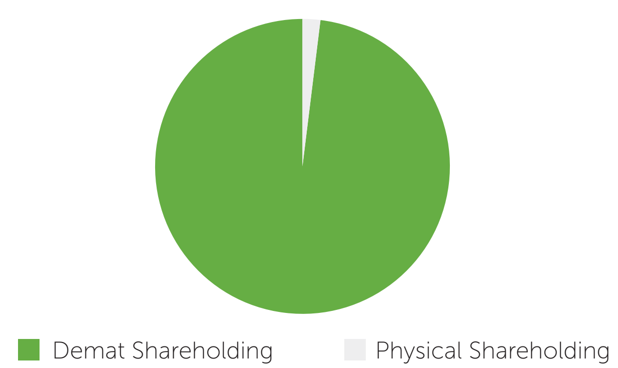
REPORT ON CORPORATE GOVERNANCE (Contd.)

Category	No. of Shareholders	No. of Shares held	% of share Holding
Insurance Companies	7	1,08,54,084	9.2373
Non-Resident Indians (NRI's)	1,401	7,67,654	0.6533
Resident Individuals / Trusts/Mutual Funds	73,063	1,64,22,816	13.9766
Clearing Members	1	10	0.0000
NBFC registered with RBI	1	665	0.0006
HUF	552	2,16,470	0.1842
Alternate Investment Funds	9	47,57,698	4.0490
Foreign Portfolio Investors (Corporate)	68	61,63,564	5.2455
Partnership Firms/LLP	19	20,251	0.0172
HFL Suspense Escrow Account	1	2,250	0.0019
Total	**75,291**	**11,75,02,413**	**100.00**

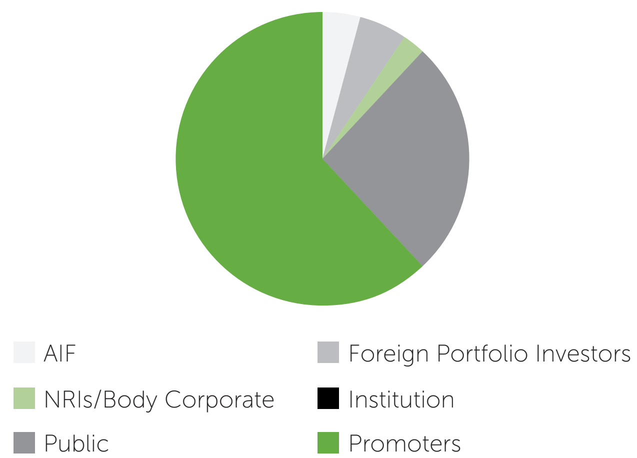
13.10 Dematerialisation of Shares and liquidity

As on March 31, 2025, 97.84% of your Company's listed Paid-up capital representing 11,49,65,298 Shares were held in dematerialised form as compared to 97.69% of your Company's Paid-up capital representing 11,19,21,738 Shares as on March 31, 2024.

Shares held in Demat/Physical form as at March 31, 2025



Shareholding Pattern as at March 31, 2025



Physical Holding is
25,37,115

Shares i.e.
2.16%

Demat holding is
11,49,65,298

Shares i.e.
97.84%

Alternate Investment Funds
4.05%

NRIs/Corporate Bodies
2.48%

Public
26.00%

Foreign Portfolio Investors
5.25%

Institution
0.00% (Negligible)

Promoters
62.22%

Shareholders who continue to hold their Shares in physical form are requested to dematerialise their Shares at the earliest and avail the benefits of dealing in Shares in demat form.

REPORT ON CORPORATE GOVERNANCE (Contd.)

13.11 Outstanding GDRs/ADRs/Warrants or any Convertible instruments

During the year under review, two of the Warrants holders of the Preferential issue made pursuant to Special Resolution passed through Extra-Ordinary General Meeting dated October 20, 2023 and allotted by the Board of Directors in their Meeting held on December 20, 2023 named Infinity Holdings and Infinity Capital (formerly known as Infinity Holding Sidecar I), Qualified Institutional Buyers, holding 14,64,530 Warrants each, had exercised their options aggregating to 29,29,060 (Twenty Nine Lakhs Twenty Nine Thousand Sixty) for the conversion of Warrants into equivalent number of Equity Shares having face value of Rs. 2/- (Rupees Two Only) each of the Company and upon receipt of an amount aggregating to 1,19,99,99,267/- (Rupees One Hundred Nineteen Crores Ninety-Nine Lakhs Ninety-Nine Thousand Two Hundred Sixty Seven Only), being 75% of the balance amount on the said Warrants, the Share Allotment Committee of the Board of Directors of your Company at their Meeting held on December 28, 2024, had allotted 29,29,060 Equity Shares having face value of Rs. 2/- (Rupees Two Only) each at a premium of Rs. 544.25/- per shares to Infinity Holdings and Infinity Capital. Consequently, the Listing & Trading approval for the said Equity Shares was received from the Stock Exchanges on April 17, 2025.

As at March 31, 2025, there were no outstanding GDRs/ADRs of your Company. There remained 25,11,358 (Twenty Five Lakh Eleven Thousand Three Hundred Fifty Eight) Convertible Warrants which were outstanding for conversion into Equity Shares.

13.12 Plant Locations:

- **Jammu:** IGC, SIDCO Phase II, Samba 184 121, Jammu & Kashmir
- **Baddi:** Khasra #701/534, Village Sandholi Baddi, Nalagarh Road, PO Baddi, Tehsil Nalagarh, Dist Solan 173 205, Himachal Pradesh
- **Silvassa:** Survey #452/3, Village Masat, Silvassa 396 230, Dadra and Nagar Haveli and Daman and Diu
- **Silvassa:** Unit #2, Plots #110 & 111, Piparia Industrial Estate, Piparia, Silvassa 396 230, Dadra and Nagar Haveli and Daman and Diu
- **Mumbai:** Industrial Gala #7 to 13, Survey #34 & 35, Rajprabha Landmark Industrial Estate Road, Gokhivare, Vasai (East), Palghar, Mumbai 401 208
- **Goa:** Usgaon, Ponda 403 406
- **Hyderabad/Telangana:** Survey #44, 49 & 50E, Peddaipally Village, Jadcherla Taluk, District Mahbubnagar, Telangana 509 202, Andhra Pradesh
- **Mysuru:** Plot #11B & C, KIADB Industrial Area, Nanjangud 571 302, District Mysuru, Karnataka
- **Puducherry:** RS #254/1B, Gorimendu-Poothurai Road, Poothurai Rev Village, Vanur Taluk 605 111, Tamil Nadu
- **Tindivanam [TN]:** Survey #4/1 to 4/8, Shed A & B, Kambur Village, Tindivanam 604 101, District Villupuram, Tamil Nadu
- **Coimbatore:** SF No. 195/1A, 195/1B, 195/2A, Appanaickenpatti, Sulthanpet Road, Sulur, Coimbatore 641 402, Tamil Nadu
- **Nashik:** Building #2, Plot F-6, MIDC Sinnar, Dist. Nashik 422 103, Maharashtra

13.13 Address for correspondence

Investor correspondence for transfer / dematerialisation of Shares and any other query relating to the Shares of the Company should be addressed to –

REPORT ON CORPORATE GOVERNANCE (Contd.)

MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited)

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai-400083.

Ph.: (022) 49186000 Fax: (022) 49186060

Email: rnt.helpdesk@in.mpms.mufg.com

Investor complaints, if any, may be addressed to –

Mr Bankim Purohit

Company Secretary, Compliance Officer and Legal Head

Hindustan Foods Limited

Office No.3, Level-2, Centrium, Phoenix Market City,

15, Lal Bahadur Shastri Road, Kurla (West), Mumbai – 400070.

Maharashtra, India. Tel.: (022) 69801700

Email: investorrelations@thevanitycase.com

Service of documents through electronic mode

As a part of Green initiative, the Members who wish to receive the Notices/documents through e-mail, may kindly intimate their e-mail addresses to your Company's Registrar and Transfer Agents MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited) i.e. rnt.helpdesk@in.mpms.mufg.com or to the Company to its dedicated e-mail id i.e. investorrelations@thevanitycase.com.

13.14 Credit Rating

During the year under review, India Ratings and Research (Ind-Ra) has re-affirmed the Long-Term Issuer Rating to 'IND A+/ Stable'. The outlook is Positive.

13.15 Status of compliance with discretionary requirements

The Listing Regulations requires disclosures of adoption by the Company of discretionary requirements as specified in Part E of Schedule II of the said regulations, which as the name suggests, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of the discretionary requirements is given below:-

a) The Board:

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. Your Company neither maintain any office to Non-Executive Chairman nor reimburse any expenses incurred by the Non-Executive Chairman in the performance of his duties.

b) Shareholders Rights:

Since the Quarterly, Half Yearly and Annual Financial Results of your Company are posted on the Company's website, these are not sent individually to the Shareholders of your Company. Further, significant events are informed to the Stock Exchanges from time to time and then the same is also posted on the website of your Company under the 'Investors' section. The complete Annual Report is sent to every Shareholder of your Company whose email addresses are not registered with the Company or it's RTA.

c) Modified opinion(s) in audit report:

There is no audit qualification in your Company's Financial Statements for the Financial Year ended March 31, 2025.

d) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:

As at March 31, 2025, Mr Shashi K Kalathil is the Chairman of your Company and Mr Sameer R Kothari is the Managing Director of your Company.

e) Reporting of Internal Auditor:

The Internal Auditor reports directly to the Audit Committee.

13.16 Disclosure with respect to Demat Suspense Account / Unclaimed Suspense Account

Pursuant to SEBI Circular dated January 25, 2022, to enhance the Shareholders experience in dealing with securities markets, the listed companies shall issue the securities in dematerialised form only, while processing any investor service requests viz., issue of duplicate share certificates, endorsement, transmission, transposition. After processing the investor service request(s), a Letter of Confirmation ('LOC') would be issued to the Shareholders in lieu of a physical securities certificate. LOC shall be valid for a period of 120 days, within which the Shareholder shall make a request to the Depository Participant for dematerialising the said securities/shares. In case the Shareholders fails to submit the dematerialisation request within 120 days, the Company shall then credit those securities to the SEDA held by the Company. The Shareholders can reclaim these shares from the Company's SEDA on submission of documentation prescribed by SEBI. The details of shares transferred to/released from SEDA during Financial Year 2024-2025 are as under:

Details of shares transferred to / released from SEDA during the FY 2024-2025 are as under:

Particulars	No. of Shares
Aggregate number of shareholders and the outstanding shares in the SEDA as on April 1, 2024	1,500 shares comprising 3 shareholders
Shareholders who approached the Company for transfer of shares from SEDA during the year	01
Shareholders to whom shares were transferred from SEDA during the year	01 (500 Shares)
Aggregate number of shareholders and the outstanding shares in SEDA as on March 31, 2025	2250 shares comprising 4 shareholders

In view of the aforesaid, the voting rights on these shares transferred to SEDA shall remain frozen till the rightful owner of such shares claims the shares.

13.17 Disclosure of certain type of agreements binding listed entites

There are no agreements with any party which impact the management or control of the Company or impose any restriction or create any liability upon the Company.

REPORT ON CORPORATE GOVERNANCE (Contd.)

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) AND AS SPECIFIED IN PART B OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Sameer R Kothari, Managing Director, Chief Executive Officer and Mayank Samdani, Chief Financial Officer of Hindustan Foods Limited ('Company') hereby certify that:-

a) We have reviewed Financial Statement and the cash flow statement of the Company for the Financial Year ended March 31, 2025 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 evaluated the effectiveness of internal control systems 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 we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee that there is no:

(i) Significant changes in internal control over financial reporting during the year;

(ii) Significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and

(iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : May 19, 2025

Sameer R Kothari
Managing Director
DIN: 01361343

Mayank Samdani
Chief Financial Officer

REPORT ON CORPORATE GOVERNANCE (Contd.)

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON 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
Hindustan Foods Limited
Office No. 03, Level 2, Centrium,
Phoenix Market City, 15, Lal Bahadur Shastri Road,
Kurla, Mumbai 400070

I, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hindustan Foods Limited having CIN L15139MH1984PLC316003 and having registered office at Office No. 03, Level 2, Centrium, Phoenix Market City, 15, Lal Bahadur Shastri Road, Kurla, Mumbai 400070 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 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) as considered necessary and explanations furnished to me by the Company & its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Mr Shashi Kumar Kalathil	02829333	November 09, 2015
2.	Mr Shrinivas Vasudeva Dempo	00043413	September 26, 1999
3.	Mr Sameer Ramanlal Kothari	01361343	May 22, 2017
4.	Mr Neeraj Chandra	00444694	January 25, 2019
5.	Mr Nikhil Kishorchandra Vora	05014606	May 22, 2017
6.	Mr Ganesh Tukaram Argekar	06865379	May 19, 2014
7.	Ms Honey Hiranand Vazirani	07508803	May 22, 2017
8.	Mr Sarvjit Singh Bedi	07710419	April 18, 2019***
9.	Mr Sandeep Rajnikant Mehta	00031380	August 09, 2019**
10.	Ms Amruta Anurag Adukia	07877389	June 29, 2023***

*The date of appointment is as per the MCA Portal.

**Mr Sandeep Mehta, Non-Executive Independent Director has completed his term of 5 Years as an Independent Director and did not offer his candidature for re-appointment for 2nd term, consequently he ceased to be a Director with effect from August 8, 2024.

***Mr Sarvjit Singh Bedi Non-Executive Non-Independent Director has resigned from the Directorship with effect from September 18, 2024.

***Ms Amruta Adukia Non-Executive Non-Independent Director has resigned from the Directorship with effect from February 12, 2025.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Practicing Company Secretary : **Pankaj S. Desai**
ACS No. : 3398
C. P. No. : 4098
UDIN NO : A003398G000964072
Place : Mumbai
Date : August 8, 2025
Peer Review No : 2702/2022

REPORT ON CORPORATE GOVERNANCE (Contd.)

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members
Hindustan Foods Limited

I have examined the compliance of conditions of Corporate Governance by HINDUSTAN FOODS LIMITED (the Company), for the Financial Year ended on March 31, 2025, as stipulated under the relevant clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors & the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Practicing Company Secretary : **Pankaj S. Desai**

ACS No.	: 3398
C. P. No.	: 4098
UDIN NO	: A003398G000964193
Place	: Mumbai
Date	: August 8, 2025
Peer Review No.	: 2702/2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindustan Foods Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Hindustan Foods Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements 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 Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in

Our audit of the standalone financial statements for the year ended March 31, 2025. These matters were 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 these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTERS

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures in respect of this area included: 1. Obtained an understanding of the management's process and controls around revenue recognition. 2. Evaluated and tested the design and operating effectiveness of controls addressing this risk. 3. Performed substantive testing on selected samples of revenue transactions recorded during the year by testing the underlying documents including invoices and obtaining independent balance confirmation from the customers at the balance sheet date. 4. Obtained a listing of goods delivered prior to and post year end and performed procedures to test completeness of revenue from operations to conclude there has not been overstatement/ understatement of revenue recorded for the year.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
		5. Scrutinized manual journals posted to revenue to identify unusual items. 6. Obtained evidence on the existence and accuracy of unbilled revenue recognized, on sample basis, from underlying supporting documents, including customer approvals and acceptance. 7. Performed Analytical procedures on revenue recognized during the year to identify and inquire on unusual variances, if any and getting the reasons for variances confirmed from the management of the Company. 8. Assessed the adequacy and appropriateness of the disclosures made in the financial statements to ensure they are accurate, complete, and comply with the requirements of Ind AS 115 - ' Revenue from contracts with customer'.

INFORMATION OTHER THAN THE STANDALONE 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 Company's annual report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information' and take necessary actions under the relevant laws and regulations.

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 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 statement 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, the Management and Board of Directors are responsible for

INDEPENDENT AUDITOR'S REPORT (Contd.)

assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 except for the matters stated in the paragraph 2(g)(vi) below on reporting under Rule 11(g).

   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow 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 Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 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 statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company does not have any pending litigations which would impact its financial position.

      (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      (iv) 1) The Management has represented that, to the best of its knowledge and belief, 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, 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.

2) The Management has represented, that, to the best of its knowledge and belief, 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, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

(v) The Company has neither declared nor paid any dividend during the year.

(vi) Based on our examination which included test checks, the Company has used Focus 7 accounting software for 2 locations namely Pondicherry and Mumbai and Focus 9 accounting software for other locations for maintaining its books of account during the year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at an application level for Focus 9 accounting software and at the database level in respect of Focus 7 and Focus 9 accounting software to log any direct data changes.

Further, for Focus 7 Accounting Software, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of Focus 7 accounting software. Additionally, the audit trail of prior years for Focus 7 accounting software has been preserved at application level by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Virendra Kanak
Partner
Membership No. 110811
UDIN: 25110811BMKWBU1999

Place: Mumbai
Date: May 19, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HINDUSTAN FOODS LIMITED

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 and Board of Directors.
- Conclude on the appropriateness of management and Board of Director'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 for the year ended March 31, 2025 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.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Virendra Kanak
Partner
Membership No.110811
UDIN: 25110811BMKWBU1999

Place: Mumbai
Date: 19 May, 2025

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HINDUSTAN FOODS LIMITED FOR THE YEAR ENDED MARCH 31, 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment, and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in the standalone financial statements, are held in the name of the Company, except for the following which are not held in the name of the Company.

(Rs. in Crores)

Sr. No.	Description of Property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held – Indicate range, where appropriate	Reason for not being held in name of Company (also indicate if in dispute)
1	Leasehold Land	1.07	Karnataka Industrial Areas Development Board ('KIADB')	No	February 2022	The leasehold rights of the land were transferred to Company as per the NCLT Approved Scheme [refer note 47(B)] w.e.f. February 18, 2022. As per the lease agreement with KIADB, the Company has an option of purchasing the land. The Company is in process of applying to KIADB for purchase of the land.
2	Leasehold Land	2.14	Reckitt Benckiser Healthcare India Private Limited	No	December, 2023	The leasehold land was acquired by the Company as a part of business transfer agreement entered with Reckitt Benckiser Healthcare India Private Limited for acquisition of Baddi factory. The Company is in the process of transferring the title in the name of Hindustan Foods Limited.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company

ii. (a) The inventory (excluding stocks with third parties which is immaterial) has been physically verified during the year by the management. In respect of inventory lying with third parties, these have substantially been confirmed by

them. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During any point of time of the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores rupees, in aggregate from Banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of accounts of the Company.

iii. (a) According to the information and explanations provided to us, the Company has provided loans, advances in the nature of loans, stood guarantee, or provided security to other entities.

(A) The details of such loans, advances, guarantee or security to subsidiaries are as follows:

(Rs. In crores)

	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/provided during the year - Subsidiaries	188.59	-	256.56	-
Balance Outstanding as at balance sheet date in respect of above cases - Subsidiaries	341.51	-	112.91	-

During the year the company has not provided advances or any security to Subsidiaries.

(B) The details of such loans, advances, guarantee or security to other than subsidiaries are as follows:

(Rs. in crores)

	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/provided during the year - Others	-	-	1.00	-
Balance Outstanding as at balance sheet date in respect of above cases - Others	-	-	1.00	-

During the year the company has not provided advances or any security nor stood any guarantee to any other party.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided and terms and conditions in relation to grant of all loans, investments made and guarantees provided are not prejudicial to the interest of the Company.

(c) The loans and advances in the nature of loans are repayable on demand and interest on the same has been stipulated and the borrowers have been regular in the payment of interest. During the year, the Company has not demanded repayment of such loans. Accordingly, in our opinion the repayments of principal amounts and receipts of interest are regular (Refer reporting under clause 3(iii)(f) below).

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the loans and advances in the nature of loans are repayable on demand and the Company has not demanded such loans and advances in nature of loan (including receivable in nature of loan).

(e) According to the information explanation provided to us, the loans or advances in the nature of loan granted has not been demanded by the Company during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the company.

(f) According to the information explanation provided to us, the Company has granted loans/advances in the nature of loans repayable on demand. The details of the same are as follows:

(Rs. in crores)

	All Parties	Unrelated Parties	Promoters	Related Parties
Aggregate amount of loans / advances in nature of loans	113.91	1	-	112.91
- Repayable on demand (A)	-	-	-	-
- Agreement does not specify any terms or period of repayment (B)				
Total (A+B)	113.91	1		112.91
Percentage of loans / advances in nature of loans to the total loans	100%	1%		99%

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Act, and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act, in respect of its products/ services. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues in arrears as at March 31, 2025, outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, dues relating to goods and services tax and income-tax which have not been deposited as on March 31, 2025 on account of any dispute are as follows:

Sr. No.	Name of the Statute	Nature of the Dues	Amount (Rs. In Crores)	Period to which the amount belongs	Forum where dispute is pending	Remarks, If Any
1	Income Tax Act	Income Tax	0.74	AY 2018-19	Jurisdictional Assessment Officer	
2	Goods And Service tax Act, 2017	Goods And Service tax	8.72	FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21, FY 2022-23	Appellate Tribunal	

There are no dues relating to employee's state insurance, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under Income Tax Act, 1961. Accordingly, the provision stated under 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 to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that 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 provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 17 to the standalone financial statements.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the no funds raised on short-term basis have been used for long term purposes by the Company.

(e) According to the information and explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the requirement to report under clause 3(ix)(f) of the order is not applicable to the company.

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

the records of the Company, the Company has made preferential allotment of convertible share warrants during the year and the requirements of Section 42 and Section 62 of the Act, have been complied with. The amount raised has been used for the purposes for which they were raised except for idle/surplus funds amounting to Rs. 119.99 Crores which were not required for immediate utilization and which have been invested in liquid investments payable on demand. The maximum amount of idle/surplus funds invested during the year was Rs 119.99 Crores, of which Rs 73.49 Crores was outstanding at the end of the year.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year no report under Section 143(12) of the Act, has been filed by us in form ADT–4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, 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 the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the Statutory auditors during the year. Accordingly, reporting under Clause 3(xviii) of the order is not applicable to the Company.

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 47(A) to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Act, as disclosed in note 43 to the Standalone financial statements.

(b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Virendra Kanak
Partner
Membership No. 110811
UDIN: 25110811BMKWBU1999

Place: Mumbai
Date: May 19, 2025

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HINDUSTAN FOODS LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Hindustan Foods Limited on the Standalone Financial Statements for the year ended March 31, 2025]

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 Hindustan Foods Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

OPINION

In our opinion, the Company, has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 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 with reference to standalone financial statements, 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 standalone1 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 with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A

company's internal financial control with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Virendra Kanak
Partner
Membership No.110811
UDIN: 25110811BMKWBU1999

Place: Mumbai
Date: 19 May, 2025

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2025

(Amounts in Rs. cr, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4 (a)	531.81	579.41
Right of use assets	4 (a)	10.14	11.18
Capital work-in-progress	4 (b)	99.02	4.74
Goodwill	5 (a)	1.58	1.58
Other intangible assets	5 (b)	1.81	0.92
Intangible assets under development	5 (c)	0.40	0.34
Financial assets			
Investments	11	127.13	84.13
Other financial assets	7	19.30	118.56
Non-current tax assets (net)	8	-	3.34
Other non-current assets	9	37.99	6.04
Total non-current assets		**829.18**	**810.24**
Current assets			
Inventories	10	550.56	401.12
Financial assets			
Trade receivables	12	133.19	100.77
Cash and cash equivalents	13	42.98	3.89
Bank balances other than cash and cash equivalents	14	6.63	6.11
Loans	6	113.91	102.77
Other financial assets	7	141.54	71.80
Other current assets	9	39.51	40.59
Total current assets		**1,028.32**	**727.05**
Total assets		**1,857.50**	**1,537.29**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	23.50	22.91
Other equity	16	828.80	605.44
Total equity		**852.30**	**628.35**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17(a)	364.52	349.00
Lease liabilities	37	2.35	3.40
Provisions	18	10.98	11.22
Deferred tax liabilities (net)	32	33.85	32.18
Total non-current liabilities		**411.70**	**395.80**
Current liabilities			
Financial liabilities			
Borrowings	17(b)	141.58	154.13
Trade payables	19		
i) total outstanding dues of micro enterprises and small enterprises		0.02	0.43
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		383.84	308.83
Lease liabilities	37	1.07	0.91
Other financial liabilities	20	28.21	19.99
Other current liabilities	21	24.78	27.75
Provisions	18	0.88	1.10
Current tax liabilities (net)	22	13.12	-
Total current liabilities		**593.50**	**513.14**
Total liabilities		**1,005.20**	**908.94**
Total equity and liabilities		**1,857.50**	**1,537.29**

Summary of material accounting policies 2-3

The accompanying notes 1 to 55 are an integral part of the standalone financial statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

VIRENDRA KANAK
Partner
Membership No: 110811

Place : Mumbai
Date : May 19, 2025

For and on behalf of the Board of Directors of
Hindustan Foods Limited
CIN: L15139MH1984PLC316003

SAMEER R. KOTHARI
Managing Director
DIN: 01361343

GANESH T. ARGEKAR
Executive Director
DIN: 06865379

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership No:ACS21865

Place : Mumbai
Date : May 19, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in Rs. cr, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	23	2,733.86	2,381.38
Other income	24	18.59	10.02
Total income		**2,752.45**	**2,391.40**
Expenses			
Cost of material consumed	25	2,279.75	2,075.40
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	(4.93)	(53.92)
Employee benefits expense	27	80.32	59.30
Finance costs	28	46.84	37.74
Depreciation and amortisation expenses	29	45.42	38.54
Manufacturing and operating costs	30	118.92	100.76
Other expenses	31	47.37	37.32
Total expenses		**2,613.69**	**2,295.14**
Profit before tax		**138.76**	**96.26**
Tax expense	32		
Current tax		33.74	23.33
Adjustment of tax relating to earlier periods		-	(0.15)
Deferred tax (excluding MAT credit utilisation)		1.68	(5.20)
Total tax expense		**35.42**	**17.98**
Profit for the year		**103.34**	**78.28**
Other comprehensive income			
Items not to be reclassified to profit or loss :			
- Re-measurement gains/(losses) on defined benefit plans		0.88	1.22
- Income tax effect on these items		(0.22)	(0.31)
Total other comprehensive income for the year		**0.66**	**0.91**
Total comprehensive income for the year		**104.00**	**79.19**
Earnings per share (face value Rs.2 each) [refer note 15 (a)]			
Basic earnings per share (Rs)	33	8.96	6.92
Diluted earnings per share (Rs) (refer note 49)	33	8.96	6.92

Summary of material accounting policies 2-3

The accompanying notes 1 to 55 are an integral part of the standalone financial statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

VIRENDRA KANAK
Partner
Membership No: 110811

Place : Mumbai
Date : May 19, 2025

For and on behalf of the Board of Directors of
Hindustan Foods Limited
CIN: L15139MH1984PLC316003

SAMEER R. KOTHARI
Managing Director
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Executive Director
DIN: 06865379

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership
No:ACS21865

Place : Mumbai
Date : May 19, 2025

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025
(Amounts in Rs. cr, unless otherwise stated)

Particulars	For the year ended on March 31, 2025	For the year ended on March 31, 2024
Cash flows from operating activities		
Profit before tax	138.76	96.26
Adjustments for:		
Depreciation and amortisation expenses	45.42	38.54
Finance cost	46.84	37.74
Interest income	(15.07)	(6.89)
Liabilities no longer required written back	(0.52)	(1.65)
Loss on sale of fixed assets	0.23	-
Bad debts written-off	-	0.30
Provision for doubtful advances	-	0.70
Advances written off	-	0.18
Provision for doubtful debts (net)	-	0.04
Unrealised foreign exchange translation (gain)/ loss	(0.10)	0.10
Operating profit before working capital changes	**215.56**	**165.32**
Changes in working capital		
Increase in inventories	(149.44)	(85.07)
Increase in trade receivables	(32.43)	(14.64)
(Increase)/ Decrease in other assets	1.02	(11.38)
(Increase) in financial assets	(8.63)	(21.76)
Increase in trade payables	75.12	18.45
(Decrease)/Increase in other liabilities	(2.97)	3.34
Increase in financial liabilities	0.90	5.32
Increase in provisions	0.42	1.38
Cash generated from operations	**99.55**	**60.96**
Income tax paid (net)	(17.51)	(13.26)
Net cash generated from operating activities (A)	**82.04**	**47.70**
Cash flows from investing activities		
Purchase of property plant and equipment, capital work-in-progress, other intangible assets and intangible assets under development (net of capital creditors and including capital advances)	(157.34)	(69.50)
Proceeds from disposal of property, plant and equipment	40.53	-
Proceeds from bank balances other than cash and cash equivalents	38.13	4.74
Investment in Fixed deposit from money received from issue of convertible warrants	-	(111.38)
Payment for acquisition of subsidiaries (refer note 36(a))	-	(3.73)
Investment in subsidiary	(43.00)	-
Repayment of loan from related party (net)	(10.14)	(55.43)
Payment of loan to others	(1.00)	-
Payment for acquisition of business (refer note 36(b))	-	(117.75)
Interest received	14.57	5.80
Net cash used in investing activities (B)	**(118.25)**	**(347.25)**

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(Amounts in Rs. cr, unless otherwise stated)

Particulars	For the year ended on March 31, 2025	For the year ended on March 31, 2024
Cash flows from financing activities		
Proceeds from issue of equity shares (net off issue expenses)	119.95	98.43
Proceeds from issue of convertible warrants	-	75.00
Proceeds from long-term borrowings	87.11	152.67
Repayment of long term borrowings	(66.77)	(65.10)
Repayment of short-term borrowings (net)	(17.36)	71.70
Lease rentals paid against lease liability	(1.15)	(1.52)
Interest paid	(46.58)	(37.38)
Net cash generated from financing activities (C)	**75.20**	**293.80**
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**38.99**	**(5.75)**
Cash and cash equivalents at the beginning of the year	3.89	9.71
Exchange difference on translation of foreign currency cash and cash equivalents	0.10	(0.07)
Cash and cash equivalents at the end of the year	**42.98**	**3.89**
Cash and cash equivalents comprise of (refer note 13)		
Balances with banks:		
On current accounts	42.71	3.86
Fixed deposits with maturity of less than 3 months	0.07	-
Cash on hand	**0.20**	**0.03**
Total cash and cash equivalents at end of the year	**42.98**	**3.89**

Foot note :-

(i) Figures in brackets represent cash outflow.

(ii) The above Cash Flow Statement has been prepared under indirect method as set out in Ind AS-7-Cash Flow Statement notified under the Section 133 of the Companies Act, 2013.

The accompanying notes 1 to 55 are an integral part of the standalone financial statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

VIRENDRA KANAK
Partner
Membership No: 110811

Place : Mumbai
Date : May 19, 2025

For and on behalf of the Board of Directors of
Hindustan Foods Limited
CIN: L15139MH1984PLC316003

SAMEER R. KOTHARI
Managing Director
DIN: 01361343

GANESH T. ARGEKAR
Executive Director
DIN: 06865379

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership No:ACS21865

Place : Mumbai
Date : May 19, 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in Rs. cr, unless otherwise stated)

(A) EQUITY SHARE CAPITAL [REFER NOTE 15]

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 2/- each issued, subscribed and fully paid				
Balance at the beginning of the year	11,45,73,353	22.91	11,27,42,690	22.55
Add: Changes in equity share capital during the year [refer note 49]	29,29,060	0.59	18,30,663	0.36
Balance at the end of the year	**11,75,02,413**	**23.50**	**11,45,73,353**	**22.91**

(B) OTHER EQUITY [REFER NOTE 16]

Particulars	Equity component of redeemable non cumulative non convertible preference shares	Securities premium	Capital reserve [refer note 36 (b)]	Retained earnings	Money received against share warrants (refer note 49)	Total
Balance as at April 01, 2023	**0.86**	**135.01**	**0.40**	**213.41**	**-**	**349.68**
Profit for the year	-	-	-	78.28	-	78.28
Other comprehensive income	-	-	-	0.91	-	0.91
Total comprehensive income for the year	**0.86**	**135.01**	**0.40**	**292.60**	**-**	**428.87**
Gain on bargain purchase on acquisition	-	-	3.51	-	-	3.51
Securities premium on shares issued [refer note 49]	-	99.63	-	-	-	99.63
Money received against share warrants [refer note 49]	-	-	-	-	75.00	75.00
Expenses on issue of share warrants [refer note 49]	-	(1.57)	-	-		(1.57)
Balance as at March 31, 2024	**0.86**	**233.07**	**3.91**	**292.60**	**75.00**	**605.44**
Balance as at April 01, 2024	**0.86**	**233.07**	**3.91**	**292.60**	**75.00**	**605.44**
Profit for the year	-	-	-	103.34	-	103.34
Other comprehensive income	-	-	-	0.66	-	0.66
Total comprehensive income for the year	**0.86**	**233.07**	**3.91**	**396.60**	**75.00**	**709.44**
Securities premium on shares issued [refer note 49]	-	159.41	-	-	-	159.41
Money received against share warrants [refer note 49]	-	-	-	-	-	-
Shares issued during the year [refer note 49]	-	-	-	-	(40.00)	(40.00)
Expenses on issue of shares	-	(0.05)	-	-	-	(0.05)
Balance as at March 31, 2025	**0.86**	**392.43**	**3.91**	**396.60**	**35.00**	**828.80**

The accompanying notes 1 to 55 are an integral part of the standalone financial statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

For and on behalf of the Board of Directors of
Hindustan Foods Limited
CIN: L15139MH1984PLC316003

VIRENDRA KANAK
Partner
Membership No: 110811

SAMEER R. KOTHARI
Managing Director
DIN: 01361343

GANESH T. ARGEKAR
Executive Director
DIN: 06865379

Place : Mumbai
Date : May 19, 2025

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership No:ACS21865

Place : Mumbai
Date : May 19, 2025

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in Rs. cr, unless otherwise stated)

1. GENERAL INFORMATION

Hindustan Foods Limited (the "Company") is a public company domiciled in India and was incorporated in the year 1984 under the provisions of the Companies Act, 1956 applicable in India. It's registered and principal office of business is located at office No. 03, Level 2, Centrium, Phoenix Market City, Kurla, Mumbai- 400070. The Company is primarily engaged in the business of contract manufacturing of FMCG products comprising primarily of home care, personal care, foods and beverages and job working of shoes. The equity shares of the Company are listed in India on the Bombay Stock Exchange and National Stock Exchange.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards "(Ind AS)" notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Act (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on accrual & going concern basis. Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for defined benefit plans -plan assets measured at fair value and certain financial assets and financial liabilities.

c) Current / non-current classification

The Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities. The Company presents its assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the balance sheet date. The estimates and assumptions used in the accompanying financial statements are

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgements.

e) Rounding off of amounts

The financial statements are reported in Indian Rupee which is functional currency of the Company and all the values are rounded to the nearest crores (Rs. 00,00,000).

2.2 Property, plant and equipment

Freehold land is carried at acquisition cost and is not depreciated. All other items of property, plant and equipment are stated at acquisition cost less accumulated depreciation and impairment, if any. Acquisition cost includes expenditure that is directly attributable to the acquisition of the items.

Spare parts are recognised when they meet the definition of property, plant and equipment, otherwise, such items are classified as inventory.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets which are not ready for intended use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives prescribed under Schedule II of Companies Act, 2013 using the straight-line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Estimated useful life
Leasehold improvement*	Lease period
Building	30 years
Plant & Machinery	15 years
Furniture and Fixtures	10 years
Office Equipment	5 to 10 years
Electrical equipment	10 years
Computers:	3 years
Vehicles	2 to 15 years

*Leasehold improvements are amortised over the lease period, which corresponds with the useful lives of the assets.

Based on the technical expert's assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date when assets are ready for intended use. Depreciation on sale from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, if any, as appropriate.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

2.3 Other intangible assets

Other intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/ depletion and impairment loss, if any. The cost comprises of purchase price and any cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

Amortisation method and periods

Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

The Company amortised intangible assets over their estimated useful lives using the straight-line method. The estimated useful lives of intangible assets are as follows:

Other intangible assets	Estimated useful life
Brand	4 years
Computer software	6 years

2.4 Impairment of non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

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

For non-financial assets, an assessment is made at each reporting period end or whenever triggering event occurs as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimation of the recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the estimations used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, or had no impairment loss been recognised for the asset in prior years.

2.5 Foreign currency transactions

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (Rs.), which is the Company's functional and presentation currency.

b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/ losses arising out of fluctuation in foreign exchange rate between the transaction date and

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Revenue Recognition

The Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring the promised goods or services to a customer. The promised good or service is transferred when (or as) the customer obtains control over a good or service and revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is reported net of taxes and duties as applicable.

For sale of goods, the Company recognises revenue when it transfers control of goods to the customer. Control is passed on to the customer when goods are dispatched from Company's premises or as per terms with customers.

For sale of services, the Company recognises revenue as or when the performance obligation in relation the service is satisfied by the Company based on terms of the agreements with customers and there are no unfulfilled obligations.

Revenue in excess of invoices are classified as unbilled revenue, while invoicing in excess of revenue are classified income received in advance.

Insurance claims are recognised when its amount can be measured reliably, and ultimate collection is reasonably certain.

Interest income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Export Incentives under various schemes are accounted in the year of export on accrual basis.

2.6 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year-end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.7 Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) The contract involves the use of an identified asset

(ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.8 Inventories

Inventories are valued at lower of cost and net realisable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realisable value is made on an item-by-item basis. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

Manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on item by item basis.

2.9 Investments in subsidiaries

Investments in Subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

2.10 Provisions and contingent liabilities

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

2.11 Corporate social responsibility (CSR)

Provisions are recognised for all CSR activity undertaken by the Company for which an obligation has arisen during the year and are recognised in Statement of profit on loss on accrual basis. Provision is made against unspent amount of CSR.

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

i. Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortised cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortised cost and FVOCI.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognise during the year is recognised as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortised cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

iii. Derecognition of financial assets

A financial asset is derecognised only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognised only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

b) Financial liabilities

i. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. 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.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. 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.

iii. Non-cumulative redeemable non-cumulative non-convertible preference shares

Redeemable non-cumulative non-convertible preference shares where payment of dividend is discretionary and which are mandatorily redeemable on a specific date, are classified as compounded Instruments. The fair value of the liabilities portion is determined by discounting amount repayable at maturity using market rate of interest. Difference between proceed receive and fair value of liability on initial recognition is included in shareholder equity, net off income tax effect and not subsequently re-measured. Subsequently liability component of preference share is measured at amortised cost.

iv. 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 as finance costs.

c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability 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.

2.15 Employee benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

i. Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

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Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

ii. Defined benefit plans

Gratuity (funded): The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the other comprehensive income in the year in which they arise.

iii. Other long- term employee benefit obligations

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the statement of profit and loss in the year in which they arise.

2.16 Contributed equity

Equity shares are classified as equity share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as contract manufacturing. Consequently, no separate segment information has been furnished.

2.19 Business Combination

Business Combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. 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. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of profit and loss.

Business Combinations under common control are accounted as per Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognised as capital reserve on common control business combination.

3(A) SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

(i) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year-end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

b) Defined benefit plans and other long-term benefits (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment 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 and mortality rates. 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 year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 35.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

c) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

d) Provision against obsolete and slow-moving inventories

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items if any.

e) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

3(B) RECENT PRONOUNCEMENTS

The Ministry of Corporate Affairs vide notification dated September 09, 2024 and September 28, 2024 notified the companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 01, 2024:

- Insurance Contracts - Ind AS 117; and
- Lease liability in sale and leaseback – Amendments to Ind AS 116

These amendments are not applicable to the Company, as there are no transactions of this nature within the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

4 (a) PROPERTY, PLANT AND EQUIPMENT

	Gross carrying amount					Depreciation & Impairment					Net carrying amount
	As at April 01, 2024	Additions/ Adjustments	Acquisition through business combination	Disposals	As at March 31, 2025	As at April 01, 2024	Acquisition through business combination	Depreciation for the year	Disposals	As at March 31, 2025	As at March 31, 2025
I Owned assets											
Freehold land ###	51.53	-	-	-	51.53	-	-	-	-	-	51.53
Buildings ###	292.94	3.27	-	0.34	295.87	84.37	-	9.22	0.06	93.53	202.34
Plant and machinery#	562.59	29.53	-	47.54	544.58	273.15	-	29.30	12.21	290.24	254.34
Furniture and fixtures	11.52	0.09	-	0.01	11.60	7.98	-	0.69	0.00	8.67	2.93
Vehicles	2.12	0.23	-	0.20	2.15	0.79	-	0.21	0.07	0.93	1.22
Office equipment's	10.20	0.55	-	0.02	10.73	6.51	-	1.05	0.00	7.56	3.17
Electrical equipment	35.32	3.02	-	9.43	28.91	15.89	-	2.89	4.44	14.34	14.57
Computers	7.27	0.27	-	-	7.54	5.62	-	0.65	0.00	6.27	1.27
Leasehold improvement	0.47	0.32	-	-	0.79	0.24	-	0.11	-	0.35	0.44
Total	**973.96**	**37.28**	**-**	**57.54**	**953.70**	**394.55**	**-**	**44.12**	**16.78**	**421.89**	**531.81**
II Right of use assets											
Leasehold land ##, ^	9.16	-	-	-	9.16	0.44	-	0.09	-	0.53	8.63
Building ^	6.24	-	-	-	6.24	3.78	-	0.95	-	4.73	1.51
Plant and machinery	0.47	-	-	-	0.47	0.47	-	-	-	0.47	-
Total	**15.87**	**-**	**-**	**-**	**15.87**	**4.69**	**-**	**1.04**	**-**	**5.73**	**10.14**

Includes finance cost capitalised during the year amounting to Nil (March 31, 2024: Rs. 1.98 cr) in Plant and machinery. Further, Rs. 0.39 cr (March 31, 2024: Rs. NIL) capitalised in Capital Work-in-progress.

Leasehold land aggregating to Rs. 3.21 cr (acquired as part of the business combinations) wherein the title deed is not held in name of the Company as on March 31, 2025 .

for title deeds of immovable properties not held in the name of the Company refer note 47(B)

^ For changes in the carrying value of lease liability refer note 37

	Gross carrying amount					Depreciation & Impairment					Net carrying amount
	As at April 01, 2023	Additions/ Adjustments	Acquisition through business combination [refer note 36(b)]	Disposals	As at March 31, 2024	As at April 01, 2023	Acquisition through business combination [refer note 36(b)]	Depreciation for the year	Disposals	As at March 31, 2024	As at March 31, 2024
I Owned assets											
Freehold land ###	20.32	0.03	31.18	-	51.53	-	-	-	-	-	51.53
Buildings ###	170.53	40.75	81.66	-	292.94	33.75	43.39	7.23	-	84.37	208.57
Plant and machinery#	295.97	60.90	211.43	5.71	562.59	83.78	164.24	25.39	0.26	273.15	289.44
Furniture and fixtures	3.30	0.39	7.83	-	11.52	1.83	5.89	0.26	-	7.98	3.54
Vehicles	2.12	-	-	-	2.12	0.59	-	0.20	-	0.79	1.33
Office equipment's	8.20	2.00	-	-	10.20	5.27	-	1.24	-	6.51	3.69
Electrical equipment	29.10	6.22	-	-	35.32	13.75	-	2.14	-	15.89	19.43
Computers	1.68	1.19	4.40	-	7.27	1.30	3.73	0.59	-	5.62	1.65
Leasehold improvement	0.45	0.02	-	-	0.47	0.16	-	0.08	-	0.24	0.23
Total	**531.67**	**111.50**	**336.50**	**5.71**	**973.96**	**140.43**	**217.25**	**37.13**	**0.26**	**394.55**	**579.41**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

	Gross carrying amount					Depreciation & Impairment					Net carrying amount
	As at April 01, 2023	Additions/ Adjustments	Acquisition through business combination [refer note 36(b)]	Disposals	As at March 31, 2024	As at April 01, 2023	Acquisition through business combination [refer note 36(b)]	Depreciation for the year	Disposals	As at March 31, 2024	As at March 31, 2024
II Right of use assets											
Leasehold land ##, ^	7.02	-	2.14	-	9.16	0.31	0.06	0.07	-	0.44	8.72
Building ^	5.13	1.11	-	-	6.24	2.55	-	1.23	-	3.78	2.46
Plant and machinery	0.47	-	-	-	0.47	0.47	-	-	-	0.47	-
Total	**12.62**	**1.11**	**2.14**	**-**	**15.87**	**3.33**	**0.06**	**1.30**	**-**	**4.69**	**11.18**

4 (b) CAPITAL WORK IN PROGRESS (CWIP)

	As at April 01, 2024	Expenditure during the year	Capitalised during the year	Impairment	Written off	Closing as at March 31, 2025
CWIP	4.74	100.99	(6.71)	-	-	99.02

	As at April 01, 2023	Expenditure during the year	Capitalised during the year	Impairment	Written off	Closing as at March 31, 2024
CWIP	44.53	26.84	(66.63)	-	-	4.74

Ageing of capital work in progress

As at March 31, 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	99.02	-	-	-	**99.02**
Projects temporarily suspended	-	-	-	-	**-**

As at March 31, 2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.62	-	-	-	**1.62**
Projects temporarily suspended	-	-	3.12	-	**3.12**

In case of the following projects, where completion is overdue as compared to it's original plan, completion schedule is as below:

As at March 31, 2025

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-

There are no projects as Capital Work in Progress as at March 31, 2025, the cost of which has exceeded in comparison to its original plan.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

In case of the following projects (CWIP), where completion is overdue as compared to it's original plan, completion schedule is as below:

As at March 31, 2024

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended*	3.12	-	-	-	**3.12**

* The Company is in the process of constructing a warehouse inside one of it's factory for storing inventories. The Company is planning to complete the construction work soon.

5 (a) GOODWILL

	Amount
Cost	
As at April 01, 2023	**1.58**
Additions	-
Disposals/Adjustments	-
As at March 31, 2024	**1.58**
Additions	-
Disposals/Adjustments	-
As at March 31, 2025	**1.58**
Net book value	
As at March 31, 2025	**1.58**
As at March 31, 2024	**1.58**

No impairment loss required to be recognised on goodwill in current and previous year.

5 (b) OTHER INTANGIBLE ASSETS

	Gross carrying amount					Amortisation and impairment					Net carrying amount
	As at April 01, 2024	Additions/ Adjustments	Acquisition through business combination	Disposals	As at March 31, 2025	As at April 01, 2024	Acquisition through business combination	Amortisation for the year	Disposals	As at March 31, 2025	As at March 31, 2025
Other intangible assets											
Brand	2.00	-	-	-	2.00	2.00	-	-	-	2.00	-
Trademark	0.01	-	-	-	0.01	0.01	-	-	-	0.01	-
Computer software	7.02	1.15	-	-	8.17	6.10	-	0.26	-	6.36	1.81
Total	**9.03**	**1.15**	**-**	**-**	**10.18**	**8.11**	**-**	**0.26**	**-**	**8.37**	**1.81**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

	Gross carrying amount					Amortisation and impairment					Net carrying amount
	As at April 01, 2023	Additions/ Adjustments	Acquisition through business combination [refer note 36(b)]	Disposals	As at March 31, 2024	As at April 01, 2023	Acquisition through business combination [refer note 36(b)]	Amortisation for the year	Disposals	As at March 31, 2024	As at March 31, 2024
Other intangible assets											
Brand	2.00	-	-	-	2.00	2.00	-	-	-	2.00	-
Trademark	0.01	-	-	-	0.01	0.01	-	-	-	0.01	-
Computer software	0.17	0.68	6.17	-	7.02	0.13	5.86	0.11	-	6.10	0.92
Total	**2.18**	**0.68**	**6.17**	**-**	**9.03**	**2.14**	**5.86**	**0.11**	**-**	**8.11**	**0.92**

5 (c) INTANGIBLE ASSETS UNDER DEVELOPMENT

	As at April 01, 2024	Expenditure during the year	Capitalised during the year	Impairment	Written off	Closing as at March 31, 2025
Intangible assets under development	0.34	0.11	(0.05)	-	-	0.40

	As at April 01, 2023	Expenditure during the year	Capitalised during the year	Impairment	Written off	Closing as at March 31, 2024
Intangible assets under development	0.40	0.51	(0.57)	-	-	0.34

Ageing of Intangible asset under development

As at March 31, 2025

Intangible asset under development	Amount in intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.11	0.29	-	-	**0.40**
Projects temporarily suspended	-	-	-	-	**-**

As at March 31, 2024

Intangible asset under development	Amount in intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.34	-	-	-	**0.34**
Projects temporarily suspended	-	-	-	-	**-**

There are no projects as Intangible assets under development as at March 31, 2025 and March 31, 2024, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

6 FINANCIAL ASSETS - LOANS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Unsecured, considered good				
Loan to related parties, repayable on demand [refer note 38(c)]	-	112.91	-	102.77
Loan to others, repayable on demand	-	1.00	-	-
Total financial assets	**-**	**113.91**	**-**	**102.77**

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

Type of Borrower	Loans/Advances granted Individually or Jointly with other (Individually / Jointly)	Repayable on demand	Terms/ Period of repayment is specified	March 31, 2025		March 31, 2024	
				Amount outstanding	% of Total	Amount outstanding	% of Total
Subsidiary Companies	Individually	Yes	No	112.91	99.12%	102.77	100%
Total				**112.91**		**102.77**	

The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, either severally or jointly with any other person.

7 OTHER FINANCIAL ASSETS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Financial instruments at amortised cost				
Security deposits	8.22	-	6.31	0.20
In fixed deposit accounts with original maturity for more than 12 months#	11.08	62.52	112.25	-
Interest accrued on deposits with bank	-	1.88	-	0.65
Interest accrued on loans given to related parties (refer note 38)	-	-	-	0.76
Interest accrued on loans given to others	-	0.03	-	-
Unbilled revenue	-	76.39	-	61.98
Other receivable*	-	0.72	-	8.21
Total other financial assets	**19.30**	**141.54**	**118.56**	**71.80**

These Includes fixed deposits of Rs. 0.11 cr (March 31, 2024: Rs. 0.56cr) held as margin money deposit against guarantees and lien.

* Refer note 38 for other receivables from related party

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

8 NON-CURRENT TAX ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income tax (net)	-	3.34
Total non-current tax assets	**-**	**3.34**

9 OTHER NON-CURRENT AND CURRENT ASSETS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Capital advances*	37.65	-	5.77	-
Prepaid expenses	0.34	4.96	0.27	2.93
Balance with government authorities (other than income tax)	-	25.96	-	23.83
Export incentive receivable	-	1.89	-	1.29
Advances to suppliers	-	6.59	-	12.46
Advances to employees	-	0.11	-	0.08
Total other assets	**37.99**	**39.51**	**6.04**	**40.59**

* Value of contracts in capital account remaining to be executed as at March 31, 2025 Rs. 52.57 cr (as at March 31, 2024: Rs.3.39 cr)

10 INVENTORIES*

Particulars	As at March 31, 2025	As at March 31, 2024
(Lower of cost or Net realisable value)		
Raw material	327.69	195.31
Work in progress	123.50	110.15
Finished goods	50.70	59.11
Packing material	43.41	31.38
Consumables, store and spares parts	5.26	5.17
Total inventories	**550.56**	**401.12**

*Hypothecated as charge against short term-borrowings. Refer note 17(B).

11 INVESTMENTS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Investment in Subsidiaries (refer note 38)				
Unquoted equity shares				
10,000 (March 31, 2024 10,000) Equity Shares of Rs. 10 each fully paid up in HFL Consumer Products Private Limited	0.01	-	0.01	-
10,000 (March 31, 2024 10,000) Equity Shares of Rs. 10 each fully paid up in HFL Multiproducts Private Limited (refer note 50)	0.01	-	0.01	-
5,00,00,000 (March 31, 2024 5,00,00,000) Equity Shares of Rs. 10 each fully paid up in HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	73.49	-	73.49	-
40,00,000 (March 31, 2024 40,00,000) Equity Shares of Rs. 10 each fully paid up in KNS Shoetech Private Limited (refer note 36(a))	46.72	-	3.72	-
Investment in Limited liability Partnership Firm (refer note 38)				
Aero Care Personal Products LLP	6.90	-	6.90	-
Other Investments				
Unquoted equity shares of Transition Sustainable Energy Services One Private Limited	0.00*	-	-	-
	127.13	**-**	**84.13**	**-**
*Amount below rounding off norms				
Aggregate book value of:				
Unquoted investments	**127.13**	**-**	**84.13**	**-**

12 TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables *	133.61	101.19
Less: Allowance for bad and doubtful debts	(0.42)	(0.42)
Total trade receivables	**133.19**	**100.77**
Current portion	**133.19**	**100.77**
Non current portion	**-**	**-**

* Refer note 38 for trade receivables from related party

(a) Breakup of security details

Particulars	As at March 31, 2025	As at March 31, 2024
Secured, considered good		
Unsecured		
-Considered good	133.19	100.77
-Considered doubtful	-	-
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	0.42	0.42
Total	**133.61**	**101.19**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Allowance for bad and doubtful debts	(0.42)	(0.42)
Total trade receivables	**133.19**	**100.77**

(b) The movement in allowances for doubtful receivables is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.42	0.38
Additions	-	0.15
Write off (net of recovery)	-	0.11
Closing Balance	0.42	0.42

(c) Ageing of Trade Receivables

As at March 31, 2025

Particulars	Not Due	Outstanding for following periods from due date of receipts					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	74.93	58.04	0.22	-	-	-	133.19
(ii) Undisputed Trade Receivables –which have significant increase in credit risk			-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired			-	0.07	0.22	0.13	0.42
(iv) Disputed Trade Receivables– considered good			-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk			-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired			-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)			-	(0.07)	(0.22)	(0.13)	(0.42)
	74.93	58.04	0.22	-	-	-	133.19

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

As at March 31, 2024

Particulars	Not Due	Outstanding for following periods from due date of receipts					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	78.59	20.96	1.22	0.00	-	-	100.77
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.21	0.10	0.11	0.42
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	(0.21)	(0.10)	(0.11)	(0.42)
	78.59	20.96	1.22	0.00	-	-	100.77

(d) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member

13 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
Balances with banks		
- In current accounts	42.71	3.86
- Fixed deposits with original maturity of less than 3 months	0.07	-
Cash on hand	0.20	0.03
Total cash and cash equivalents	**42.98**	**3.89**

14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
In fixed deposit with original maturity for more than 3 months but less than 12 months *	6.63	6.11
Total bank balances other than cash and cash equivalents	**6.63**	**6.11**

* These Includes fixed deposits of Rs. 6.25 cr (March 31, 2024: Rs. 5.94 cr) held as margin money deposit against guarantees and lien.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

15 EQUITY SHARE CAPITAL

The Company has only one class of equity share capital having a par value of Rs. 2/- per share (March 31, 2024 Rs. 2/- per share), referred to herein as equity shares.

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised		
26,57,61,265 (March 31, 2024 26,57,61,265 Equity Shares of Rs.2/- each) Equity shares of Rs.2/- each	53.15	53.15
	53.15	**53.15**
Issued, subscribed and paid up		
11,75,02,413 (March 31, 2024 11,45,73,353 Equity Shares of Rs.2/- each) Equity shares of Rs.2/- each fully paid up	23.50	22.91
Total	**23.50**	**22.91**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at March 31, 2025		As at March 31, 2024	
	No. of shares of Rs. 2 each unless otherwise stated	Amount	No. of shares of Rs. 2 each unless otherwise stated	Amount
Outstanding at the beginning of the year	11,45,73,353	22.91	11,27,42,690	22.55
Add: Changes in equity share capital during the year [refer note 49]	29,29,060	0.59	18,30,663	0.36
Outstanding at the end of the year	**11,75,02,413**	**23.50**	**11,45,73,353**	**22.91**

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of Rs.2 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees.

During the year ended March 31, 2025, the amount of per share dividend recognised as distributions to equity shareholders was Nil (March 31, 2024: Nil).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares of Rs. 2 each unless otherwise stated	% of holding in the class	No. of shares of Rs. 2 each unless otherwise stated	% of holding in the class
Vanity Case (India) Private Limited	4,64,58,145	39.54%	4,64,58,145	40.55%
Asha R. Kothari	1,20,75,915	10.28%	1,20,75,915	10.54%
Sameer R. Kothari	1,20,75,915	10.28%	1,20,75,915	10.54%
M/s. Jwalamukhi Investment Holdings	-	0.00%	65,95,062	5.76%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

(d) Details of Shares held by Promoters at the end of the year

Promoter name	As at March 31, 2025			As at March 31, 2024		
	No. of shares of Rs. 2 each unless otherwise stated	% of total shares	% Change as compared to immediate preceding year	No. of shares of Rs. 2 each unless otherwise stated	% of total shares	% Change as compared to immediate preceding year
Vanity Case India Private Limited	4,64,58,145	39.54%	(1.01%)	4,64,58,145	40.55%	(0.66%)
Asha R. Kothari	1,20,75,915	10.28%	(0.26%)	1,20,75,915	10.54%	(0.17%)
Sameer R. Kothari	1,20,75,915	10.28%	(0.26%)	1,20,75,915	10.54%	(0.17%)
Shrinivas Vasudeva Dempo	20,00,000	1.70%	(0.04%)	20,00,000	1.75%	(0.03%)
Soiru Dempo Management Holding Private Limited	5,00,000	0.43%	(0.01%)	5,00,000	0.44%	(0.01%)
V.S. Dempo Holdings Private Limited	-	-	-	-	-	-
Total	**7,31,09,975**	**62.23%**	**(1.59%)**	**7,31,09,975**	**63.82%**	**(1.04%)**

(e) Information regarding issue of Equity Shares during last five years

(i) No shares have been issued as bonus shares by the Company during the period of five years immediately preceding the current year end.

(ii) No shares have been bought back by the Company during the period of five years immediately preceding the current year end.

16 OTHER EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
Capital reserve	3.91	3.91
Securities premium	392.43	233.07
Equity component of redeemable non cumulative non convertible preference shares	0.86	0.86
Retained earnings	396.60	292.60
Money received against share warrants	35.00	75.00
	828.80	**605.44**

Nature and purpose of other reserves	
Capital reserve (including reserve created on common control business combination)	The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.
Securities premium	Securities premium is used to record the premium on issue of shares. This is utilised in accordance with the provisions of the Companies Act 2013.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

Nature and purpose of other reserves	
Equity component of redeemable non cumulative non convertible preference shares	Equity component represents difference between consideration received and present value of liability component on initial recognition (net of deferred tax).
Retained earnings	Retained earnings are the profits that the Company has earned till date, dividends or other distributions paid to shareholders.
Money received against share warrants	25% amount received towards issue of convertible share warrants on preferential basis.

Particulars		As at March 31, 2025	As at March 31, 2024
(A)	**Capital reserve**		
	Opening balance	3.91	0.40
	Add : Gain on account of business acquisition (refer note 36(b))	-	3.51
	Closing balance	**3.91**	**3.91**
(B)	**Securities premium**		
	Opening balance	233.07	135.01
	Add : Securities premium on shares issued [refer note 49]	159.41	99.63
	Less - Share issues expenses	(0.05)	-
	Less : Expenses on issue of share warrants	-	(1.57)
	Closing balance	**392.43**	**233.07**
(C)	**Equity component of redeemable non cumulative non convertible preference shares**	**0.86**	**0.86**
(D)	**Retained earnings**		
	Opening balance	292.60	213.41
	Add: Net profit for the year	103.34	78.28
	Add: Item of OCI for the year, net of tax	0.66	0.91
	Closing balance	**396.60**	**292.60**
(E)	**Money received against share warrants**		
	Opening balance	75.00	-
	Add: Received during the year	-	75.00
	Less: Shares issued during the year [refer note 49]	(40.00)	-
	Closing balance	**35.00**	**75.00**
	Total other equity	**828.80**	**605.44**

17 (a) NON-CURRENT BORROWINGS

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Term loan		
From banks	406.27	378.95
From others	29.55	36.43

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Vehicle Loan		
From bank	0.57	0.75
Unsecured		
Liability component of compound financial instruments		
9% redeemable non cumulative non convertible preference shares*	0.91	0.84
Less: Current maturities of long term borrowings [refer note 17(b)]	(72.78)	(67.97)
Total non-current borrowings	**364.52**	**349.00**

A) Terms of non-current borrowing are as under

Particulars	Rate of interest (p.a.)	Repayment terms
Non current, secured borrowings		
Term loan from Banks	Ranging from 8.75% to 10.35%	Repayable in monthly and quarterly instalments
Term loan from others	Ranging from 9.95% to 10.10%	Repayable in quarterly instalments
Vehicle loan from Bank	8.00%	Repayable in monthly instalments
Non current, unsecured borrowings		
Redeemable non cumulative non convertible preference shares*	9.00%	Redeemable not later than 19 years from the date of issue i.e. September 27, 2012.

* The Company has authorised redeemable non cumulative non convertible preference shares of Rs. 2.00cr, of which the Company has issued preference shares amounting to Rs. 1.60 cr (previous year Rs. 1.60 cr) to V.S. Dempo Holdings Pvt Ltd

B) Nature of security :

For term loan from banks

i. Term loan from SVC bank has been secured by exclusive charge on entire land and building and plant and machinery at Masat and Silvassa factory of the Company.

ii. Term loan from HDFC bank has been secured by charge on the current and future land and building and Plant and machinery of Hyderabad factory of the Company and first pari passu charge on stock and book debt along with yes bank and personal guarantee of Mr Sameer Kothari.

iii. Term loan from Yes bank has been secured by exclusive charge on the movable fixed assets and land and building of the Coimbatore and Jammu and Goa factory of the Company and Pari passu charge over the entire current assets of the Company with HDFC and SVC bank and personal guarantee of Mr Sameer Kothari.

iv. Term loan from IDFC bank has been secured by exclusive charge on the movable fixed assets and intangible assets including insurance assets and land and building of the Baddi factory of the Company and exclusive charge over the current assets of the Baddi factory of the Company and personal guarantee of Mr Sameer Kothari.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

For term loan from others

i. Term loan from Bajaj Finance Limited has been secured by charge on the entire movable and immovable fixed assets of the HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited) and Company and current assets of the Reckitt Benckiser Scholl India Private Limited.

For vehicle loan

i. Vehicle loan from HDFC bank has been secured by charge on the vehicle.

C) **Period and amount of default:**

The Company has made no defaults in the payment of principal or interest during the year ended March 31, 2025.

D) The Bank loans contain certain debt covenants relating to limitation on indebtedness, debt-equity ratio, current ratio, net Borrowings to EBITDA ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Company meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorisation of the financial statements.

The Company has also satisfied all other debt covenants prescribed in the terms of bank loan.

E)

Particulars of Loans	Purpose of loan	Whether used for the purpose stated in the loan Agreement
Term Loan - Yes Bank	Towards acquisition of manufacturing unit at samba industrial Area, Jammu.	Yes
Term Loan - Yes Bank	Towards Purchase of Land and Setting up of manufacturing plant in Coimbatore (Including reimbursement incurred)	Yes
Guaranteed Emergency Credit Line (GECL) - Yes Bank	Towards Working capital payments	Yes
Emergency Credit Line Guaranteed Scheme (ECGLS) - HDFC BANK LTD	Towards Working capital payments	Yes
Term Loan - HDFC BANK LTD	Towards process engineering at existing Plant at Hyderabad	Yes
Term Loan - HDFC BANK LTD	Towards capital expenditure of plant at Hyderabad.	Yes
Term Loan - SVC BANK	Set up new factory at Silvassa, towards manufacturing of surface cleaning & toilet clearing product.	Yes
Term Loan - HDFC BANK LTD	Towards working capital and capacity addition at Hyderabad plant for making detergent bars and soaps	Yes
Term Loan - Bajaj Finance LTD	Towards General Corporate Purpose/ Share purchase of HFL Healthcare and wellness private limited (earlier know as "Reckitt Benckiser Scholl India Private Limited")	Yes
Term Loan - IDFC First Bank LTD	To part finance the slump sale transaction of manufacturing facility at Baddi.	Yes

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

E)

Particulars of Loans	Purpose of loan	Whether used for the purpose stated in the loan Agreement
Term Loan - HDFC BANK LTD	Set up new factory at Nashik, towards manufacturing of ice-cream product.	Yes
Vehicle Loan - HDFC BANK LTD	Towards purchase of vehicle	Yes

F) **The Company have not pledged any financial and non financial assets as security for current or non-current borrowings.**

17 (b) CURRENT BORROWINGS

	As at March 31, 2025	As at March 31, 2024
Secured		
From banks		
Cash credits	68.80	86.16
Current maturities of long term borrowings [refer note 17 (a)]	72.78	67.97
Total current borrowings	**141.58**	**154.13**

A) **Terms of current borrowing are as under**

Particulars	Rate of interest (p.a)	Repayment terms
Current, secured borrowings	Ranging from 9.00% to 10.35%	Repayable on demand

B) **Nature of security :**

i. Cash credit from Yes Bank has been secured by exclusive charge on the movable fixed assets of the Jammu & Goa factory of the Company, pari passu charge over the entire current assets of the Company with HDFC, exclusive charge on land and building of Jammu factory and pari passu charge on the land and building of Goa plant along with HDFC bank.

ii. Cash credit from HDFC Bank has been secured by first pari passu charge on the stock and book debt of the Company along with Yes bank, exclusive charge on current and future plant and machinery of the Hyderabad factory, first pari passu charge on the land and building of Goa factory and exclusive charge on current and future land and building of Hyderabad factory.

iii. Cash credit from IDFC bank has been secured by exclusive charge on the movable fixed assets and intangible assets including insurance assets and land and building of the Baddi factory of the Company and exclusive charge over the current assets of the Baddi factory of the Company.

C) **Period and amount of default:**

The Company has made no defaults in the payment of principal or interest during the year ended March 31, 2025.

D) The statements of current assets and stocks submitted by the Company with banks are in agreement with the books of accounts.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

18 PROVISIONS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Provision for employee benefits (refer note 35)				
- Provision for gratuity (unfunded)	8.37	0.60	9.04	0.90
- Leave encashment (unfunded)	2.61	0.28	2.18	0.20
Total Provisions	**10.98**	**0.88**	**11.22**	**1.10**

19 TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	0.02	0.43
Total outstanding dues of creditors other than micro enterprises and small enterprises *	383.84	308.83
Total trade payables	**383.86**	**309.26**

* Refer note 38 for trade payables to related party

Disclosure relating to suppliers registered under MSMED Act, 2006 based on the information available with the Company:

	As at March 31, 2025	As at March 31, 2024
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	0.02	0.43
Interest	-	0.00*
Total	**0.02**	**0.43**
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	0.00*
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

* Amount below rounding off norms

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

Trade Payables ageing schedule

As at March 31, 2025

Particulars	Unbilled dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		0.02					**0.02**
(ii) Disputed dues – MSME							**-**
(iii) Others	6.74	251.92	121.63	0.89	0.60	2.06	**383.84**
(iv) Disputed dues - Others							**-**
	6.74	**251.95**	**121.62**	**0.89**	**0.60**	**2.06**	**383.86**

As at March 31, 2024

Particulars	Unbilled dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.32	0.11	-	-	-	**0.43**
(ii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iii) Others	6.18	139.81	158.98	0.63	1.73	1.50	**308.83**
(iv) Disputed dues - Others	-	-	-	-	-	-	**-**
	6.18	**140.13**	**159.09**	**0.63**	**1.73**	**1.50**	**309.26**

20 OTHER CURRENT FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Other financial liabilities at amortised cost		
Security deposit received	0.19	0.11
Employee related payable	9.82	9.25
Other Payables	0.26	1.39
Capital creditors	17.94	9.24
Total other financial liabilities	**28.21**	**19.99**

21 OTHER CURRENT LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	3.23	11.25
Advance from customers	20.52	15.52
Other payables	0.18	0.13
Security deposit received	0.85	0.85
Total other current liabilities	**24.78**	**27.75**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(Amounts in Rs. cr, unless otherwise stated)

22 CURRENT TAX LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Current tax payable (net)	13.12	-
Total current tax liabilities	**13.12**	**-**

23 REVENUE FROM OPERATIONS

		Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers:			
- Sale of products		2,692.13	2,342.41
- Trading of goods		-	-
- Sale of services		34.51	32.88
Total	(A)	2,726.64	2,375.29
Other operating revenue			
- Export incentive		2.99	2.18
- Scrap sales		3.25	3.19
- Trial charges		0.98	0.72
Total	(B)	7.22	6.09
Total revenue from operations (A)+(B)		2,733.86	2,381.38

A. Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by major service lines.

	Year ended March 31, 2025	Year ended March 31, 2024
- Sale of products - contract manufacturing	2,692.13	2,342.41
- Sale of services	34.51	32.88
Total	**2,726.64**	**2,375.29**
Geographic revenue		
- India	2,646.22	2,322.52
- Rest of the world	80.42	52.77
Total	**2,726.64**	**2,375.29**

B. Trade receivables and contract balances

The following table provides information about receivables, contract assets and current liabilities from contracts with customers:

	Year ended March 31, 2025	Year ended March 31, 2024
Receivables, which are included in trade receivables *	133.19	100.77
Unbilled revenue	76.39	61.98
Advances from customers ^	20.52	15.52
Total	**230.10**	**178.27**

* Trade Receivable represents the amount of consideration in exchange for goods or services transferred to the customers that is unconditional. Contract assets are initially recognised for revenue from sale of goods and services.

^ The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2025.

C. Transaction price allocated to the remaining performance obligation

There are no unsatisfied long-term contracts / performance obligation that have impact on financial statements.

The Company applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

D. Reconciliation of contract price with revenue during the year

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contract price	2,727.69	2,375.80
Adjustment for discounts/others	(1.05)	(0.51)
Revenue from contract with customer	**2,726.64**	**2,375.29**

24 OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on fixed deposits	4.91	2.24
Interest on loan to related parties (refer note 38)	10.16	4.66
Interest on loan to others	0.03	-
Foreign exchange Gain (net)	1.61	-
Liabilities no longer required written back	0.52	1.65
Provision for doubtful debts written back	-	0.11
Miscellaneous income	1.36	1.36
Total other income	**18.59**	**10.02**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

25 COST OF MATERIAL CONSUMED

	Year ended March 31, 2025	Year ended March 31, 2024
Raw material		
Inventory at the beginning of the year	195.31	150.29
Inventory acquired on business combination - [refer note 36(b)]	-	17.56
Add: Purchases	2,019.52	1,760.87
Less: Inventory at the end of the year	327.69	195.31
Cost of raw material consumed	1,887.14	1,733.41
Packaging material		
Inventory at the beginning of the year	31.38	22.24
Inventory acquired on business combination - [refer note 36(b)]	-	6.41
Add : Purchases	404.64	344.72
Less : Inventory at the end of the year	43.41	31.38
Cost of packaging material consumed	392.61	341.99
Total cost of materials consumed	2,279.75	2,075.40

26 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year		
- Finished goods	59.12	49.99
- Work-in-progress	110.15	58.80
- Inventory acquired on business combination - [refer note 36(b)]	-	6.56
	169.27	115.35
Less: Inventories at the end of the year		
- Finished goods	50.70	59.12
- Work-in-progress	123.50	110.15
	174.20	169.27
Net increase	(4.93)	(53.92)

27 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages, bonus and other allowances	70.64	53.53
Contribution to provident and other funds	3.02	2.32
Gratuity expense (refer note 35)	2.63	1.63
Staff welfare expenses	4.03	1.82
Total employee benefits expense	80.32	59.30

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

28 FINANCE COSTS

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on borrowing	41.82	34.84
Interest expense on lease Liabilities [refer note 37 (v)]	0.26	0.32
Interest on redeemable non cumulative non convertible preference shares	0.08	0.07
Other finance charge	4.68	2.51
Total finance costs	46.84	37.74

29 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment [refer note 4 (a)]	44.12	37.13
Depreciation of right of use assets [refer note 4 (a)]	1.04	1.30
Amortisation of other intangible assets [refer note 5 (b)]	0.26	0.11
Total depreciation and amortisation expense	45.42	38.54

30 MANUFACTURING AND OPERATING COSTS

	Year ended March 31, 2025	Year ended March 31, 2024
Job work expenses	21.34	18.24
Power, fuel & electricity	37.85	29.81
Repairs and maintenance - plant & machinery	7.57	7.25
Repairs and maintenance - building	0.01	0.11
Repairs and maintenance - others	4.08	2.60
Contract labour charges	44.04	40.58
Other manufacturing expenses	4.03	2.17
Total manufacturing and operating costs	118.92	100.76

31 OTHER EXPENSES

	Year ended March 31, 2025	Year ended March 31, 2024
Stores and spares consumed	8.83	6.87
Insurance	3.88	2.06
Rent [refer note 37 (v)]	2.23	2.82
Rates and taxes	2.33	1.92
Carriage and freight	9.79	5.61
Travel and conveyance	3.12	2.70
Postage and courier	0.34	0.36
Printing & stationery	0.62	0.39
Legal and professional charges	5.72	4.24

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Advertisement	0.03	0.03
Business promotion	-	0.11
Provision for doubtful debts	-	0.15
Provision for doubtful advances	-	0.70
Foreign exchange loss (net)	-	0.38
Corporate social responsibility expenditure (refer note 43)	1.71	1.55
Security charges	4.01	3.48
Bank charges	0.35	0.15
Advances written off	-	0.18
Donation	-	0.01
Auditors remuneration [refer note (a) below]	0.45	0.40
Bad debts	-	0.30
Director's sitting fees (refer note 38)	0.23	0.23
Miscellaneous expenses	3.73	2.68
Total other expenses	**47.37**	**37.32**

Note (a) Auditors remuneration (excluding GST)	Year ended March 31, 2025	Year ended March 31, 2024
As auditor:		
Statutory audit	0.30	0.28
Limited review fees	0.14	0.11
In other capacity:		
Other matters	0.01	0.01
Total	**0.45**	**0.40**

32 INCOME TAX AND DEFERRED TAX

A) Tax expense charged to the statement of profit or loss

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	33.74	23.33
Adjustment of tax relating to earlier periods	-	(0.15)
Deferred tax charge / (income)	1.68	(5.20)
Tax expense reported in the statement of profit or loss	**35.42**	**17.98**

B) Tax expense charged to OCI

	Year ended March 31, 2025	Year ended March 31, 2024
Net loss/(gain) on remeasurements of defined benefit plans	(0.22)	(0.31)
Tax expense charged to OCI	**(0.22)**	**(0.31)**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

C) Reconciliation of tax charge

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	138.76	96.26
Enacted income tax rate in India applicable to the Company	25.17%	25.17%
Income tax expense at tax rates applicable	34.92	24.22
Tax effects of items that are not deductible in determining taxable income:		
CSR expenditure and donations	0.43	0.39
Others	0.07	0.23
Tax relating to earlier periods	-	(0.15)
Due to change in Income tax rate	-	(6.72)
Income tax expense	**35.42**	**17.98**

D) Deferred tax relates to the following:

	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
On provision for employee benefits	3.54	2.56
Provision for doubtful debts	0.10	0.10
Provision for doubtful advance	0.18	0.18
On Others	0.06	0.09
	3.88	**2.93**
Deferred tax liabilities		
On property, plant and equipment	36.19	35.07
On unamortised processing cost	0.50	0.22
On lease liabilities (net)	1.04	1.08
	37.73	**36.37**
Deferred tax liabilities net	(33.85)	(33.45)
Deffered tax on prior period tax adjustments	-	(0.60)
Deferred tax assets on acquisition of baddi factory [refer note 36(b)]	-	1.87
Deferred tax liability, net	**(33.85)**	**(32.18)**

E) Deferred tax assets/ (liabilities) to be recognised in statement of profit and loss

	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax assets/(liabilities), net	(33.85)	(32.18)
Deffered tax on prior period tax adjustments	-	0.60
Deferred tax assets on acquisition of baddi factory [refer note 36(b)]	-	(1.87)
Less: Opening deferred tax liabilities	32.18	38.65
Deferred tax credit / (charge) for the year	**(1.68)**	**5.20**
Tax liability recognised in statement of profit and loss	(1.46)	5.51
Tax liability recognised in OCI		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
On re-measurements gain/(losses) of post-employment benefit obligations	(0.22)	(0.31)
Total deferred tax credit / (charge) recognised in the statement of profit and loss	**(1.68)**	**5.20**

33 EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributable to equity holders	103.34	78.28
Weighted average number of equity shares (in cr) for basic EPS [refer note 49]	11.53	11.30
Weighted average number of equity shares (in cr) for diluted EPS [refer note 49]	11.53	11.30
Basic per share (Rs)	8.96	6.92
Diluted per share (Rs)	8.96	6.92

34 CONTINGENT LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Claim for expired goods	0.07	0.07
Letter of Credit issued	0.52	0.48
Bank Guarantees	1.63	1.12
Financial Guarantee issued on behalf of subsidiary (refer note 38)	341.52	192.20
	343.74	**193.87**
Capital commitments	**52.57**	**3.39**

35 EMPLOYEE BENEFITS

The Company has the following employee benefit plans:

(A) Defined contribution plans

Contribution to Defined Contribution Plans, recognised as expense for the year Rs. 3.02crs (Previous year Rs. 2.32crs) (refer note 27)

(B) Defined benefit plans

Gratuity payable to employees

i) Actuarial assumptions

	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate (per annum)	6.75%	7.20%
Rate of increase in Salary	7% -10%	7% -10%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Expected average remaining working lives of employees (years)	23.06	22.98
Attrition rate	2% - 15%	2% - 15%

ii) Changes in the present value of defined benefit obligation

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Present value of obligation at the beginning of the year	**9.94**	**3.84**
Transfer in/(out) obligation	(0.18)	6.14
Current service cost	1.95	1.36
Interest cost	0.68	0.26
Benefits paid	(2.54)	(0.44)
Actuarial (gain)/ loss on obligations	(0.88)	(1.22)
Present value of obligation at the end of the year	**8.97**	**9.94**

iii) Change in the fair value of plan assets:

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Opening fair value of plan assets	**-**	**-**
Expenses of the fund	-	-
Interest income	-	-
Contributions by employer	-	-
Benefits paid	-	-
Actuarial (losses)/ gains	-	-
Closing fair value of plan assets	**-**	**-**

iv) Expense recognised in the Statement of Profit and Loss

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Current service cost	1.95	1.36
Expenses of the fund	-	-
Interest cost	0.68	0.26
Total expenses recognised in the Statement Profit and Loss *	**2.63**	**1.63**

*Included in employee benefits expense (refer note 27)

v) Remeasurement (gain)/ loss recognised in other comprehensive income

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Actuarial (gain) / loss on obligations	(0.88)	(1.22)
Actuarial gain /(loss) for the year on asset	-	-
Total remeasurement (gain)/ loss recognised in other comprehensive income	**(0.88)**	**(1.22)**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

vi) Assets and liabilities recognised in the Balance Sheet:

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Present value of funded obligation	8.97	9.94
Less: fair value of plan assets	-	-
Net asset / (liability) recognised in Balance Sheet*	**8.97**	**9.94**

*Included in provision for employee benefits (refer note 18)

vii) Expected contribution to the fund in the next year

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Gratuity	0.61	0.90

viii) A quantitative sensitivity analysis for significant assumption is as shown below:

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Impact on defined benefit obligation		
Discount rate		
0.5% increase	8.53	9.43
0.5% decrease	9.46	10.49
Rate of increase in salary		
0.5% increase	9.42	10.45
0.5% decrease	8.57	9.46
Withdrawal rate		
110% change	8.91	9.86
90% change	9.05	10.02

ix) Maturity profile of defined benefit obligation

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Apr 2024- Mar 2025	-	0.90
Apr 2025- Mar 2026	0.61	0.54
Apr 2026- Mar 2027	0.48	0.57
Apr 2027- Mar 2028	0.53	0.64
Apr 2028- Mar 2029	0.56	0.58
Apr 2029- Mar 2030	0.78	-
Apr 2029 onwards	-	3.55
Apr 2030 onwards	3.29	-

(C) Other long term employee benefit obligation

Leave entitlement

Employee Benefit expenses for the year include Rs.1.06crs (Previous year Rs.0.41crs) towards leave entitlement.

The liability for leave entitlement is recognised in the same manner as gratuity aggregating Rs. 2.89 cr as at March 31, 2025 (March 31, 2024: Rs. 2.38cr).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

36 BUSINESS COMBINATIONS DURING PREVIOUS YEAR

(a) The Company on October 01, 2023, has acquired 100% equity share capital of KNS shoetech Private Limited ("KNS Shoetech") for a cash consideration of Rs.3.72 cr as per the terms and conditions of the Share Purchase Agreement including amendments thereof (if any) entered between the Company and KNS Shoetech.

(b) Acquisition Information - Baddi manufacturing facility of Reckitt Benckiser Healthcare India Private Limited

(i) The Company on December 16, 2023, has completed the acquisition of manufacturing facility of Reckitt Benckiser Healthcare India Private Limited ("Reckitt") situated at Baddi, Himachal Pradesh for a cash consideration of Rs.127.75 cr as per the terms and conditions of the Business Transfer Agreement dated December 15, 2022 including amendments thereof (if any) entered between the Company and Reckitt.

On acquisition, the Company has recognised the fair value of net assets acquired of Rs.129.39 cr resulting in capital reserve of Rs.3.51 cr (after adjustment of related tax).

(ii) Details of purchase consideration, assets and liabilities acquired are as follows:

(All amounts in Rs.cr, unless otherwise stated)

Particulars	Amount
A) Assets acquired on December 16, 2023	
Property, plant and equipment	119.25
Right of use assets	2.09
Other intangible assets	0.31
Inventories*	32.85
Trade receivables	1.18
Other current assets	0.73
Total Assets acquired (A)	**156.40**
B) Liabilities assumed on December 16, 2023	
Trade payables	18.07
Employee benefit obligations	7.43
Other current financial liabilities	1.51
Total Liabilities Assumed (B)	**27.01**
Net Assets acquired (C) = (A-B)	**129.39**
Purchase Consideration (D)	**127.75**
Capital reserve on acquisition (C-D)	**1.64**
Add: Deferred tax assets on employee benefit obligations	**1.87**
Adjusted capital reserve on acquisition	**3.51**

* It includes consumables, store and spares parts of Rs.2.32cr

(iii) On business combination of the Baddi manufacturing facility of Reckitt Benckiser Healthcare India Private Limited, deferred tax asset of Rs. 1.87 cr was created on employee benefit obligations assumed which was added to capital reserve accounted as per note 36(b)(ii).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

37 LEASES

(i) For changes in the carrying value of Right-of-use Assets refer note 4 (a)

(ii) Changes in the Lease liabilities

Particulars	Category of ROU Asset		Total
	Leasehold land	Building	
Balance as at April 01, 2023	1.52	2.89	4.41
Interest	0.06	0.26	0.32
Additions	-	1.10	1.10
Lease Payments	0.04	1.48	1.52
Balance as at March 31, 2024	**1.54**	**2.77**	**4.31**
Interest	0.06	0.20	0.26
Lease Payments	0.04	1.11	1.15
Balance as at March 31, 2025	**1.56**	**1.86**	**3.42**

(iii) Break-up of current and non-current lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Current Lease Liabilities	1.07	**0.91**
Non-current Lease Liabilities	2.35	3.40

(iv) Maturity analysis of lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	1.21	1.15
One to five years	1.06	2.18
More than five years	13.12	13.21
Total	**15.39**	**16.54**

As per Para B11 of Ind AS 107 Financial Instruments: Disclosure, In preparing the maturity analyse an entity uses its judgment to determine an appropriate number of time bands.

(v) Amounts recognised in statement of Profit and Loss account

Particulars	As at March 31, 2025	As at March 31, 2024
Interest on Lease Liabilities	0.26	0.32
Depreciation of right of use assets	1.04	1.30
Short-term and low value leases expensed	2.23	2.82
Total	**3.53**	**4.44**

(vi) Amounts recognised in statement of Cash Flows

Particulars	As at March 31, 2025	As at March 31, 2024
Total Cash outflow for leases	(1.15)	(1.52)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

38 RELATED PARTY DISCLOSURES:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding company

Vanity Case India Private Limited

Entity under common control

V.S Dempo Private Limited

Avalon Cosmetics Private Limited

Motown Trading Private Limited

Adonia Cosmetics Private Limited

Mahak Cosmetics and Credit Private Limited

Christine Valmy Institute Private Limited

Allies Logistics Private Limited

Firm in which Directors of Company or their relatives are Partner

M/s Shivom Industries

M/s Athene Laboratories

M/s Sundaram Cosmetics

M/s Galaxy Healthcare Products

M/s Spans Healthcare

Subsidiary

HFL Consumer Products Private Limited

Aero Care Personal Products LLP

HFL Multiproducts Private Limited (with effective from June 23, 2023) (refer note 50)

KNS Shoetech Private Limited (with effective from October 01, 2023) (refer note 36 (a))

HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)

Employee Benefit Trust

Hindustan Foods Management Staff Superannuation Fund Trust

Key Management Personnel (KMP)	
Sameer Kothari	Managing Director
Ganesh Argekar	Executive Director, Whole-Time Director
Mayank Samdani	Chief Financial Officer and Group CFO
Bankim Purohit	Company Secretary and Legal Head
Non-executive Directors	
Shashi Kalathil	Independent Non-Executive Director
Shrinivas Dempo	Non-Independent Non-Executive Director
Nikhil Vora	Non-Independent Non-Executive Director
Honey Vazirani	Independent Non-Executive Director

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

Neeraj Chandra	Independent Non-Executive Director
Sarvjit Singh Bedi	Non-Independent Non-Executive Director (upto September 18, 2024)
Sandeep Mehta	Independent Non-Executive Director (upto August 08, 2024)
Harsha Raghavan	Non-Independent Non-Executive Director (upto June 20, 2023)
Amruta Adukia	Non-Independent Non-Executive Director (upto February 12, 2025)
Relatives of Directors	
Asha R Kothari	Relative of Managing Director

(B) Details of transactions with related party for the year ended:

		Year ended March 31, 2025	Year ended March 31, 2024
(i)	**Corporate guarantee given**		
	Aero Care Personal Products LLP	30.00	9.69
	HFL Consumer Products Private Limited	36.17	18.11
	HFL Multiproducts Private Limited	26.56	14.32
	KNS Shoetech Private Limited	95.85	-
(ii)	**Interest on loan taken**		
	Motown Trading Private Limited	-	0.68
(iii)	**Interest on loans given**		
	HFL Consumer Products Private Limited	4.30	3.80
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	0.26	-
	HFL Multiproducts Private Limited	2.00	0.19
	KNS Shoetech Private Limited	3.60	0.67
(iv)	**Interest Payments**		
	Motown Trading Private Limited	-	(0.76)
(v)	**Investment in equity shares**		
	HFL Multiproducts Private Limited	-	0.01
	KNS Shoetech Private Limited	43.00	3.72
(vi)	**Loan given**		
	HFL Consumer Products Private Limited	111.66	66.28
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	9.05	0.31
	HFL Multiproducts Private Limited	55.10	8.91
	KNS Shoetech Private Limited	80.75	46.79
(vii)	**Loans Repaid**		
	HFL Consumer Products Private Limited	120.80	62.01
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	3.79	-
	HFL Multiproducts Private Limited	31.28	2.60
	KNS Shoetech Private Limited	90.54	2.25
	Motown Trading Private Limited	-	(6.79)
(viii)	**Other Recovery**		
	Avalon Cosmetics Private Limited	-	0.00*
(ix)	**Purchase of consumables and other items**		
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	-	0.00*
	Shivom Industries	-	0.00*
(x)	**Purchase of Export Incentive Licence**		
	HFL Consumer Products Private Limited	-	0.09
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	0.11	-
(xi)	**Purchase of Goods**		
	Aero Care Personal Products LLP	0.00*	-
	Athene Laboratories	-	0.00*
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	0.56	-
	KNS Shoetech Private Limited	4.08	0.10
	Shivom Industries	0.00*	-
	Spans Healthcare	12.20	14.94
(xii)	**Purchase of property, plant and equipment**		
	Avalon Cosmetics Private Limited	0.01	-
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	-	0.06
	KNS Shoetech Private Limited	0.02	0.01
(xiii)	**Purchase of spares**		
	Avalon Cosmetics Private Limited	0.00*	-
(xiv)	**Recharge of salaries to Company**		
	HFL Consumer Products Private Limited	-	0.25
	HFL Multiproducts Private Limited	0.54	0.61
(xv)	**Reimbursement of expenses**		
	Aero Care Personal Products LLP	1.76	4.58
	Avalon Cosmetics Private Limited	0.01	-
	Christine Valmy Institute Private Limited	0.02	-
	HFL Consumer Products Private Limited	2.03	5.61

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

		Year ended March 31, 2025	Year ended March 31, 2024
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	0.01	0.01
	HFL Multiproducts Private Limited	1.31	0.14
	KNS Shoetech Private Limited	28.69	0.32
	Shivom Industries	-	0.01
(xvi)	**Rent paid**		
	Athene Laboratories	0.65	0.60
	Avalon Cosmetics Private Limited	0.04	-
(xvii)	**Sale of property, plant and equipment**		
	Adonia Cosmetics Private Limited	0.00*	
	Avalon Cosmetics Private Limited	0.03	-
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	0.07	0.03
	HFL Multiproducts Private Limited	0.06	-
(xviii)	**Sale of spares**		
	Avalon Cosmetics Private Limited	-	0.00*
(xix)	**Sale of goods**		
	Adonia Cosmetics Private Limited	0.00*	0.00*
	Athene Laboratories	0.00*	0.00*
	Christine Valmy Institute Private Limited	0.00*	0.00*
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	0.39	0.35
	HFL Multiproducts Private Limited	-	0.12
	KNS Shoetech Private Limited	3.54	-
	Shivom Industries	0.00*	0.00*
(xx)	**Sitting fees**		
	Shrinivas Dempo	0.03	0.03
	Sandeep Mehta	0.01	0.01
	Shashi K. Kalathil	0.06	0.06
	Honey Vazirani	0.06	0.06
	Nikhil K Vora	0.03	0.03
	Neeraj Chandra	0.04	0.04
(xxi)	**Compensation of key management personnel**		
	Sameer Kothari	4.25	4.26
	Ganesh Argekar	1.25	0.95
	Mayank Samdani	1.00	0.90
	Bankim Purohit	0.30	0.26

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

(C) Amount due to/from related party as on:

		Year ended March 31, 2025	Year ended March 31, 2024
(i)	**Financial guarantee given**		
	Aero Care Personal Products LLP	38.02	9.69
	HFL Consumer Products Private Limited	167.71	168.19
	HFL Multiproducts Private Limited	39.93	14.32
	KNS Shoetech Private Limited	95.85	-
(ii)	**Interest receivable on loans given**		
	HFL Multiproducts Private Limited	-	0.17
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	-	0.00*
	KNS Shoetech Private Limited	-	0.60
(iii)	**Investment in equity shares**		
	HFL Consumer Products Private Limited	0.01	0.01
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	73.49	73.49
	HFL Multiproducts Private Limited	0.01	0.01
	KNS Shoetech Private Limited	46.72	3.72
(iv)	**Investment in Capital**		
	Aero Care Personal Products LLP	6.90	6.90
(v)	**Loans given**		
	HFL Consumer Products Private Limited	42.45	51.60
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	5.57	0.31
	HFL Multiproducts Private Limited	30.13	6.32
	KNS Shoetech Private Limited	34.76	44.54
(vi)	**Other Payables**		
	Aero Care Personal Products LLP	0.26	-
(vii)	**Other receivables**		
	Christine Valmy Institute Private Limited	0.01	-
	HFL Multiproducts Private Limited	0.01	1.08
	KNS Shoetech Private Limited	-	0.32
(viii)	**Remuneration payable**		
	Sameer Kothari	1.74	1.54
(ix)	**Security deposit**		
	Athene Industries	0.42	0.42

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

		Year ended March 31, 2025	Year ended March 31, 2024
(x)	**Trade payables**		
	KNS Shoetech Private Limited	-	0.11
	Spans Healthcare	2.82	4.99
(xi)	**Trade Receivable**		
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	-	0.34

* Amount below rounding off norms

^As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not separately included.

(D) **Terms and conditions of transactions with related parties**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash.

The Company, during the year ended March 31, 2025, has provided corporate guarantee to the bank of subsidiaries amounting upto Rs. 188.59 cr (March 31, 2024: 42.13cr). The Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: Nil). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operates.

39 SEGMENT REPORTING

The Company's operations predominantly relate to contract manufacturing. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as contract manufacturing. Consequently, no separate segment information has been furnished herewith.

The Company has disclosed in the consolidated financial statement, the revenue contribution from major external customer.

40 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial Instrument measured at Amortised cost:

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The amortised cost using effective interest rate (EIR) of non-current financial assets/liabilities are not significantly different from the carrying amount and therefore the impact of fair value is not considered for above disclosure.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

The carrying value and fair value of financial instruments by categories as at March 31, 2025 were as follows

Particulars	Note	Amortised Cost	Fair value through profit or loss	Fair value through OCI	Total fair value	Total carrying value
Financial assets						
Other Non Current Financial Assets	7	19.30	-	-	-	19.30
Other Current Financial Assets	7	141.54	-	-	-	141.54
Trade receivable	12	133.19	-	-	-	133.19
Cash and cash equivalents	13	42.98	-	-	-	42.98
Bank balances other than cash and cash equivalents	14	6.63	-	-	-	6.63
Loan	6	113.91	-	-	-	113.91
		457.55	**-**	**-**	**-**	**457.55**
Financial liabilities						
Non current Borrowings	17(a)(a)	364.52	-	-	-	364.52
Current Borrowings	17(b)(b)	141.58	-	-	-	141.58
Non-current and Current lease liabilities	37	3.42	-			3.42
Other current financial liabilities	20	28.21	-	-	-	28.21
Trade payables	19	383.86	-	-	-	383.86
		921.59	**-**	**-**	**-**	**921.59**

The carrying value and fair value of financial instruments by categories as at March 31, 2024 were as follows

Particulars	Note	Amortised Cost	Fair value through profit or loss	Fair value through OCI	Total fair value	Total carrying value
Financial assets						
Other Non Current Financial Assets	7	118.56	-	-	-	118.56
Other Current Financial Assets	7	71.80	-	-	-	71.80
Trade receivable	12	100.77	-	-	-	100.77
Cash and cash equivalents	13	3.89	-	-	-	3.89
Bank balances other than cash and cash equivalents	14	6.11	-	-	-	6.11
Loan	6	102.77	-	-	-	102.77
		403.90	**-**	**-**	**-**	**403.90**
Financial liabilities						
Non current Borrowings	17(a)	349.00	-	-	-	349.00
Current Borrowings	17(b)	154.13	-	-	-	154.13
Non-current and Current lease liabilities	37	4.31				4.31
Other current financial liabilities	20	19.99	-	-	-	19.99
Trade payables	19	309.26	-	-	-	309.26
		836.69	**-**	**-**	**-**	**836.69**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(Amounts in Rs. cr, unless otherwise stated)

41 FAIR VALUE HIERARCHY

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within 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 assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

No fair value hierarchy of assets and liabilities which is measured at fair value in current year as well as previous financial year under level 3.

Management has assessed that Cash and cash equivalents, Other balances with banks, Loans, Trade receivables, Other financial assets, Short term Borrowings, Trade payables and Other financial liabilities carried at amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) 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 exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Exposure to interest risk	Increase/ decrease in basis points	Effect on profit before tax
2025		
Rs.	+50	(2.53)
Rs.	(50)	2.53
2024		
Rs.	+50	(2.51)
Rs.	(50)	2.51

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

The following table shows unhedged foreign currency exposures receivable and payable at the end of the reporting period

Particulars		As at March 31, 2025		As at March 31, 2024	
		Foreign currency in cr	Rs. in cr	Foreign currency in cr	Rs. in cr
Trade receivables	EURO	0.02	1.97	0.02	1.97
	USD	0.03	2.15	-	-
Cash & cash equivalents	EURO	0.01	1.01	0.02	1.45
Trade Payables	EURO	**0.00**	**0.18**	**-**	**-**

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the EURO and USD exchange rate , with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

Particulars	Effect on profit- total gain / (loss)			
	5% increase in exchange rate		5% decrease in exchange rate	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Trade receivable	0.21	0.10	(0.21)	**(0.10)**
Cash & cash equivalents	0.05	0.07	(0.05)	**(0.07)**
Trade payables	(0.01)	0.00	0.01	0.00
	0.25	**0.17**	**(0.25)**	**(0.17)**

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from customers and other statutory deposits with regulatory agencies and also arises from cash held with banks. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

The ageing analysis for accounts receivables has been considered from the date the invoice falls due:

	As at March 31, 2025	As at March 31, 2024
Not due	74.93	78.59
Less than 6 months	58.04	20.96
6 months to 12 months	0.22	1.21
beyond 12 months	-	0.00*
	133.19	100.76

* Amount below rounding off norms

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Processes and policies related to such risks are overseen by senior management who monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities:

	Less than 1 year	More than 1 year	Total
As at March 31, 2025			
Long-term borrowings	-	364.52	364.52
Short term borrowings	141.58	-	141.58
Trade payables	383.86	-	383.86
Lease Liability	1.07	2.35	3.42
Other financial liability	28.21	-	28.21
	554.72	366.87	921.59

	Less than 1 year	More than 1 year	Total
As at March 31, 2024			
Long-term borrowings	-	348.99	348.99
Short term borrowings	154.13	-	154.13
Trade payables	309.26	-	309.26
Lease Liability	0.91	3.41	4.32
Other financial liability	19.99	-	19.99
	484.29	352.40	836.69

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

43 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are in the field of promoting healthcare and education. A CSR committee has been formed by the Company as per the Act. The funds are utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

	Year ended March 31, 2025	Year ended March 31, 2024
Gross amount required to be spent :	1.80	1.52
Add: Amount Unspent from previous years*	-	0.20
Total Gross amount required to be spent during the year	1.80	1.72
Amount approved by the Board to be spent during the year	**1.80**	**1.52**
Amount spent during the year	**1.71**	**1.55**

*Unspent amount of Rs. 0.20 cr which pertains to FY 2022-2023 has been spent in FY 2023-2024

	Year ended March 31, 2025	Year ended March 31, 2024
i. construction/acquisition of any asset		
-under control of the Company for future use	-	-
-not under control of the Company for future use	-	-
ii. On purpose other than (i) above	1.71	1.55
	1.71	1.55
Less: Amount capitalised as corporate social responsibility assets	-	-
Excess amount spent in previous years set off in current year	0.09	-
Provision for unspent CSR amount	-	-
	1.80	1.55

During the year ended March 31, 2025, the Company has spent Rs.1.71 cr on activities for promoting preventive health care, poverty and malnutrition, promoting education, supporting homeless young women.

During the year ended March 31, 2025 the Company has not incurred any CSR Expenditure with related Party/ contribution made to related party.

44 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, equity component of redeemable non cumulative non convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing, current borrowings and lease liabilities which represents borrowings from bank and others, lease liabilities and liability

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

component of redeemable non cumulative non convertible preference shares. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		As at March 31, 2025	As at March 31, 2024
Total equity	(i)	852.30	628.35
Total borrowings (including liability portion of redeemable non cumulative non convertible preference shares and lease liabilities)		509.52	507.44
Less: cash and cash equivalents		(42.98)	(3.89)
Total debt	(ii)	466.54	503.55
Overall financing	(iii) = (i) + (ii)	1,318.84	1,131.90
Gearing ratio	(ii)/ (iii)	0.35	0.44

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024

45 DISCLOSURE AS REQUIRED BY IND AS 7 - "CASH FLOW STATEMENTS" - CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES:

Particulars	As at March 31, 2024	Cash flow changes		Non-cash flow changes	Reclassification*	As at March 31, 2025
		Receipts	Payments			
Non-current borrowings (refer note 17(a))	349.00	87.11	(66.77)	0.07	(4.89)	364.52
Current borrowings (refer note 17(b))	154.13	-	(17.36)	(0.08)	4.89	141.58
Total	**503.13**	**87.11**	**(84.13)**	**(0.01)**	-	**506.10**

*Current maturity of long term loan classified in non-current borrowings for cash flow purpose

46 DISCLOSURES PURSUANT TO REGULATION 34 (3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

(a) Loans

		Year ended March 31, 2025	Year ended March 31, 2024
(i)	**Loans to subsidiary**		
	HFL Consumer Products Private Limited		
	Balance as at the beginning of the year	51.60	47.33
	Loans given during the year	111.66	66.28
	Loans repaid during the year	120.80	62.01
	Balance as at the end of the year	42.45	51.60
	Maximum balance outstanding during the year	68.36	55.40
	Rate of interest	9.50%	9.50%
	HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)		
	Balance as at the beginning of the year	0.31	-
	Loans given during the year	9.05	0.31
	Loans repaid during the year	3.79	-
	Balance as at the end of the year	5.57	0.31
	Maximum balance outstanding during the year	5.57	0.31
	Rate of interest	9.50%	9.50%
	HFL Multiproducts Private Limited		
	Balance as at the beginning of the year	6.31	-
	Loans given during the year	55.10	8.91
	Loans repaid during the year	31.28	2.60
	Balance as at the end of the year	30.13	6.31
	Maximum balance outstanding during the year	43.06	6.31
	Rate of interest	9.50%	9.50%
	KNS Shoetech Private Limited		
	Balance as at the beginning of the year	44.54	-
	Loans given during the year	80.75	46.79
	Loans repaid during the year	90.54	2.25
	Balance as at the end of the year	34.76	44.54
	Maximum balance outstanding during the year	68.41	44.54
	Rate of interest	9.50%	9.50%
(b)	**Investment by the loanees in the shares of the Company**		
	The loanees have not made any investments in the shares of the Company.		
(c)	**Guarantees given to subsidiary**		
	HFL Consumer Products Private Limited	167.71	168.19
	HFL Multiproducts Private Limited	39.93	14.32
	KNS Shoetech Private Limited	95.85	-
	Aero Care Personal Products LLP	38.02	9.69

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

		Year ended March 31, 2025	Year ended March 31, 2024
(d)	**Details of investments made by the Company (refer note 11)**		
	Unquoted equity instruments		
	10,000 (March 31, 2024 10,000) Equity Shares of Rs. 10 each fully paid up in HFL Consumer Products Private Limited	0.01	0.01
	10,000 (March 31, 2024 10,000) Equity Shares of Rs. 10 each fully paid up in HFL Multiproducts Private Limited	0.01	0.01
	5,00,00,000 (March 31, 2024 5,00,00,000) Equity Shares of Rs. 10 each fully paid up in HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	73.49	73.49
	40,00,000 (March 31, 2024 40,00,000) Equity Shares of Rs. 10 each fully paid up in KNS Shoetech Private Limited	46.72	3.72
	Investment in Limited liability Partnership Firm (refer note 38)		
	Aero Care Personal Products LLP	6.90	6.90

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

47 ADDITIONAL REGULATORY INFORMATION

(A) Accounting ratios

Sr No.	Ratio	Formula	March 31, 2025		March 31, 2024		Ratio as on March 31, 2025	Ratio as on March 31, 2024	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator				
(a)	Current Ratio	Current Assets / Current Liabilities	1,028.32	593.50	727.05	513.14	1.73	1.42	22.29%	
(b)	Debt-Equity Ratio	Debt / Equity	506.10	852.30	503.13	628.35	0.59	0.80	(25.84%)	During current year, The Company has issued shares at premium towards the conversion of Warrants into Equity Shares
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	149.66	114.50	116.08	104.00	1.31	1.12	17.11%	
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	103.34	740.33	78.28	500.29	13.96%	15.65%	(10.78%)	
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	2,274.82	475.84	2,021.48	342.16	4.78	5.91	(19.08%)	
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	2,733.86	116.98	2,381.38	93.05	23.37	25.59	(8.68%)	
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	2,424.16	346.56	2,105.59	290.25	6.99	7.25	(3.58%)	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

Sr No.	Ratio	Formula	March 31, 2025 Numerator	March 31, 2025 Denominator	March 31, 2024 Numerator	March 31, 2024 Denominator	Ratio as on March 31, 2025	Ratio as on March 31, 2024	Variation	Reason (If variation is more than 25%)
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	2,733.86	324.37	2,381.38	163.50	8.43	14.56	(42.13%)	"- Additional loan granted to related party during the current year which resulted in higher average working capital as compared to previous year - Due to change in customer receivable mix there is increase in trade receivable which resulted in higher average working capital during current year.
(i)	Net Profit Ratio	Net Profit / Net Sales	103.34	2,733.86	78.28	2,381.38	3.78%	3.29%	15.00%	
(j)	Return on Capital Employed	EBIT / Capital Employed	167.68	1,264.00	124.89	1,024.15	13.27%	12.19%	8.78%	
(k)	Return on Investment	Net Profit / Net Investment	103.34	852.30	78.28	628.36	12.13%	12.46%	(2.67%)	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

(B) Title deeds of Immovable Properties not held in name of the Company as on March 31, 2025

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in cr)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Right of Use	Leasehold land	2.14	Reckitt Benckiser Healthcare India Private Limited	No	December, 2023	The leasehold land was acquired by the Company as a part of business transfer agreement entered with Reckitt Benckiser Healthcare India Private Limited for acquisition of Baddi factory. The Company is in the process of transferring the title in the name of Hindustan Foods Limited.
Right of Use	Leasehold land	1.07	Karnataka Industrial Areas Development Board (KIADB)	No	February, 2022	The leasehold rights of the land were transferred to Company as per the NCLT approved scheme w.e.f February 18, 2022. As per the lease agreement with KIADB, the Company has an option of purchasing the land. The Company is in the process of applying to KIADB for purchase of the land.

(C) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(D) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(E) The Company does not have any transactions or balance outstanding with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(F) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(G) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

(H) The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(I) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2025.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

(J) Utilisation of Borrowed funds and share premium

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

(K) During the year the Company has not entered into scheme of arrangement and amalgamation having an accounting impact.

(L) The Company has not revalued its property, plant and equipment during the year ended March 31, 2024 and March 31, 2025.

(M) The Company has not given loans and advances to promoters and directors.

48 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the standalone financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

49 (i) During the current year, the Company has received balance 75% amount towards 29,29,060 warrants from two of the allottee towards the conversion of Warrants into Equity Shares as approved by the shareholders in the Extra Ordinary General Meeting held on October 20, 2023. The Share Allotment Committee of Board of Directors of the Company at their Meeting held on December 28, 2024, has allotted 29,29,060 Equity Shares having face value of Rs. 2/- each at a premium of Rs. 544.25 per share.

(ii) During the previous year, the Company has received 25% amount towards issue of 72,71,081 Convertible Warrants ("Warrants") on Preferential basis to certain Qualified Institutional Buyers and to certain Non-Qualified Institutional Buyers under Non-Promoter category, approved by the shareholders in the Extra Ordinary General Meeting held on October 20, 2023. On January 25, 2024, the Company has received balance 75% amount towards 18,30,663 warrants from one of the allottee towards the conversion of Warrants into Equity Shares. The Share Allotment Committee of Board of Directors of the Company at their Meeting held on February 02, 2024, has allotted 18,30,663 Equity Shares having face value of Rs. 2/- each at a premium of Rs. 544.25 per share.

50 HFL Multiproducts Private Limited, a wholly owned subsidiary of the Company was incorporated on June 23, 2023.

51 No significant subsequent events have been observed which may require an adjustments to the financial statements.

52 On September 24, 2024, the Board of directors had approved the Composite Scheme of Arrangement for de-merger of Contract Manufacturing (Nashik) Business of Avalon Cosmetics Private Limited and Amalgamation of Vanity Case India Private Limited with the Company with effect from the appointment date April 01, 2024 and October 01, 2024 respectively. The Company has received the approval of Bombay Stock Exchange and National Stock Exchange and now is in the process of getting the required approval from National Company Law Tribunal.

53 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

54 From current year, the Company has changed presentation denomination from "Rs.in lakhs" to "Rs.in cr". Accordingly, the figures for the previous year end have been re-presented in "Rs.in cr".

55 These financial statements were authorised for issue by the Board of Directors on May 19, 2025.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

VIRENDRA KANAK
Partner
Membership No: 110811

Place : Mumbai
Date : May 19, 2025

For and on behalf of the Board of Directors of
Hindustan Foods Limited
CIN: L15139MH1984PLC316003

SAMEER R. KOTHARI
Managing Director
DIN: 01361343

GANESH T. ARGEKAR
Executive Director
DIN: 06865379

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership No:ACS21865

Place : Mumbai
Date : May 19, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindustan Foods Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Hindustan Foods Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company, and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements of Subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2025, and of consolidated profit (including other comprehensive income),consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

A. Key Audit Matters of the Holding Company

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	HFL Multiproducts Private Limited ("HMPL"), on January 01, 2025, has entered into a business transfer agreement ("Principal Agreement" or "BTA") with MMG Enterprises Private Limited to acquire it on a slump sale basis. The purchase consideration was agreed of Rs. 30.44 Crores. Management of the HMPL has made the assessment of the said transaction and has, accordingly, accounted it as the business combination as per Ind AS 103 "Business Combination". Since, accounting for the business combination involves management judgement in order to: • Assessment of the transaction as the asset acquisition or business combination as per Ind AS 103. • Identify and measure the fair value of the identifiable assets acquired and liabilities assumed. • Allocate the consideration transferred towards identifiable assets, liability and goodwill/other intangible assets. Since, the amount of the acquisition is material to the Holding Company and significant management judgement is required in identification of fair values and the allocation of the consideration into identifiable tangible and intangible assets, we have identified this as a Key Audit Matter.	Our audit procedures included and were not limited to the following: 1. Obtained an understanding of the process followed by the HMPL for assessment and determination of the effective date and the accounting treatment, including the identification of assets and liabilities and determination of their fair values. 2. Evaluated the design and implementation and testing the operating effectiveness of key internal controls related to HMPL's valuation process. 3. Reviewed the Purchase Price Allocation report provided by the management of the company by involvement of registered valuer. 4. Verified the completeness of the identified assets acquired and liabilities assumed 5. Involved our internal experts to assess the appropriateness of methods and inputs used in the valuation of assets and liabilities acquired. 6. Assessed the adequacy and appropriateness of the disclosures made in the Standalone Financial Statements in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.
2	KNS Shoetech Private Limited ("KNS"), on March 31, 2024, has entered into a business transfer agreement ("Principal Agreement" or "BTA") with SSIPL Retail Limited (Seller) to acquire it on a slump sale basis. On April 1, 2024, upon completion of the terms and condition of the BTA, the transaction was finalized along with the purchase consideration of Rs. 70.98 Crores. Management of KNS has made the assessment of the said transaction and has, accordingly, accounted it as the business combination as per Ind AS 103 "Business Combination".	Our audit procedures included and were not limited to the following: 1. Obtained an understanding of the process followed by KNS for assessment and determination of the effective date and the accounting treatment, including the identification of assets and liabilities and determination of their fair values. 2. Evaluated the design and implementation and testing the operating effectiveness of key internal controls related to KNS's valuation process. 3. Reviewed the Purchase Price Allocation report provided by the management of the company by involvement of registered valuer. 4. Verified the completeness of the identified assets acquired and liabilities assumed 5. Involved our internal experts to assess the appropriateness of methods and inputs used in the valuation of assets and liabilities acquired.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	Since, accounting for the business combination involves management judgement in order to: • Assessment of the transaction as the asset acquisition or business combination as per Ind AS 103. • Identify and measure the fair value of the identifiable assets acquired and liabilities assumed. • Allocate the consideration transferred towards identifiable assets, liability and goodwill/other intangible assets. Since, the amount of the acquisition is material to the Holding Company and significant management judgement is required in identification of fair values and the allocation of the consideration into identifiable tangible and intangible assets, we have identified this as a Key Audit Matter.	6. Assessed the adequacy and appropriateness of the disclosures made in the Standalone Financial Statements in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Holding Company's Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Holding Company's Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Holding Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information' and take necessary action under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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 consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

OTHER MATTERS:

We did not audit the financial statements of four subsidiaries, whose financial statements (before consolidation adjustments) reflect total assets of Rs. 596.37 Crores as at March 31, 2025, total revenues of Rs.622.5 Crores and net cash flows amounting to Rs.5.29 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Separate Financial Statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 1(g)(vi) below on reporting under rule 11(g).

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group, and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. There are no pending litigation in the consolidated financial position of the Group.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

iv. (1) The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of their knowledge and belief, 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 Holding Company or any of such subsidiaries, to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The holding Company and its subsidiary companies have neither declared nor paid any dividend during the year.

vi. Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding and Subsidiary Companies incorporated in India have used accounting software for maintaining its respective books of account during the year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software(s), and further, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per Statutory requirements for record retention.:

a) In respect of Holding Company, the Company has used Focus 7 accounting software for 2 locations namely Pondicherry and Mumbai and Focus 9 accounting software for other locations for maintaining its books of account during the year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at an application level for Focus 9 accounting software and at the database level in respect of Focus 7 and Focus 9 accounting software to log any direct data changes. Further, for Focus 7 Accounting Software, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of Focus 7 accounting software. Additionally, the audit trail of prior years for Focus 7 accounting software has been preserved at application level by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

b) In respect of one of the Subsidiary Company, the Company has used Focus 7 accounting software for maintaining its books of account during the year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility, which is enabled at the application level, except that no audit trail feature was enabled at database level to log any direct data changes. Further, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved at application level by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group, to its directors of the Holding Company and its subsidiaries is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

3. According to the information and explanations given to us, the details of Qualifications/adverse remarks made by the respective auditors of the subsidiaries in the Companies (Auditor's Report) Order 2020 (CARO) Reports issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Holding / Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
1	HFL Healthcare And Wellness Private Limited	U24232TN1994PTC048002	Wholly Owned Subsidiary	Clause (ix)(d) – Utilization of short-term funds for long term purpose Clause xviii – Resignation of Statutory Auditor
2	HFL Multiproducts Private Limited	U10304MH2023PTC405319	Wholly Owned Subsidiary	Clause (i)(c) – Title Deeds of Immoveable Properties are not in the name of the respective Company Clause (ix)(d) – Utilization of short-term funds for long term purpose Clause xvii – Cash Losses Clause xviii – Resignation of Statutory Auditor
3	KNS Shoetech Private Limited	U19119DL2022PTC39930	Wholly Owned Subsidiary	Clause (i)(c) – Title Deeds of Immoveable Properties are not in name of respective Company. Clause (ix)(d) – Utilisation of short term funds for long term purpose Clause xviii – Resignation of Statutory Auditor

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Virendra Kanak
Partner
Membership No.110811
UDIN: 25110811BMKWBV6121

Place: Mumbai
Date: May 19, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN FOODS LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements for the year ended March 31, 2025 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.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Virendra Kanak
Partner
Membership No.110811
UDIN: 25110811BMKWBV6121

Place: Mumbai
Date: May 19, 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN FOODS LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Hindustan Foods Limited on the consolidated Financial Statements for the year ended March 31, 2025.

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

OPINION

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls reference to consolidated financial statements of Hindustan Foods Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Management and the Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, 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 consolidated 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to four subsidiary companies, is based on the corresponding reports of the auditors of the branches and the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Virendra Kanak
Partner
Membership No.110811
UDIN: 25110811BMKWBV6121
Place: Mumbai
Date: May 19, 2025

CONSOLIDATED BALANCE SHEET

FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in Rs. cr, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipments	4 (a)	928.52	846.87
Right of use assets	4 (a)	68.99	53.87
Capital work-in-progress	4 (b)	119.11	8.40
Goodwill	5 (a)	6.52	6.52
Other intangible assets	5 (b)	8.03	1.12
Intangible assets under development	5 (c)	0.40	0.34
Financial assets			
Investments	11	0.00	-
Other financial assets	7	37.41	124.64
Deferred tax asset (net)	33	7.88	0.76
Non-current tax assets (net)	8	0.80	3.74
Other non-current assets	9	47.90	11.46
Total non-current assets		**1,225.56**	**1,057.72**
Current assets			
Inventories	10	752.82	493.40
Financial assets			
Trade receivables	12	209.31	175.77
Cash and cash equivalents	13	76.99	43.18
Bank balances other than cash and cash equivalent	14	6.63	6.11
Loans	6	1.00	-
Other financial assets	7	157.14	78.07
Other current assets	9	61.08	71.00
Total current assets		**1,264.97**	**867.53**
Total assets		**2,490.53**	**1,925.25**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	23.50	22.91
Instrument entirely equity in nature	16	3.56	-
Other equity	17	863.96	623.22
Total equity		**891.02**	**646.13**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18(a)	618.62	495.20
Lease liabilities	38	36.93	40.59
Provisions	19	25.71	12.96
Deferred tax liabilities (net)	33	45.62	41.33
Total non-current liabilities		**726.88**	**590.08**
Current liabilities			
Financial liabilities			
Borrowings	18(b)	236.78	190.73
Trade payables	20		
i) outstanding dues of micro enterprises and small enterprises		2.85	4.13
ii) outstanding dues of creditors other than micro enterprise and small enterprise		521.12	421.67
Lease liabilities	38	3.62	3.30
Other financial liabilities	21	57.18	31.70
Other current liabilities	22	34.70	30.99
Provisions	19	1.79	1.40
Current tax liabilities (net)	23	14.59	5.12
Total current liabilities		**872.63**	**689.04**
Total liabilities		**1,599.51**	**1,279.12**
Total equity and liabilities		**2,490.53**	**1,925.25**

Summary of material accounting policies 2-3

The accompanying notes 1 to 56 are an integral part of the consolidated financial statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

VIRENDRA KANAK
Partner
Membership No: 110811

Place : Mumbai
Date : May 19, 2025

For and on behalf of the Board of Directors of
Hindustan Foods Limited
CIN: L15139MH1984PLC316003

SAMEER R. KOTHARI
Managing Director
DIN: 01361343

GANESH T. ARGEKAR
Executive Director
DIN: 06865379

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership No:ACS21865

Place : Mumbai
Date : May 19, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in Rs. cr, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	24	3,564.38	2,754.71
Other income	25	14.55	7.17
Total income		**3,578.93**	**2,761.88**
Expenses			
Cost of material consumed	26	2,829.24	2,332.39
Purchase of stock-in-trade		0.61	0.58
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(37.80)	(59.83)
Employee benefits expense	28	222.37	82.62
Finance costs	29	80.04	56.68
Depreciation and amortisation expenses	30	79.73	54.80
Manufacturing and operating costs	31	183.52	132.71
Other expenses	32	73.29	44.52
Total expenses		**3,431.00**	**2,644.47**
Profit before tax		**147.93**	**117.41**
Tax expense	33		
Current tax		37.57	29.87
Adjustment of tax relating to earlier periods		-	(0.15)
Deferred tax (excluding MAT credit utilisation)		0.72	(5.33)
Total tax expense		**38.29**	**24.39**
Profit for the year		**109.64**	**93.02**
Other comprehensive income			
Items not to be reclassified to profit or loss :			
- Re-measurement gains/(losses) on defined benefit plans		0.61	1.52
- Income tax effect on these items		(0.15)	(0.28)
Total other comprehensive income for the year		**0.46**	**1.24**
Total comprehensive income for the year		**110.10**	**94.26**
Earnings per share (face value Rs. 2 each) [refer note 15 (a)]			
Basic earnings per share (Rs.)	34	9.51	8.23
Diluted earnings per share (Rs.)	34	9.51	8.23

Summary of material accounting policies 2-3

The accompanying notes 1 to 56 are an integral part of the consolidated financial statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

VIRENDRA KANAK
Partner
Membership No: 110811

Place : Mumbai
Date : May 19, 2025

For and on behalf of the Board of Directors of
Hindustan Foods Limited
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SAMEER R. KOTHARI
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DIN: 06865379

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership No:ACS21865

Place : Mumbai
Date : May 19, 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in Rs. cr, unless otherwise stated)

Particulars	For the year ended on March 31, 2025	For the year ended on March 31, 2024
Cash flows from operating activities		
Profit before tax	147.93	117.41
Adjustments for:		
Depreciation and amortisation expenses	79.73	54.80
Finance cost	80.04	56.68
Interest income	(6.19)	(2.40)
Liabilities no longer required written back	(0.52)	(1.65)
Loss on sale of fixed assets	0.25	-
Bad debts written-off	-	0.30
Advances written off	-	0.18
Provision for doubtful debts	-	0.03
Provision for doubtful advances	-	0.70
Gain on discontinuation of Leased Assets & Liabilities	(3.05)	-
Unrealised foreign exchange translation (gain)/loss	(0.16)	(0.49)
Operating profit before working capital changes	**298.03**	**225.56**
Changes in working capital		
Increase in inventories	(213.22)	(116.32)
Decrease/(Increase) in trade receivables	3.88	(41.02)
Decrease/(Increase) in other assets	12.23	(7.48)
Increase in financial assets	(26.78)	(23.59)
Increase in trade payables	44.50	54.24
Increase/(Decrease) in other liabilities	3.03	(0.59)
Increase in financial liabilities	14.21	8.18
Increase in provisions	3.17	2.07
Cash generated from operations	**139.05**	**101.05**
Income tax paid (net)	(25.37)	(14.35)
Net cash generated from operating activities (A)	**113.68**	**86.70**
Cash flows from investing activities		
Purchase of property plant and equipment, capital work-in-progress, other intangible assets and intangible assets under development (net of capital creditors and including capital advances)	(272.90)	(132.52)
Proceeds from disposal of property plant and equipment	40.91	0.10
Proceeds from other bank balances	37.97	13.03
Investment in fixed deposit from money received from issue of convertible warrants	-	(111.38)
Loans given to other parties (net)	(1.00)	-
Payment for acquisition of business (refer note 37)	(99.20)	(152.55)
Interest received	4.87	2.01
Net cash used in investing activities (B)	**(289.35)**	**(381.31)**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(Amounts in Rs. cr, unless otherwise stated)

Particulars	For the year ended on March 31, 2025	For the year ended on March 31, 2024
Cash flows from financing activities		
Proceeds from issue of equity shares (net off share issue expenses)	119.95	98.43
Proceeds from issue of Convertible warrants	-	75.00
Proceeds from issues of partly paid up compulsory convertible preference shares	1.17	-
Proceeds from issues of partly paid up compulsory convertible Debenture	2.39	-
Proceeds from long-term borrowings	222.99	183.63
Repayment of long term borrowings	(82.32)	(79.54)
Proceeds from short-term borrowings	28.33	78.24
Lease rentals paid against lease liability	(8.23)	(3.95)
Interest paid	(74.83)	(53.82)
Net cash generated from financing activities (C)	**209.45**	**297.99**
Net decrease in cash and cash equivalents (A+B+C)	**33.78**	**3.38**
Cash and cash equivalents at the beginning of the year	43.18	39.87
Exchange difference on translation of foreign currency cash and cash equivalents	0.03	(0.07)
Cash and cash equivalents at the end of the year	**76.99**	**43.18**
Cash and cash equivalents comprise of		
Balance with bank		
On current accounts	76.67	43.13
Fixed deposits with maturity of less than 3 months	0.09	-
Cash on hand	0.23	0.05
Total cash and cash equivalents at end of the year	**76.99**	**43.18**

Foot note:

(i) Figures in brackets represent cash outflow.

(ii) The above Cash Flow Statement has been prepared under indirect method as set out in Ind AS-7-Cash Flow Statement notified under the Section 133 of the Companies Act, 2013.

The accompanying notes 1 to 56 are an integral part of the consolidated financial statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

VIRENDRA KANAK
Partner
Membership No: 110811

Place : Mumbai
Date : May 19, 2025

For and on behalf of the Board of Directors of
Hindustan Foods Limited
CIN: L15139MH1984PLC316003

SAMEER R. KOTHARI
Managing Director
DIN: 01361343

GANESH T. ARGEKAR
Executive Director
DIN: 06865379

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership No:ACS21865

Place : Mumbai
Date : May 19, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT MARCH 31, 2025

(Amounts in Rs. cr, unless otherwise stated)

(A) EQUITY SHARE CAPITAL (REFER NOTE 15)

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 2/- each issued, subscribed and fully paid				
Balance at the beginning of the year	11,45,73,353	22.91	11,27,42,690	22.55
Add: Changes in equity share capital during the year [refer note 52]	29,29,060	0.59	18,30,663	0.36
Balance at the end of the year	**11,75,02,413**	**23.50**	**11,45,73,353**	**22.91**

(B) OTHER EQUITY (REFER NOTE 17)

	Equity component of redeemable non cumulative non convertible preference shares	Securities premium	Capital reserve [refer note 37]	Retained earnings [refer note 37]	Money received against share warrants (refer note 52)	Total
Balance as at April 01, 2023*	**0.86**	**135.01**	**4.78**	**211.74**	**-**	**352.39**
Profit for the year	-	-	-	93.02	-	93.02
Other comprehensive income	-	-		1.24	-	1.24
Total comprehensive income for the year	**0.86**	**135.01**	**4.78**	**306.00**	**-**	**446.65**
Gain on bargain purchase on acquisition (refer note 37B)	-	-	3.51	-	-	3.51
Securities premium on shares issued (refer note 52)	-	99.63	-	-	-	99.63
Money received against share warrants (refer note 52)	-	-	-	-	75.00	75.00
Expenses on issue of share warrants (refer note 52)	-	(1.57)	-	-	-	(1.57)
Balance as at March 31, 2024	**0.86**	**233.07**	**8.29**	**306.00**	**75.00**	**623.22**
Balance as at April 01, 2024*	**0.86**	**233.07**	**8.29**	**306.00**	**75.00**	**623.22**
Profit for the year	-	-	-	109.64	-	109.64
Other comprehensive income	-	-		0.46	-	0.46
Total comprehensive income for the year	**0.86**	**233.07**	**8.29**	**416.10**	**75.00**	**733.32**
Gain on bargain purchase on acquisition (refer note 37A)	-	-	11.28	-	-	11.28
Securities premium on shares issued (refer note 52)	-	159.41	-	-	-	159.41
Money received against share warrants (refer note 52)	-	-	-	-	-	-
Shares issued during the year (refer note 52)	-	-	-	-	(40.00)	(40.00)
Expenses on issue of share warrants (refer note 52)	-	(0.05)	-	-	-	(0.05)
Balance as at March 31, 2025	**0.86**	**392.43**	**19.57**	**416.10**	**35.00**	**863.96**

* There are no changes in other equity due to prior period errors

The accompanying notes 1 to 56 are an integral part of the consolidated financial statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

VIRENDRA KANAK
Partner
Membership No: 110811

Place : Mumbai
Date : May 19, 2025

For and on behalf of the Board of Directors of
Hindustan Foods Limited
CIN: L15139MH1984PLC316003

SAMEER R. KOTHARI
Managing Director
DIN: 01361343

GANESH T. ARGEKAR
Executive Director
DIN: 06865379

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership No:ACS21865

Place : Mumbai
Date : May 19, 2025

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Rs. cr, unless otherwise stated)

1. GENERAL INFORMATION

Hindustan Foods Limited (the 'Company' or the 'Holding Company') is a public company domiciled in India and was incorporated in the year 1984 under the provisions of the Companies Act, 1956 applicable in India. The registered and principal office of business for the Company is located at office No. 03, Level 2, Centrium, Phoenix Market City, Kurla, Mumbai-400070. The equity shares of the Company are listed in India on the Bombay Stock Exchange and National Stock Exchange. The Holding Company, its subsidiaries (the Holding Company, its subsidiaries together referred to as 'Group') mainly engaged in the business of contract manufacturing of FMCG products comprising primarily of home care, personal care, foods and beverages and job working of shoes.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards "(Ind AS)" notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on accrual & going concern basis. Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for defined benefit plans -plan assets measured at fair value and certain financial assets and financial liabilities.

c) Current / non-current classification

The Group has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities. The Group presents its assets and liabilities in the consolidated balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the balance sheet date. The estimates and assumptions used in the accompanying consolidated financial statements

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

e) Rounding off of amounts

The financial statements are reported in Indian Rupee which is functional currency of the Group and all the values are rounded to the nearest cr (Rs. 00,00,000).

2.2 Principles of consolidation

The financial statements have been prepared on the following basis:

a) Subsidiary

Subsidiaries is entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The acquisition method of accounting is used to account for business combinations by the Group. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non controlling interests in the acquiree. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

The Group combines the financial statements of the Holding Company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policy of subsidiary has been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests (if any) in the results and equity of subsidiary are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet, respectively.

The consolidated financial statements have been presented to the extent possible, in the same manner as Holding Company's standalone financial statements. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company, i.e., year ended on March 31.

2.3 Property, plant and equipment

Freehold land is carried at acquisition cost and is not depreciated. All other items of property, plant and equipment are stated at acquisition cost less accumulated depreciation and impairment, if any. Acquisition cost includes expenditure that is directly attributable to the acquisition of the items. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

are deducted in arriving at the purchase price. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised.

Spare parts are recognised when they meet the definition of property, plant and equipment, otherwise, such items are classified as inventory.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets which are not ready for intended use before such date are disclosed under 'Capital work-in-progress'.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the Property, plant and equipment is de-recognised.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

Depreciation methods, estimated useful lives

The Group depreciates property, plant and equipment over their estimated useful lives prescribed under Schedule II of Companies Act, 2013 using the straight-line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Estimated useful life
Leasehold improvement*	Lease period
Building	30 years
Plant & Machinery	15 years
Furniture and Fixtures	10 years
Office Equipment	5 to 10 years
Electrical equipment	10 years
Computers	3 years
Vehicles	2 to 15 years

*Leasehold improvements are amortised over the lease period, which corresponds with the useful lives of the assets.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date when assets are ready for intended use. Depreciation on sale from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Consolidated Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, if any, as appropriate.

2.4 Other intangible assets

Other intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/ depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

specific asset to which it relates. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal 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.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

Amortisation method and periods

Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

The Group amortised intangible assets over their estimated useful lives using the straight-line method. The estimated useful lives of intangible assets are as follows:

Other intangible assets	Estimated useful life
Brand	4 years
Computer software	6 years
Customer relationship	6 years
Non-compete fee	3 years

2.5 Impairment of non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

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

For non-financial assets, an assessment is made at each reporting period end or whenever triggering event occurs as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimation of the recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the estimations used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, or had no impairment loss been recognised for the asset in prior years.

2.6 Foreign currency transactions

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (Rs.), which is the Group's functional and presentation currency.

b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/ losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Consolidated Statement of Profit and Loss.

2.7 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Group.

The Group 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. The Group's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.8 Revenue Recognition

The Group recognises revenue when (or as) the Group satisfies a performance obligation by transferring a promised goods or services to a customer. The promised good or service is transferred when (or as) the customer obtains control over a good or service. Revenue is reported net of taxes and duties as applicable.

For sale of goods, the Group recognises revenue when it transfers control of goods to the customer. Control is passed on to the customer when goods are dispatched from Group's premises or as per the terms with customers.

For sale of services, the Group recognises revenue as or when the performance obligation in relation the service is satisfied by the Group based on terms of the agreements with customers and there are no unfulfilled obligation.

Revenue in excess of invoices are classified as unbilled revenue, while invoicing in excess of revenue are classified income received in advance.

Insurance claims are recognised when its amount can be measured reliably, and ultimate collection is reasonably certain.

Interest income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Export Incentives under various schemes are accounted in the year of export on accrual basis.

2.9 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

a) Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in Rs. cr, unless otherwise stated)

before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years, items that are never taxable or deductible and tax incentives. Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.10 Leases

The Group's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.11 Inventories

Inventories are valued at lower of cost and net realisable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realisable value is made on an item-by-item basis. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less the 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 the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on item by item basis.

2.12 Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Group records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**

(All amounts in Rs. cr, unless otherwise stated)

discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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 Group 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.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

2.13 Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.14 Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Consolidated Statement of Profit and Loss.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

i. Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortised cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

iii. Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortised cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/expense in the statement of profit and loss. In Consolidated balance sheet ECL for financial assets measured at amortised cost is presented as an allowance, i.e. as

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

an integral part of the measurement of those assets in the consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

iv. Derecognition of financial assets

A financial asset is derecognised only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognised only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

b) Financial liabilities

i. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. 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.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. 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.

iii. Non cumulative redeemable non cumulative non convertible preference shares

Redeemable non cumulative non convertible preference shares where payment of dividend is discretionary and which are mandatorily redeemable on a specific date, are classified as compounded Instruments. The fair value of the liabilities portion is determined by discounting amount repayable at maturity using market rate of interest. Difference between proceed receive and fair value of liability on initial recognition is included in shareholder equity, net off income tax effect and not subsequently remeasured. Subsequently liability component of preference share is measured at amortised cost.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

iv. 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 as finance costs.

c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability 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 Group or the counterparty.

2.16 Employee benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated balance sheet.

b) Other long-term employee benefit obligations

i. Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

ii. Defined benefit plans

Gratuity (funded): The Group provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the other comprehensive income in the year in which they arise.

iii. Other long- term employee benefit obligations

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the statement of profit and loss in the year in which they arise.

2.17 Contributed equity

Equity shares are classified as equity share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating Decision Maker (CODM) reviews the operations of the Group as contract manufacturing. Consequently, no separate segment information has been furnished.

2.20 Business Combination

Business Combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. 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. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Consolidated Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Consolidated Statement of profit and loss.

Business Combinations under common control are accounted as per Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognised as capital reserve on common control business combination.

2.21 Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability portion of an optionally convertible preference shares is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument since it meets Ind AS 32, Financial Instruments: Presentation, criteria for fixed

to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not subsequently re-measured.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

3(A) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

(i) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year-end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

b) Defined benefit plans and other long-term benefits (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment 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 and mortality rates. 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 year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 36.

c) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

d) Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

for sale or use. Group estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each balance sheet date.

e) Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model on trade receivables. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

f) Business Combination

Business Combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date.

3(B) RECENT PRONOUNCEMENTS

The Ministry of Corporate Affairs vide notification dated September 09, 2024 and September 28, 2024 notified the companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 01, 2024:

- Insurance Contracts - Ind AS 117; and
- Lease liability in sale and leaseback – Amendments to Ind AS 116

These amendments are not applicable to the Group, as there are no transactions of this nature within the Group.

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(All amounts in Rs. cr, unless otherwise stated)

4 (A) PROPERTY, PLANT AND EQUIPMENT

	Gross carrying amount					Depreciation & Impairment					Net carrying amount
	As at April 01, 2024	Additions/ Adjustments	Acquisition through business Combination [refer note 37(A)]	Disposals	As at March 31, 2025	As at April 01, 2024	Acquisition through business Combination [refer note 37(A)]	Depreciation for the year	Disposals	As at March 31, 2025	As at March 31, 2025
I Owned Assets											
Freehold land	71.19	9.59	4.85	-	85.63	-	-	-	-	-	85.63
Buildings#*	351.70	35.33	21.24	(2.29)	410.56	89.82	3.11	11.95	(0.68)	105.56	305.00
Plant and machinery#	741.59	57.66	63.69	47.93	815.01	292.54	13.52	47.45	12.23	341.28	473.73
Furniture and fixtures	16.66	2.18	5.80	0.09	24.55	9.07	2.89	1.88	0.06	13.78	10.77
Vehicles	2.32	0.37	0.68	0.20	3.17	0.85	0.28	0.25	0.07	1.31	1.86
Office equipment's	24.62	3.27	1.88	0.02	29.75	8.34	1.48	2.24	-	12.06	17.69
Electrical equipment	53.02	4.01	2.92	9.46	50.49	18.31	0.84	4.72	4.44	19.43	31.06
Computers	8.52	0.67	1.76	-	10.95	6.31	1.47	1.05	0.00	8.83	2.12
Leasehold improvement*	3.50	0.34	-	2.63	1.21	1.01	-	0.28	0.74	0.55	0.66
	1,273.12	**113.42**	**102.82**	**58.04**	**1,431.32**	**426.25**	**23.59**	**69.82**	**16.86**	**502.80**	**928.52**
II Right of Use Assets											
Leasehold land ##, ^	27.25	-	4.00	-	31.25	0.93	-	0.23	-	1.16	30.09
Building ^	36.02	32.53	-	18.70	49.85	8.47	-	8.08	5.60	10.95	38.90
Plant and machinery	0.47	-	-	-	0.47	0.47				0.47	-
Total	**63.74**	**32.53**	**4.00**	**18.70**	**81.57**	**9.87**	**-**	**8.31**	**5.60**	**12.58**	**68.99**

Includes finance cost capitalised during the year amounting to Nil (March 31, 2024: Rs. 1.39 cr) in Building and Plant and Machinery. Further, Rs. 0.72 cr (March 31, 2024: Nil) capitalised in Capital Work-in-progress.

Leasehold land aggregating to Rs. 3.21 cr (acquired as part of the business combinations) wherein the title deed is not held in name of the Holding Company as on March 31, 2025 .

Leasehold land aggregating to Rs. 4 cr (acquired as part of the business transfer agreement) wherein the title deed is not held in name of the Subsidiary Company as on March 31, 2025 .

*During the year one of the subsidiary have purchased Land & Building worth Rs.39.90 cr from DNH Land Developer on October 30, 2024. Such assets were earlier taken on lease rental basis and this purchase of assets has lead to discontinuation of the lease agreement. Closing balance of asset Improvement to leased premises as on October 30, 2024 is transferred to Factory Building. Classification of this asset into Land and Building is adequately done by registered government valuer. Life of Factory Building is determined to 30 Years and depreciated accordingly.

^ For changes in the carrying value of Lease Liability refer note 38

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

	Gross carrying amount					Depreciation & Impairment					Net carrying amount
	As at April 01, 2023	Additions/ Adjustments	Acquisition through business Combination [refer note 37(B)]	Disposals	As at March 31, 2024	As at April 01, 2023	Acquisition through business Combination [refer note 37(B)]	Depreciation for the year	Disposals	As at March 31, 2024	As at March 31, 2024
I Owned Assets											
Freehold land	39.98	0.03	31.18	-	71.19	-	-	-	-	-	71.19
Buildings#	207.78	62.26	81.66	-	351.70	37.27	43.39	9.16	-	89.82	261.88
Plant and machinery#	366.06	157.13	224.75	6.35	741.59	92.43	166.20	34.77	0.86	292.54	449.05
Furniture and fixtures	5.74	2.30	8.78	0.16	16.66	2.46	6.16	0.61	0.16	9.07	7.59
Vehicles	2.25	-	0.07	-	2.32	0.61	0.02	0.22	-	0.85	1.47
Office equipment's	9.84	12.64	2.15	0.01	24.62	5.96	0.67	1.71	0.00	8.34	16.28
Electrical equipment	38.64	14.17	0.21	-	53.02	14.77	0.04	3.50	-	18.31	34.71
Computers	2.25	1.43	4.84	0.00	8.52	1.66	3.92	0.73	-	6.31	2.21
Leasehold improvement	2.93	0.15	0.42	-	3.50	0.64	0.04	0.33	-	1.01	2.49
	675.47	**250.11**	**354.06**	**6.52**	**1,273.12**	**155.80**	**220.44**	**51.03**	**1.02**	**426.25**	**846.87**
II Right of Use Assets											
Leasehold land ##, ^	13.29	11.82	2.14	-	27.25	0.61	0.06	0.26	-	0.93	26.32
Building ^	22.94	9.51	3.57	-	36.02	4.66	0.43	3.38	-	8.47	27.55
Plant and machinery	0.47	-	-	-	0.47	0.47	-	-	-	0.47	-
Total	**36.70**	**21.33**	**5.71**	**-**	**63.74**	**5.74**	**0.49**	**3.64**	**-**	**9.87**	**53.87**

4 (b) Capital Work in Progress (CWIP)

	As at April 01, 2024	Expenditure during the year	Capitalised during the year	Impairment	Written off	Closing as at March 31, 2025
CWIP	8.40	122.06	11.35	-	-	119.11

	As at April 01, 2023	Expenditure during the year	Capitalised during the year	Impairment	Written off	Closing as at March 31, 2024
CWIP	124.72	54.84	171.16	-	-	8.40

Ageing of capital work in progress ("CWIP")

As at March 31, 2025

CWIP	Amount in CWIP				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	119.03	0.08	-	-	119.11
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2024

CWIP	Amount in CWIP				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.11	0.17	-	-	5.28
Projects temporarily suspended	-	-	3.12	-	3.12

In case of the following projects (CWIP), where completion is overdue as compared to it's original plan, completion schedule is as below:

As at March 31, 2025

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-

There are no projects as Capital Work in Progress as at March 31, 2025, the cost of which has exceeded in comparison to its original plan.

In case of the following projects (CWIP), where completion is overdue as compared to it's original plan, completion schedule is as below:

As at March 31, 2024

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	3.12	-	-	-	3.12

* The Group is in the process of constructing a warehouse inside one of it's factory for storing inventories. The Group is planning to complete the construction work soon.

5 (a) GOODWILL

	Amount
Cost	
As at April 01, 2023	**3.01**
Additions [refer note 37 (B)]	3.51
Disposals/Adjustments	-
As at March 31, 2024	**6.52**
Additions	-
Disposals/Adjustments	-
As at March 31, 2025	**6.52**
Net book value	
As at March 31, 2025	**6.52**
As at March 31, 2024	**6.52**

No impairment loss required to be recognised on goodwill in current and previous year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

5 (b) OTHER INTANGIBLE ASSETS

	Gross carrying amount					Amortisation and impairment					Net carrying amount
	As at April 01, 2024	Additions/ Adjustments	Acquisition through business Combination [refer note 37(A)]	Disposals	As at March 31, 2025	As at April 01, 2024	Acquisition through business Combination [refer note 37(A)]	Amortisation the year	Disposals	As at March 31, 2025	As at March 31, 2025
Other intangible assets											
Brand	2.00	-	-	-	2.00	2.00	-	-	-	2.00	-
Trademark	0.01	-	-	-	0.01	0.01	-	-	-	0.01	-
Computer software	7.23	1.13	0.45	-	8.81	6.11	0.38	0.32	-	6.81	2.00
Customer Relationship	-	-	6.56	-	6.56	-	-	1.04	-	1.04	5.52
Non-Compete	-	-	0.75	-	0.75	-	-	0.24	-	0.24	0.51
Total	**9.24**	**1.13**	**7.76**	**-**	**18.13**	**8.12**	**0.38**	**1.60**	**-**	**10.10**	**8.03**

	Gross carrying amount					Amortisation and impairment					Net carrying amount
	As at April 01, 2023	Additions/ Adjustments	Acquisition through business Combination [refer note 37(B)]	Disposals	As at March 31, 2024	As at April 01, 2023	Acquisition through business Combination [refer note 37(B)]	Amortisation the year	Disposals	As at March 31, 2024	As at March 31, 2024
Other intangible assets											
Brand	2.00	-	-	-	2.00	2.00	-	-	-	2.00	-
Trademark	0.01	-	-	-	0.01	0.01	-		-	0.01	-
Computer software	0.18	0.85	6.20	-	7.23	0.13	5.86	0.12	-	6.11	1.12
Total	**2.19**	**0.85**	**6.20**	**-**	**9.24**	**2.14**	**5.86**	**0.12**	**-**	**8.12**	**1.12**

5 (c) INTANGIBLE ASSETS UNDER DEVELOPMENT

	As at April 01, 2024	Expenditure during the year	Capitalised during the year	Impairment	Written off	Closing as at March 31, 2025
Intangible assets under development	0.34	0.11	(0.05)	-	-	0.40

	As at April 01, 2023	Expenditure during the year	Capitalised during the year	Impairment	Written off	Closing as at March 31, 2024
Intangible assets under development	0.40	0.51	(0.57)	-	-	0.34

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

Ageing of Intangible asset under development

As at March 31, 2025

Intangible asset under development	Amount in intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.11	0.29	-	-	0.40
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2024

Intangible asset under development	Amount in intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.34	-	-	-	0.34
Projects temporarily suspended	-	-	-	-	-

There are no projects as Intangible assets under development as at March 31, 2025 and March 31, 2024, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

6 FINANCIAL ASSETS - LOANS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Unsecured, considered good				
Loan to others, repayable on demand	-	1.00	-	-
Total financial assets	**-**	**1.00**	**-**	**-**

7 OTHER FINANCIAL ASSETS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Financial instruments at amortised cost				
Security deposits	24.07	-	10.37	0.20
In fixed deposit accounts with original maturity for more than 12 months#	13.26	62.52	114.11	-
Interest accrued on deposits with bank	0.08	1.88	0.16	0.65
Interest accrued on loans given to other	-	0.03	-	-
Unbilled revenue	-	90.66	-	70.35
Other receivable	-	2.05	-	6.87
Total other financial assets	**37.41**	**157.14**	**124.64**	**78.07**

These Includes fixed deposits of Rs. 1.21 cr (previous year ended March 31, 2024: Rs. 1.66 cr) held as margin money deposit against guarantees and lien.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

8 NON-CURRENT TAX ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income tax (net)	0.80	3.74
Total non-current tax assets	**0.80**	**3.74**

9 OTHER NON-CURRENT AND CURRENT ASSETS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Capital advances*	47.54	-	10.93	-
Prepaid expenses	0.36	6.07	0.53	3.39
Balance with government authorities (other than income tax)	-	40.07	-	49.63
Export incentive receivable	-	1.99	-	1.29
Advances to suppliers	-	12.69	-	16.46
Advances to employees	-	0.17	-	0.13
Other receivables	-	0.09	-	0.10
Total other assets	**47.90**	**61.08**	**11.46**	**71.00**

* Value of contracts in capital account remaining to be executed as at March 31, 2025 Rs. 54.91 cr (as at March 31, 2024: Rs. 13.32 cr)

10 INVENTORIES*

Particulars	As at March 31, 2025	As at March 31, 2024
(Lower of cost or Net realisable value)		
Raw material and intermediate	434.24	237.18
Work in progress	171.79	114.88
Finished goods	74.70	74.93
Packing material	63.96	59.87
Consumables, store and spares parts	8.13	6.54
Total inventories	**752.82**	**493.40**

*Hypothecated as charge against short term-borrowings. Refer note 18(b).

11 INVESTMENTS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Unquoted Equity shares of Transition Sustainable Energy Services One Private Limited	0.00*	-	-	-
	0.00	**-**	**-**	**-**

*Amount below rounding off norms.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

12 TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	209.74	176.20
Less: Allowance for bad and doubtful debts	(0.43)	(0.43)
Total trade receivables	**209.31**	**175.77**
Current portion	**209.31**	**175.77**
Non current	**-**	**-**

(a) **Breakup of security details**

Particulars	As at March 31, 2025	As at March 31, 2024
Secured, considered good		
Unsecured		
- Considered good	209.31	175.77
- Considered doubtful	-	-
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	0.43	0.43
Total	**209.74**	**176.20**
Allowance for bad and doubtful debts	(0.43)	(0.43)
Total trade receivables	**209.31**	**175.77**

(b) **The movement in allowances for doubtful receivables is as follows:**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.43	0.39
Additions	-	0.15
Write off (net of recovery)	-	0.12
Adjustment	-	0.01
Closing Balance	**0.43**	**0.43**

(c) **Ageing of Trade Receivables**

Particulars	Not Due	Outstanding for following periods from due date of receipts					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	124.65	84.38	0.28	-	-	-	**209.31**
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.08	0.22	0.13	**0.43**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

Particulars	Not Due	Outstanding for following periods from due date of receipts					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	(0.08)	(0.22)	(0.13)	**(0.43)**
	124.65	84.38	0.28	-	-	-	209.31

As at March 31, 2024

Particulars	Not Due	Outstanding for following periods from due date of receipts					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	104.96	61.88	8.93	-	-	-	**175.77**
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.01	0.21	0.10	0.11	**0.43**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(0.01)	(0.21)	(0.10)	(0.11)	**(0.43)**
	104.96	61.88	8.93	-	-	-	175.77

(d) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member.

13 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
Balances with banks		
- In current accounts	76.67	43.13
- Fixed deposits with original maturity of less than 3 months	0.09	-
Cash on hand	0.23	0.05
Total cash and cash equivalents	**76.99**	**43.18**

14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	As at March 31, 2025	As at March 31, 2024
In fixed deposit with original maturity for more than 3 months but less than 12 months *	6.63	6.11
Total bank balances other than cash and cash equivalents	**6.63**	**6.11**

* These Includes fixed deposits of Rs. 6.25 cr (previous year ended March 31, 2024: Rs. 5.94 cr) held as margin money deposit against guarantees and lien.

15 EQUITY SHARE CAPITAL

The Holding Company has only one class of equity share capital having a par value of Rs. 2/- per share (March 31, 2024 Rs 2/- per share), referred to herein as equity shares.

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised		
26,57,61,265 (March 31, 2024 26,57,61,265 Equity Shares of Rs.2/- each) Equity shares of Rs.2/- each	53.15	53.15
	53.15	**53.15**
Issued, subscribed and paid up		
11,75,02,413 (March 31, 2024 11,45,73,353 Equity Shares of Rs.2/- each) Equity shares of Rs.2/- each fully paid up	23.50	22.91
Total	**23.50**	**22.91**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at March 31, 2025		As at March 31, 2024	
	No. of shares of Rs. 2 each unless otherwise stated	Amount	No. of shares of Rs. 2 each unless otherwise stated	Amount
Outstanding at the beginning of the year	11,45,73,353	22.91	11,27,42,690	22.55
Add: Changes in equity share capital during the year [refer note 52]	29,29,060	0.59	18,30,663	0.36
Outstanding at the end of the year	**11,75,02,413**	**23.50**	**11,45,73,353**	**22.91**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

(b) **Rights, preferences and restrictions attached to shares**

Equity Shares: The Holding Company has only one class of equity shares having par value of Rs.2 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees.

During the year ended March 31, 2025, the amount of per share dividend recognised as distributions to equity shareholders was Nil (March 31, 2024: Nil).

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares of Rs. 2 each unless otherwise stated	% of holding	No. of shares of Rs. 2 each unless otherwise stated	% of holding
Vanity Case (India) Private Limited	4,64,58,145	39.54%	4,64,58,145	40.55%
Asha R. Kothari	1,20,75,915	10.28%	1,20,75,915	10.54%
Sameer R. Kothari	1,20,75,915	10.28%	1,20,75,915	10.54%
M/s. Jwalamukhi Investment Holdings	-	0.00%	65,95,062	5.76%

(d) **Details of Shares held by Promoters at the end of the year**

Promoter name	As at March 31, 2025			As at March 31, 2024		
	No. of shares of Rs.2 each unless otherwise stated	% of total shares	% Change as compared to immediate preceding year	No. of shares of Rs. 2 each unless otherwise stated	% of total shares	% Change as compared to immediate preceding year
Vanity Case (India) Private Limited	4,64,58,145	39.54%	(1.01%)	4,64,58,145	40.55%	(0.66%)
Asha R. Kothari	1,20,75,915	10.28%	(0.26%)	1,20,75,915	10.54%	(0.17%)
Sameer R. Kothari	1,20,75,915	10.28%	(0.26%)	1,20,75,915	10.54%	(0.17%)
Shrinivas Vasudeva Dempo	20,00,000	1.70%	(0.04%)	20,00,000	1.75%	(0.03%)
Soiru Dempo Management Holding Private Limited	5,00,000	0.43%	(0.01%)	5,00,000	0.44%	(0.01%)
V.S. Dempo Holdings Private Limited	-	-	-	-	-	-
Total	**7,31,09,975**	**62.23%**	**(1.59%)**	**7,31,09,975**	**63.81%**	**(1.04%)**

(e) **Information regarding issue of Equity Shares during last five years**

(i) No shares have been issued as bonus shares by the Holding Company during the period of five years immediately preceding the current year end.

(ii) No shares have been bought back by the Holding Company during the period of five years immediately preceding the current year end.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

16 INSTRUMENT ENTIRELY IN NATURE OF EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Compulsory Convertible Preference Share		
Balance at the beginning of the year	-	-
Changes in Compulsory Convertible Preference Share during the year	1.17	-
Balance at the end of the year	**1.17**	**-**
(b) Compulsory Convertible Debenture		
Balance at the beginning of the year	-	-
Changes in Compulsory Convertible Debenture during the year	2.39	-
Balance at the end of the year	**2.39**	**-**

(i) In the current year, KNS Shoetech Private Limited ('KNS'), has allotment of 9,33,100 (Nine Lakhs Thirty Three Thousand One Hundred) Compulsorily Convertible Preference Shares ("CCPS") of face value of Rs. 10/- each at an issue price of Rs. 50/- each and paid-up price of Rs. 12.5/- each to the certain identified allottees and the balance payment to be received by KNS in tranches as and when called by KNS.

(ii) In the current year, KNS Shoetech Private Limited ('KNS'), has allotment of 19,15,640 (Nineteen Lakhs Fifteen Thousand Six Hundred Forty) Compulsorily Convertible Debentures ('CCDs') of face value of Rs. 10/- each at an issue price of Rs. 50/- each and paid-up price of Rs. 12.5/- each to the certain identified allottees and the balance payment to be received by KNS in tranches as and when called by KNS.

17 OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
Capital reserve	19.57	8.29
Securities premium	392.43	233.07
Equity component of redeemable non cumulative non convertible preference shares	0.86	0.86
Retained earnings	416.10	306.00
Money received against share warrant	35.00	75.00
	863.96	**623.22**

Nature and purpose of other reserves	
Capital reserve (including reserve created on account of business combination)	The Group recognises profit or loss on purchase, sale, issue or cancellation of the Holding Company's own equity instruments to capital reserve.
Securities premium	Securities premium is used to record the premium on issue of shares. This is utilised in accordance with the provisions of the Companies Act 2013.
Equity component of redeemable non cumulative non convertible preference shares	Equity component represents difference between consideration received and present value of liability component on initial recognition (net of deferred tax).
Retained earnings	Retained earnings are the profits that the Group has earned till date, dividends or other distributions paid to shareholders.
Money received against share warrant	25% amount received towards issue of convertible share warrants on preferential basis.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

	Particulars	As at March 31, 2025	As at March 31, 2024
(A)	**Capital reserve**		
	Opening balance	8.29	4.78
	Add : Gain on account of business acquisition (refer note 37 (A) & 37 (B))	11.28	3.51
	Closing balance	**19.57**	**8.29**
(B)	**Securities premium**		
	Opening balance	233.07	135.01
	Add : Securities premium on share issued [refer note 52]	159.41	99.63
	Less : Expenses on issue of share warrants	(0.05)	(1.57)
	Closing balance	**392.43**	**233.07**
(C)	**Equity component of redeemable non cumulative non convertible preference shares**	**0.86**	**0.86**
(D)	**Retained earnings**		
	Opening balance	306.00	211.74
	Add: Net profit for the year	109.64	93.02
	Add/(Less): Item of OCI for the year, net of tax	0.46	1.24
	Closing balance	**416.10**	**306.00**
(E)	**Money received against share warrants**		
	Opening balance	75.00	-
	Add: Received during the year	-	75.00
	Less: Shares issued during the year	(40.00)	-
	Closing balance	**35.00**	**75.00**
	Total other equity	**863.96**	**623.22**

18 (A) NON-CURRENT BORROWINGS

	As at March 31, 2025	As at March 31, 2024
Secured		
Term loan		
From banks	689.63	541.50
From others	29.55	36.43
Vehicle Loan		
From bank	0.57	0.75
Unsecured		
Liability component of compound financial instruments		
9% redeemable non cumulative non convertible preference shares*	0.91	0.84
Less: Current maturities of long term borrowings [refer note 18(b)]	(102.04)	(84.32)
Total non-current borrowings	**618.62**	**495.20**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

A) Terms of non-current borrowing are as under

Particulars	Rate of interest (p.a.)	Repayment terms
Non current, secured borrowings		
Term loan from Banks	Ranging from 8.75% to 10.35%	Repayable in monthly and quarterly instalments
Term loan from Others	Ranging from 9.95% to 10.10%	Repayable in quarterly instalments
Vehicle loan from Bank	8.00%	Repayable in monthly instalments
Non current, unsecured borrowings		
Redeemable non cumulative non convertible preference shares*	9.00%	Redeemable not later than 19 years from the date of issue i.e. September 27, 2012.

* The Holding Company has authorised redeemable non cumulative non convertible preference shares of Rs.2 cr, of which the Holding Company has issued preference shares amounting to Rs. 1.60 cr to V.S. Dempo Holdings Pvt Ltd.

B) Nature of security :

For term loan from banks

i. Term loan from SVC bank has been secured by exclusive charge on entire land and building and plant and machinery at Silvassa factory of the Holding Company.

ii. Term loan from HDFC bank has been secured by charge on the current and future land and building and Plant and machinery of Hyderabad factory of the Holding Company and first pari passu charge on stock and book debt along with yes bank and personal guarantee of Mr Sameer Kothari.

iii. Term loan from Yes bank has been secured by exclusive charge on the movable fixed assets and land and building of the Coimbatore, Jammu and Goa factory of the Holding Company and Pari passu charge over the entire current assets of the Holding Company with HDFC and SVC bank and personal guarantee of Mr Sameer Kothari.

iv. Term loan from IDFC bank has been secured by exclusive charge on the movable fixed assets and intangible assets including insurance assets and land and building of the Baddi factory of the Holding Company and exclusive charge over the current assets of the Baddi factory of the Holding Company and personal guarantee of Mr Sameer Kothari.

v. Term Loan from Yes Bank has been secured by exclusive charge by way of hypothecation on the current assets (inventory and debtors), plant and machinery (All movable Fixed Assets), exclusive charge by way of Equitable motgage on Industrial Land and building of Lucknow factory, personal guarantee of Director Mr Sameer Kothari and Corporate guarantee of Holding Company Hindustan Foods Limited.

vi. Term Loan from Yes bank has been secured by charge on the Current & Future current assets, current and future plant and machinery (movable Fixed Assets), Industrial Land and building of Guwahati factory, personal guarantee of Director Mr Sameer Kothari and Corporate guarantee of Holding Company Hindustan Foods Limited.

vii. Term loan from Yes bank has been secured by exclusive charge on Current Assets & Plant and Machinery (Plant and Machinery) located at Orissa plant, and by way of Equitable Mortgage on Khorda odisha, and personal guarantee of Sameer Kothari & Corpoarte guarantee of Holding company Hindustan Foods Limited.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

viii. Term loan from SVC bank has been secured by exclusive charge on land & building situated at Piparia (Silvassa), Factory building situated at Masat (Silvassa), Mortgage on the land and building situated at Poanta factories and Hypothecation of Plant and Machinery situated at Poanta and Kundli factories, personal guarantee of Mr Sameer Kothari - upto the time repayment commence and Corporate Guarantee of Holding Company Hindustan Food Limited.

ix. Term loan from Yes bank has been secured by first charge Pari passu by way of Hypothecation on all movable fixed assets and first charges Pari Passu by way of Equitable Mortgage of specific building (Factory land building) situated at Piparia (Silvassa) along with factory shed and building constructed there on valuing of Rs. 4 cr. Personal Guarantee of Mr Sameer Kothari and Corporate Guarantee of Holding Company Hindustan Food Limited to the extent of 50 cr.

x. Term Loan from Yes Bank has been secured by exclusive charge by way of hypothecation on the current assets (inventory and debtors), plant and machinery (All movable Fixed Assets), exclusive charge by way of Equitable motgage on Industrial (Land and building) situated at Dadra & Nagar Haveli, personal guarantee of Director Mr Sameer Kothari and Corporate guarantee of Holding Company Hindustan Foods Limited.

For term loan from others

i. Term loan from Bajaj Finance Limited has been secured by charge on the entire movable and immovable fixed assets of the HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited) and Company and current assets of the HFL Healthcare and Wellness Private Limited.

For vehicle loan

i. Vehicle loan from HDFC bank has been secured by charge on the vehicle.

C) Period and amount of default:

The Group has made no defaults in the payment of principal or interest during the year ended March 31, 2025.

D) The Bank loans contain certain debt covenants relating to limitation on indebtedness, debt-equity ratio, current ratio, net Borrowings to EBITDA ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Group meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorisation of the financial statements.

The Group has also satisfied all other debt covenants prescribed in the terms of bank loan. The other loans do not carry any debt covenant.

Particulars of Loans	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement
Term Loan - Yes Bank	Towards acquistion of manufacturing unit at samba industrial Area, Jammu.	Yes
Term Loan - Yes Bank	Towards Purchase of Land and Setting up of manufacturing plant in Coimbatore (Including reimbursement incurred)	Yes
Term Loan - Yes Bank	1. Towards purchase of Land and setting up manufacturing plant in Uttar Pradesh. 2. Toward purchase of building, Plant & Machinary and Material for Expansion of plant in Uttar Pradesh.	Yes
Guaranteed Emergency Credit Line (GECL) - Yes Bank	Towards Working capital payments	Yes
Emergency Credit Line Guaranteed Scheme (ECGLS) - HDFC BANK LTD	Towards Working capital payments	Yes
Term Loan - HDFC BANK LTD	Towards process engineering at existing Plant at Hyderabad	Yes
Term Loan - HDFC BANK LTD	Towards capital expenditure of plant at Hyderabad	Yes
Term Loan - SVC BANK	Set up new factory at Silvassa, towards manufacturing of surface cleaning & toilet clearing product.	Yes
Term Loan - HDFC BANK LTD	Towards working capital and capacity addition at Hyderabad plant for making detergent bars and soaps	Yes
Term Loan - Bajaj Finance LTD	Towards General Corporate Purpose/ Share purchase of HFL Healthcare and wellness private limited (earlier know as "Reckitt Benckiser Scholl India Private Limited")	Yes
Term Loan - IDFC First Bank LTD	To part finance the slump sale transaction of manufacturing facility at Baddi.	Yes
Term Loan - HDFC BANK LTD	Set up new factory at Nashik, towards manufacturing of ice-cream product.	Yes
Term Loan - Yes bank	(i) Towards setting up manufacturing unit of fruit juice in Assam. (ii) Towards acquisition of manufacturing unit in Odisha.	Yes
Vehicle Loan - HDFC BANK LTD	Towards purchase of vehicle	Yes
Term Loan - SVC BANK	Towards acquisition of manufacturing unit of KNS Trading Pvt Ltd. and SSIPL Retail Ltd.	Yes
Term Loan - Yes Bank	Part Takeover of SVC Bank Term loan (disbursed for purchase of machines taken under BTA with SSIPL Retail Ltd)	Yes
Term Loan - Yes Bank	For purchase of existing factory land and Building (Captive use)	Yes

F) The Group have not pledged any financial and non financial assets as security for current or non-current borrowings.

18 (B) CURRENT BORROWINGS

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
From banks		
Cash credits	134.74	106.41
Current maturities of long term borrowings [refer note 15 (a)]	102.04	84.32
Total current borrowings	**236.78**	**190.73**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

A) Terms of current borrowing are as under

Particulars	Rate of interest(p.a)	Repayment terms
Current, secured borrowings	Ranging from 9% to 10.35%	Repayable on demand

B) Nature of security :

i. Cash credit from Yes Bank has been secured by exclusive charge on the movable fixed assets of the Jammu & Goa factory of the Holding Company, pari passu charge over the entire current assets of the Holding Company with HDFC exclusive charge on land and building of Jammu factory and pari passu charge on the land and building of Goa plant along with HDFC bank.

ii. Cash credit from HDFC Bank has been secured by first pari passu charge on the stock and book debt of the Holding Company along with Yes bank, exclusive charge on current and future plant and machinery of the Hyderabad factory, first pari passu charge on the land and building of Goa factory and exclusive charge on current and future land and building of Hyderabad factory.

iii. Cash credit from IDFC bank has been secured by exclusive charge on the movable fixed assets and intangible assets including insurance assets and land and building of the Baddi factory of the Holding Company and exclusive charge over the current assets of the Baddi factory of the Holding Company.

iv. Cash Credit from Yes Bank has been secured by charge on the current assets (inventory and debtors), current and future plant and machinery (movable Fixed Assets), Industrial Land and building of factory, personal guarantee of Director Mr Sameer Kothari and Corporate guarantee of Holding Company Hindustan Foods Limited.

v. Cash credit from SVC bank has been secured by exclusive charge on land & building situated at Piparia (Silvassa), Factory building situated at Masat (Silvassa), Mortgage on the land and building situated at Poanta factories and Hypothecation of Plant and Machinery situated at Poanta and Kundli factories, personal guarantee of Mr Sameer Kothari - upto the time repayment commence and Corporate Guarantee of Holding Company Hindustan Food Limited.

vi. Cash credit from Yes bank has been secured by first charge Pari passu by way of Hypothecation on all movable fixed assets and first charges Pari Passu by way of Equitable Mortgage of specific building (Factory land building) situated at Piparia (Silvassa) along with factory shed and building constructed there on valuing of Rs. 4 cr. Personal Guarantee of Mr Sameer Kothari and Corporate Guarantee of Holding Company Hindustan Food Limited to the extent of 50 cr.

v. Cash credit from Yes Bank has been secured by exclusive charge by way of hypothecation on the current assets (inventory and debtors), plant and machinery (All movable Fixed Assets) and Corporate guarantee of Holding Company Hindustan Foods Limited.

C) Period and amount of default:

The Group has made no defaults in the payment of principal or interest in the current year.

D) The statements of current assets and stocks submitted by the Group with banks are materially in agreement with the books of accounts.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

19 PROVISIONS

	As at March 31, 2025		As at March 31, 2024	
	Non- current	Current	Non- current	Current
Provision for employee benefits (refer note 36)				
- Provision for gratuity (funded)	18.31	1.23	10.08	1.04
- Leave encashment (unfunded)	7.40	0.56	2.88	0.36
Total employee benefits obligation	**25.71**	**1.79**	**12.96**	**1.40**

20 TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	2.85	4.13
Total outstanding dues of creditors other than micro enterprises and small enterprises *	521.12	421.67
Total trade payables	**523.97**	**425.80**

* Refer note 39 for trade payables to related party

Disclosure relating to suppliers registered under MSMED Act, 2006 based on the information available with the Holding Company:

		As at March 31, 2025	As at March 31, 2024
(a)	Amount remaining unpaid to any supplier at the end of each accounting year:		
	Principal	2.84	4.13
	Interest	0.01	0.00*
	Total	**2.85**	**4.13**
(b)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.01	0.00*
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

*Amount below rounding off norms.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

Trade payables ageing schedule

March 31, 2025

Particulars	Unbilled dues	Payables not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	2.10	0.75	-	-	-	2.85
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	8.30	319.51	189.29	1.10	0.84	2.08	521.12
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	8.30	**321.61**	**190.04**	**1.10**	**0.84**	**2.08**	**523.97**

March 31, 2024

Particulars	Unbilled dues	Payables not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	2.38	1.75	-	-	-	4.13
(ii) Disputed dues – MSME	-	-	-	-	-	-	
(iii) Others	7.07	186.20	223.78	1.29	1.83	1.50	421.67
(iv) Disputed dues - Others	-	-	-	-	-	-	
	7.07	**188.58**	**225.53**	**1.29**	**1.83**	**1.50**	**425.80**

21 OTHER CURRENT FINANCIAL LIABILITIES

	Year ended March 31, 2025	Year ended March 31, 2024
Other financial liabilities at amortised cost		
Security deposit received	0.26	0.12
Employee related payable	30.42	13.03
Other Payables	2.23	1.39
Capital creditors	24.27	17.16
Total other financial liabilities	**57.18**	**31.70**

22 OTHER CURRENT LIABILITIES

	Year ended March 31, 2025	Year ended March 31, 2024
Statutory dues payable	7.76	12.20
Advance from customers	25.91	16.82
Other payables	0.18	0.83
Provision for expenses	-	0.29
Security deposit received	0.85	0.85
Total other current liabilities	**34.70**	**30.99**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

23 CURRENT TAX LIABILITIES

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax payable (net)	14.59	5.12
Total current tax liabilities	**14.59**	**5.12**

24 REVENUE FROM OPERATIONS

		Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers:			
- Sale of products		3,506.79	2,710.75
- Sale of services		47.94	34.45
Total	(A)	**3,554.73**	**2,745.20**
Other operating revenue			
- Export incentive		3.22	2.18
- Scrap sales		5.45	3.90
- Trial charges		0.98	3.43
Total	(B)	**9.65**	**9.51**
Total revenue from operations (A)+(B)		**3,564.38**	**2,754.71**

A. Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by major service lines.

	Year ended March 31, 2025	Year ended March 31, 2024
- Sale of products - contract manufacturing	3,506.79	2,710.75
- Sale of services	47.94	34.45
Total	**3,554.73**	**2,745.20**
Geographic revenue		
- India	3,424.68	2,651.87
- Rest of the world	130.05	93.33
Total	**3,554.73**	**2,745.20**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

B. **Trade receivables and contract balances**

The following table provides information about receivables, contract assets and current liabilities from contracts with customers:

	Year ended March 31, 2025	Year ended March 31, 2024
Receivables, which are included in trade receivables *	209.31	175.77
Unbilled revenue	90.66	70.35
Advances from customers ^	25.91	16.82

* Trade Receivable represents the amount of consideration in exchange for goods or services transferred to the customers that is unconditional. Contract assets are initially recognised for revenue from sale of goods and services.

^ The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2025.

C. **Transaction price allocated to the remaining performance obligation**

There are no unsatisfied long-term contracts / performance obligation that have impact on financial statements.

The Group applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

D. **Reconciliation of contract price with revenue during the year**

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contract price	3,556.32	2,745.72
Adjustment for trade discounts/others	(1.59)	(0.52)
Revenue from contract with customer	**3,554.73**	**2,745.20**

25 OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on fixed deposits	5.05	2.40
Interest on loan to other	0.03	-
Income from insurance claim	0.75	-
Other non operating income :		
Other interest income	1.11	-
Liabilities no longer required written back	0.52	1.65
Provision for doubtful debts written back	-	0.12
Miscellaneous income	1.73	2.31
Gain on sale of property, plant and equipment	-	0.06
Gain on discontinuation of Leased assets & liabilities	3.05	-
Foreign exchange gain (net)	2.31	0.63
Total other income	**14.55**	**7.17**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in Rs. cr, unless otherwise stated)

26 COST OF MATERIAL CONSUMED

	Year ended March 31, 2025	Year ended March 31, 2024
Raw material		
Inventory at the beginning of the year	237.18	172.07
Inventory acquired on business combination [refer note 37(A)]	27.32	25.21
Add: Purchases	2,473.79	1,934.67
Less: Inventory at the end of the year	434.24	237.18
Cost of raw material consumed	**2,304.05**	**1,894.77**
Packaging material		
Inventory at the beginning of the year	59.87	38.68
Inventory acquired on business combination [refer note 37(A)]	-	6.41
Add : Purchases	529.28	452.40
Less : Inventory at the end of the year	63.96	59.87
Cost of packaging material consumed	**525.19**	**437.62**
Total cost of materials consumed	**2,829.24**	**2,332.39**

27 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year		
- Finished goods	74.93	61.60
- Work-in-progress	114.88	59.36
	189.81	**120.96**
Add : Inventory acquired on business combination [refer note 37(A)]	18.88	9.02
Less: Inventories at the end of the year		
- Finished goods	74.70	74.93
- Work-in-progress	171.78	114.88
	246.49	**189.81**
Net decrease/(increase)	**(37.80)**	**(59.83)**

28 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages, bonus and other allowances	193.50	73.52
Contribution to provident and other funds	15.27	3.59
Gratuity expense (refer note 36)	5.93	2.14
Staff welfare expenses	7.67	3.37
Total employee benefits expense	**222.37**	**82.62**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

29 FINANCE COSTS

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on borrowing	69.82	51.63
Interest expense on lease Liabilities	4.74	2.01
Interest on redeemable non cumulative non convertible preference shares	0.08	0.07
Other finance charge	5.40	2.97
Total finance costs	**80.04**	**56.68**

30 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment [refer note 4 (a)]	69.82	51.04
Depreciation of right of use assets [refer note 4 (a)]	8.31	3.64
Amortisation of other intangible assets [refer note 5 (b)]	1.60	0.12
Total depreciation and amortisation expense	**79.73**	**54.80**

31 MANUFACTURING AND OPERATING COSTS

	Year ended March 31, 2025	Year ended March 31, 2024
Job work expenses	24.33	19.03
Power, fuel & electricity	62.02	39.92
Repairs and maintenance - plant & machinery	14.54	8.78
Repairs and maintenance - building	0.09	0.51
Repairs and maintenance - others	6.54	2.92
Contract labour charges	65.81	55.13
Other manufacturing expenses	10.19	6.42
Total manufacturing and operating costs	**183.52**	**132.71**

32 OTHER EXPENSES

	Year ended March 31, 2025	Year ended March 31, 2024
Stores and spares consumed	11.27	7.01
Insurance	4.78	2.60
Rent [refer note 38(v)]	4.12	3.45
Rates and taxes	3.57	2.39
Carriage and freight	18.53	5.61
Travel and conveyance	4.77	3.27
Postage and courier	0.44	0.48
Printing & stationery	0.89	0.58
Legal and professional charges	8.15	5.31
Advertisement	0.03	0.03

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FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Business promotion	0.02	0.11
Provision for doubtful debts	-	0.15
Provision for doubtful advances	-	0.70
Foreign exchange loss (net)	0.10	0.50
Corporate social responsibility expenditure	1.88	1.73
Security charges	5.98	4.66
Bank charges	1.29	0.20
Advances written off	-	0.18
Donation	0.00	0.01
Auditors remuneration [refer note (a) below]	0.69	0.45
Bad debts	-	0.30
Director's sitting fees (refer note 39)	0.23	0.23
Miscellaneous expenses	6.55	4.57
Total other expenses	**73.29**	**44.52**

Note (a) Auditors remuneration (excluding GST)	Year ended March 31, 2025	Year ended March 31, 2024
As auditor:		
Statutory audit	0.47	0.31
Limited review fees	0.21	0.13
In other capacity:		
Other matters	0.01	0.01
Total	**0.69**	**0.45**

33 INCOME TAX AND DEFERRED TAX

A) Tax expense charged to the statement of profit or loss

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	**37.57**	**29.87**
Adjustment of tax relating to earlier periods	-	(0.15)
Deferred tax charge / (income)	0.72	(5.33)
Tax expense reported in the statement of profit or loss	**38.29**	**24.39**

B) Tax expense charged to OCI

	Year ended March 31, 2025	Year ended March 31, 2024
Net loss/(gain) on remeasurements of defined benefit plans	(0.15)	(0.28)
Tax charged to OCI	**(0.15)**	**(0.28)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

C) Reconciliation of tax charge

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	147.93	117.41
Enacted income tax rate in India applicable to the Holding Company	25.17%	25.17%
Income tax expense at tax rates applicable	37.23	29.55
Tax effects of items that are not deductible in determining taxable income:		
Due to change in Income tax rate of Holding Company	-	(6.72)
Loss of subsidiaries not taxable	-	0.37
CSR expenditure and donations	0.47	0.44
Different tax rates in the components#	0.39	1.11
Tax relating to earlier periods	-	(0.15)
Others	0.20	(0.21)
Income tax expense	38.29	24.39

Different tax rates in HFL consumer Products Private Limited and Aero Care Personal Products LLP

D) Deferred tax relates to the following:

	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax assets		
On provision for employee benefits	5.34	3.41
On provision for doubtful debts	0.10	0.10
On provision for doubtful advances	0.18	0.18
On lease liabilities	0.60	1.01
On unused tax losses	8.76	4.13
On others	0.48	0.13
	15.46	**8.96**
Deferred tax liabilities		
On property, plant and equipment	54.90	49.18
On unamortised processing cost	0.75	0.38
On lease liabilities (net)	1.04	1.12
	56.69	**50.68**
Deferred tax liabilities net	(41.23)	(41.72)
Deferred tax assets on acquisition of Baddi factory [refer note 37(B)(a)]	-	1.87
Deferred tax on prior period tax adjustments	-	(0.60)
Deferred tax assets on acquisition manufacturing facilities of SSIPL Retail Limited [refer note 37(A)(a)]	3.49	-
Deferred tax liability on fair valuation of assets taken over pursuant to Business Combination [refer note 37(B)]	-	(0.12)
Deferred tax asset/(liability), net	**(37.74)**	**(40.57)**

E) Deferred tax assets/ (liabilities) to be recognised in Statement of Profit and Loss

	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax assets/(liabilities), net	(37.74)	(40.57)
Deferred tax assets on acquisition of Baddi factory [refer note 37(B)(a)]	-	(1.87)
Deferred tax on prior period tax adjustments	-	0.60
Deferred tax liability on fair valuation of assets taken over pursuant to Business Combination [refer note 37(B)]	-	0.12
Others	(0.06)	(0.28)
Deferred tax assets on acquisition manufacturing facilities of SSIPL Retail Limited [refer note 37(A)(a)]	(3.49)	-
Less: Opening deferred tax liabilities	40.57	47.33
Deferred tax credit / (Charge) for the year	**(0.72)**	**5.33**
Tax liability recognised in Statement of Profit and Loss	(0.57)	5.61
Tax liability recognised in OCI		
On re-measurements gain/(losses) of post-employment benefit obligations	(0.15)	(0.28)
Total deferred tax credit / (Charge) recognised in the statement of profit and loss	**(0.72)**	**5.33**

34 EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributable to equity holders	109.64	93.02
Weighted average number of equity shares (in cr) for basic EPS [refer note 52]	11.53	11.30
Weighted average number of equity shares (in cr) for diluted EPS [refer note 52]	11.53	11.30
Basic per share (Rs.)	9.51	8.23
Diluted per share (Rs.)	9.51	8.23

35 CONTINGENT LIABILITIES

	Year ended March 31, 2025	Year ended March 31, 2024
Claim for expired goods	0.07	0.07
Letter of credit issued	0.52	0.48
Bank guarantees	2.73	2.22
Demand relating to income tax	2.77	2.77
Financial guarantee issued on behalf of subsidiary	341.52	192.20
	347.61	**197.74**
Capital commitments	54.91	13.32

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in Rs. cr, unless otherwise stated)

36 EMPLOYEE BENEFITS

The Group has the following employee benefit plans:

(A) Defined contribution plans

Contribution to Defined Contribution Plans, recognised as expense for the year Rs. 15.27 cr (Previous year Rs. 3.59 cr) (refer note 28)

(B) Defined benefit plans

Gratuity payable to employees

i) Actuarial assumptions

	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate (per annum)	6.70%- 6.99%	7.20% -7.22%
Rate of increase in Salary	5.25%- 10%	5%- 10%
Expected average remaining working lives of employees (years)	18.80 -27.44	18.19 -27.73
Attrition rate	1% - 15%	2% - 15%

ii) Changes in the present value of defined benefit obligation

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Present value of obligation at the beginning of the year	12.22	5.39
Acquired through business combination	7.49	0.50
Transfer in/(out) obligation	-	6.13
Current service cost	4.63	1.84
Interest cost	1.38	0.38
Benefits paid	(4.39)	(0.49)
Actuarial (gain)/ loss on obligations	(0.61)	(1.53)
Present value of obligation at the end of the year	**20.72**	**12.22**

iii) Change in the fair value of plan assets:

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Opening fair value of plan assets	(1.10)	(1.03)
Acquired through business combination	-	-
Expenses of the fund	-	-
Interest income	(0.08)	(0.08)
Contributions by employer	-	-
Benefits paid	-	-
Actuarial (losses)/ gains	0.00*	0.01
Closing fair value of plan assets	**(1.18)**	**(1.10)**

* Amount below rounding off norms

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in Rs. cr, unless otherwise stated)

iv) Expense recognised in the Statement of Profit and Loss

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Current service cost	4.63	1.84
Past service cost	-	-
Interest cost	1.30	0.30
Total expenses recognised in the Statement Profit and Loss *	**5.93**	**2.14**

*Included in employee benefits expense (refer note 28)

v) Remeasurement (gain)/ loss recognised in other comprehensive income

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Actuarial (gain) / loss on obligations	(0.61)	(1.53)
Actuarial gain /(loss) for the year on asset	0.00*	0.01
Total remeasurement (gain)/ loss recognised in other comprehensive income	**(0.61)**	**(1.52)**

* Amount below rounding off norms

vi) Assets and liabilities recognised in the Balance Sheet:

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Present value of funded obligation	20.72	12.22
Less: fair value of plan assets	(1.18)	(1.10)
Net asset / (liability) recognised in Balance Sheet*	**19.54**	**11.12**

*Included in provision for employee benefits (refer note 19)

vii) Expected contribution to the fund in the next year

	March 31, 2025	March 31, 2024
Gratuity	1.23	1.56

viii) A quantitative sensitivity analysis for significant assumption is as shown below:

	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Impact on defined benefit obligation		
Discount rate		
0.5% increase	19.61	11.00
0.5% decrease	21.94	12.29
Rate of increase in salary		
0.5% increase	21.90	12.26
0.5% decrease	19.63	11.02
Withdrawal rate		
110% change	20.72	11.54
90% change	20.71	11.70

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in Rs. cr, unless otherwise stated)

ix) Maturity profile of defined benefit obligation

Year	Employee's gratuity fund	
	March 31, 2025	March 31, 2024
Apr 2024- Mar 2025	-	1.04
Apr 2025- Mar 2026	1.23	0.64
Apr 2026- Mar 2027	0.89	0.68
Apr 2027 -Mar 2028	1.04	0.77
Apr 2028 -Mar 2029	1.10	0.79
Apr 2029 -Mar 2030	1.27	-
Apr 2029 onwards	-	4.90
Apr 2030 onwards	12.08	-

(C) Other long term employee benefit obligation

Leave entitlement

Employee Benefit expenses for the year include Rs. 3.85 cr (Previous year Rs. 0.81 cr) towards leave entitlement.

The liability for leave entitlement is recognised in the same manner as gratuity aggregating Rs. 7.96 cr as at March 31, 2025 (March 31, 2024: Rs. 3.24 cr).

37 (A) BUSINESS COMBINATIONS DURING CURRENT YEAR

(a) Acquisition of manufacturing facilities of SSIPL Retail Limited ("SSIPL")

(i) KNS Shoetech Private Limited on April 01, 2024, has completed the acquisition of two manufacturing facility of SSIPL Retail Limited ("SSIPL") situated at Sirmour, Himachal Pradesh and one manufacturing facility situated at Sonipat, Haryana for a purchase consideration of Rs. 70.98 cr as per the terms and conditions of the Business Transfer Agreement dated April 01, 2024 (including amendments thereof (if any).

On acquisition, the Company has recognised the fair value of net assets acquired of Rs. 76.05 cr resulting in capital reserve of Rs. 8.56 cr (after adjustment of related tax).

(ii) Details of purchase consideration, assets and liabilities acquired are as follows:

(All amounts in Rs. cr, unless otherwise stated)

Particulars	Amount
A) Fair value of assets acquired on April 01, 2024	
Property, plant and equipment	51.02
Other intangible assets	7.38
Inventories	46.20
Trade receivables	37.39
Other non current financial assets	1.50
Other current assets	0.55
Total Assets acquired (A)	144.04

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in Rs. cr, unless otherwise stated)

(All amounts in Rs. cr, unless otherwise stated)

Particulars	Amount
B) Fair value of liabilities assumed on April 01, 2024	
Trade payables	53.52
Employee benefit obligations	10.53
Other current financial liabilities	3.94
Total Liabilities Assumed (B)	**67.99**
Net Assets acquired (C) = (A-B)	**76.05**
Purchase Consideration* (D)	**70.98**
Capital reserve on acquisition (C-D)	**5.07**
Add: Deferred tax assets on employee benefit obligations (refer note iii below)	**3.49**
Adjusted capital reserve on acquisition	**8.56**

(iii) On business combination of the three manufacturing facility of SSIPL Retail Limited ("SSIPL"), deferred tax asset of Rs. 3.49 cr was created on employee benefit obligations assumed.

(iv) *Purchase consideration payable as on March 31, 2025 is Rs. 1.23 cr

(v) Acquisition costs

Acquisition costs of Rs.0.17 cr arose as a result of the transaction. These have been recognised as part of other expenses in the profit and loss.

(vi) Analysis of cash flows on acquisition

(All amounts in Rs. cr, unless otherwise stated)

Particulars	Amount
Acquisition costs as a result of the transaction (included in cash flows from operating activities)	0.17
Net cash paid for acquisition of the subsidiary (included in cash flows from investing activities)	69.75
Total cash flow on acquisition	69.92

(vii) Measurement of fair values of material assets and liabilities

The valuation methods used for measuring the fair values of material assets and liabilities acquired were as follows:-

Property, plant and equipment:- The valuation method used for land is sale comparison method under market approach and for building and plant & machinery is carried out on the basis of Replacement cost new method under cost approach.

Intangible assets:- The valuation method used is fair market value of intangible assets.

Inventories:- The valuation method used is comparable market price method, which uses estimated selling price of similar inventories less estimated costs of completion and sale

Others:- The valuation method used is the book value which is a representative of its fair value

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in Rs. cr, unless otherwise stated)

(b) Acquisition of manufacturing facilities of MMG Enterprises Private Limited

(i) During the year, the Company entered into Business Transfer Agreement Dated January 01, 2025 with MMG Enterprises Pvt Ltd for Purchase consideration of Rs. 30.44 cr as per the terms and condition of the Business Transfer Agreement including amendments thereof (if any) entered between the Company and MMG enterprises Pvt Ltd.

(ii) The Company has acquired control as on January 01, 2025 and recognised the fair value of net Assets acquired of Rs. 33.16 cr resulting in Capital Reserve of Rs. 2.72 cr (after adjustment of related tax).

(iii) Details of purchase consideration, assets and liabilities acquired are as follows:

(All amounts in Rs. cr, unless otherwise stated)

Particulars	Amount
A) Fair value of assets acquired on January 01, 2025	
Property, plant and equipment	28.21
Right of use assets	4.00
Other financial assets	0.73
Other current assets	1.63
Total Assets acquired (A)	34.57
B) Fair value of liabilities assumed on January 01, 2025	
Trade payables	0.28
Employee benefit obligations	0.05
Other current financial liabilities	1.08
Total Liabilities Assumed (B)	**1.41**
Net Assets acquired (C) = (A-B)	**33.16**
Purchase Consideration* (D)	**30.44**
Capital reserve on acquisition (C-D)	**2.72**

(iv) *Purchase consideration payable as on March 31, 2025 is Rs. 0.99 cr

(v) Acquisition costs

Acquisition costs of Rs. 0.03 cr arose as a result of the transaction. These have been recognised as part of other expenses in the profit and loss

(vi) Analysis of cash flows on acquisition

(All amounts in Rs. cr, unless otherwise stated)

Particulars	Amount
Acquisition costs as a result of the transaction (included in cash flows from operating activities)	0.03
Net cash paid for acquisition of the subsidiary (included in cash flows from investing activities)	29.45
Total cash flow on acquisition	**29.48**

(vii) Measurement of fair values of material assets and liabilities

The valuation methods used for measuring the fair values of material assets and liabilities acquired were as follows:-

Property, plant and equipment:- The assets identified or recorded in the balance sheet (excluding the Lease hold Land) have been considered at their book value with the assumption that the book value is a representative of its fair value.

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Right of use assets:- Leasehold Land of the Target Business has been valued based on the report of an Independent Land Valuer as per Direct Comparison Method under Market Approach.

37 (B) BUSINESS COMBINATIONS DURING PREVIOUS YEAR

a) Acquisition of Baddi manufacturing facility of Reckitt Benckiser Healthcare India Private Limited

(i) The Holding Company on December 16, 2023, has completed the acquisition of manufacturing facility of Reckitt Benckiser Healthcare India Private Limited ("Reckitt") situated at Baddi, Himachal Pradesh for a cash consideration of Rs.127.75 cr as per the terms and conditions of the Business Transfer Agreement dated December 15, 2022 including amendments thereof (if any) entered between the Company and Reckitt.

On acquisition, the Holding Company has recognised the fair value of net assets acquired of Rs. 129.39 cr resulting in capital reserve of Rs. 3.51 cr (after adjustment of related tax).

(ii) Details of purchase consideration, assets and liabilities acquired are as follows:

(All amounts in Rs. cr, unless otherwise stated)

Particulars	Amount
A) Fair value of assets acquired on December 16, 2023	
Property, plant and equipment	119.25
Right of use assets	**2.09**
Other intangible assets	0.31
Inventories*	32.85
Trade receivables	1.18
Other current assets	0.72
Total Assets acquired (A)	**156.40**
B) Fair value of liabilities assumed on December 16, 2023	
Trade payables	18.07
Employee benefit obligations	7.43
Other current financial liabilities	1.51
Total Liabilities Assumed (B)	**27.01**
Net Assets acquired (C) = (A-B)	**129.39**
Purchase Consideration (D)	**127.75**
Capital reserve on acquisition (C-D)	**1.64**
Add: Deferred tax assets on employee benefit obligations (refer note iii below)	**1.87**
Adjusted capital reserve on acquisition	**3.51**

* It includes consumables, store and spares parts of Rs. 2.32 cr

(iii) On business combination of the Baddi manufacturing facility of Reckitt Benckiser Healthcare India Private Limited, deferred tax asset of Rs. 1.87 cr was created on employee benefit obligations assumed.

b) Acquistions of 100% equity share capital of KNS shoetech Private Limited ("KNS Shoetech")

(i) The Holding Company on October 01, 2023, has acquired control of KNS shoetech Private Limited ("KNS Shoetech") for a cash consideration of Rs.3.72 cr as per the terms and conditions of the Share Purchase Agreement including amendments thereof (if any) entered between the Company and KNS Shoetech.

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(All amounts in Rs. cr, unless otherwise stated)

(ii) Details of purchase consideration, assets and liabilities acquired are as follows:

(All amounts in Rs. cr, unless otherwise stated)

Particulars	Amount
A) Fair value of assets acquired on October 01, 2023	
Property, plant and equipment	7.10
Right of use assets	3.13
Other intangible assets	0.02
Other financials assets	0.18
Non current tax assets (net)	0.04
Inventories	3.92
Trade receivables	0.26
Loans	0.32
Other financials assets	0.01
Other current assets	5.38
Total Assets acquired (A)	**20.36**
B) Fair value of liabilities assumed on October 01, 2023	
Non-current liabilities	
Borrowings	2.88
Lease liabilities	3.02
Provisions	0.15
Current liabilities	
Borrowings	6.19
Lease liabilities	0.20
Trade payables	3.92
Other financial liabilities	0.34
Other current liabilities	1.17
Provisions	0.01
Total Liabilities Assumed (B)	**17.88**
Net Assets acquired (C) = (A-B)	**2.48**
Purchase Consideration (D)	**3.72**
Add: Deferred tax liability on fair valuation of assets taken over pursuant to Business Combination	**(0.12)**
Goodwill on Consolidation	**(1.36)**

(iii) The acquired business of KNS Shotech contributed revenues and profits to the group for the year March 31, 2024 as follows:

Revenue of Rs. 27.19 cr and profit of Rs. 0.70 cr for the period from October 01, 2023 till March 31, 2024.

If the acquisition had occurred on April 01, 2023, consolidated pro-forma revenue and profit for the year ended March 31, 2024 would have been Rs. 2760.87 cr and Rs. 91.86 cr respectively.

c) Acquisition of Kundli Manufacturing Unit of KNS Trading Private Limited

(i) KNS Shoetech Private Limited, a Wholly Owned Subsidiary Company of Hindustan Foods Limited has completed the acquisition of Manufacturing facility of KNS Trading Private Limited ("KNS Trading") situated at Sonipat, Haryana for a cash consideration of Rs.31.08 cr as per the terms and conditions of the Business Transfer Agreement entered between the KNS Shoetech and KNS Trading dated December 26, 2023, addendum BTA dated February 02, 2024 and letter of agreement dated February 06, 2024. The effective date of transfer of business is February 01, 2024 as per the letter of agreement.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

(ii) Details of purchase consideration, assets and liabilities acquired are as follows:

(All amounts in Rs. cr, unless otherwise stated)

Particulars	Amount
A) Fair value of assets acquired on February 01, 2024	
Property, plant and equipment	7.27
Financial assets	
Non-current assets	0.21
Inventories	6.40
Trade receivables	29.11
Other current assets	0.04
Total Assets acquired (A)	**43.03**
B) Fair value of liabilities assumed on February 01, 2024	
Trade Payable	13.27
Capital creditors	0.03
Employee related provision	1.08
Total Liabilities Assumed (B)	**14.38**
Net Assets acquired (C) = (A-B)	**28.65**
Purchase Consideration (D)	**31.08**
Goodwill on acquisition (C-D)	**(2.43)**
Add: Deferred tax assets (refer note iii below)	**0.27**
Adjusted goodwill on acquisition	**(2.16)**

(iii) On business combination of the KNS trading manufacturing facility, deferred tax asset of Rs. 0.27 cr was created on employee related provisions.

38 LEASES

(i) For changes in the carrying value of Right-of-use Assets refer note 4 (a)

(ii) Changes in the Lease liabilities

Particulars	Category of ROU Asset		Total
	Leasehold land	Building	
Balance as at April 01, 2023	**1.62**	**19.65**	**21.27**
Interest	0.16	1.86	2.02
Additions	11.82	13.08	24.90
Lease Payments	(0.51)	(3.79)	(4.30)
Balance as at March 31, 2024	**13.09**	**30.80**	**43.89**
Interest	**1.25**	**3.49**	**4.74**
Additions	**-**	**16.30**	**16.30**
Discontinuation of lease liability	-	(16.15)	(16.15)
Lease Payments	(1.55)	(6.68)	(8.23)
Balance as at March 31, 2025	**12.79**	**27.76**	**40.55**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

(iii) Break-up of current and non-current lease liabilities

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current Lease Liabilities	3.62	3.30
Non-current Lease Liabilities	36.93	40.59

(iv) Maturity analysis of lease liabilities

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Less than one year	6.05	4.06
One to five years	26.61	20.34
More than five years	31.22	34.01
Total	**63.88**	**58.41**

As per Para B11 of Ind AS 107 Financial Instruments: Disclosure, In preparing the maturity analyse an entity uses its judgment to determine an appropriate number of time bands.

(v) Amounts recognised in statement of Profit and Loss account

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on Lease Liabilities	4.74	2.01
Depreciation of right of use assets	8.31	3.64
Short-term and low value leases expensed	4.12	3.45
Total	**17.17**	**9.10**

(vi) Amounts recognised in statement of Cash Flows

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Total Cash outflow for leases	(8.23)	(3.95)

39 RELATED PARTY DISCLOSURES:

(A) Names of related parties and description of relationship as identified and certified by the Group:

Holding company

Vanity Case India Private Limited

Entity under common control

V.S Dempo Private Limited
Avalon Cosmetics Private Limited
Motown Trading Private Limited
Adonia Cosmetics Private Limited
Mahak Cosmetics and Credit Private Limited
Christine Valmy Institute Private Limited
Allies Logistics Private Limited

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

Firm in which Directors of Group are Partner

M/s Shivom Industries
M/s Athene Laboratories
M/s Sundaram Cosmetics
M/s Galaxy Healthcare Products
M/s Spans Heathcare

Employee Benefit Trust

Hindustan Foods Management staff Superannuation Fund Trust

Key Management Personnel (KMP)	
Sameer Kothari	Managing Director
Ganesh Argekar	Executive Director, Whole-Time Director
Mayank Samdani	Chief Financial Officer and Group CFO
Bankim Purohit	Company Secretary and Legal Head
Non-executive Directors	
Shashi Kalathil	Independent Non-Executive Director
Shrinivas Dempo	Non-Independent Non-Executive Director
Nikhil Vora	Non-Independent Non-Executive Director
Honey Vazirani	Independent Non-Executive Director
Neeraj Chandra	Independent Non-Executive Director
Sarvjit Singh Bedi	Non-Independent Non-Executive Director (upto September 18, 2024)
Sandeep Mehta	Independent Non-Executive Director (upto August 08, 2024)
Harsha Raghavan	Non-Independent Non-Executive Director (upto June 20, 2023)
Amruta Adukia	Non-Independent Non-Executive Director (upto Februrary 12, 2025)
Relatives of Directors	
Asha R Kothari	Relative of Managing Director

(B) Details of transactions with related party for the year ended:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) Interest on loan taken		
Motown Trading Private Limited	-	0.68
(ii) Interest Payments	-	(0.76)
Motown Trading Private Limited		
(iii) Loans Repaid		
Motown Trading Private Limited	-	(6.79)
(iv) Purchase of spares		
Shivom Industries	-	0.00*
Avalon Cosmetics Private Limited	0.00*	0.00*
(v) Sale of spares		
Avalon Cosmetics Private Limited	-	0.00*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
(vi)	**Purchase of Goods**		
	Athene Laboratories	0.00*	0.00*
	Avalon Cosmetics Private Limited	0.09	-
	Shivom Industries	0.00*	0.00*
	Spans Healthcare	12.20	14.94
(vii)	**Sale of goods**		
	Adonia Cosmetics Private Limited	0.00*	0.00*
	Athene Laboratories	0.00*	0.00*
	Christine Valmy Institute Private Limited	0.00*	0.00*
	Shivom Industries	0.00*	0.00*
(viii)	**Purchase of property, plant and equipment**		
	Avalon Cosmetics Private Limited	0.01	-
(ix)	**Sale of property, plant and equipment**		
	Adonia Cosmetics Private Limited	0.00*	-
	Avalon Cosmetics Private Limited	0.03	-
(x)	**Rent paid**		
	Athene Laboratories	0.66	0.61
	Avalon Cosmetics Private Limited	0.04	-
	Spans Healthcare	0.06	-
(xi)	**Reimbursement of expenses**		
	Avalon Cosmetics Private Limited	0.01	0.01
	Christine Valmy Institute Private Limited	0.02	-
	Shivom Industries	-	0.01
(xii)	**Other Recovery**		
	Avalon Cosmetics Private Limited	-	0.00*
(xiii)	**Sitting fees**		
	Shrinivas Dempo	0.03	0.03
	Sandeep Mehta	0.01	0.01
	Shashi K. Kalathil	0.06	0.06
	Honey Vazirani	0.06	0.06
	Nikhil K Vora	0.03	0.03
	Neeraj Chandra	0.04	0.04
(xiv)	**Compensation of key management personnel**		
	Sameer Kothari	4.25	4.26
	Ganesh Argekar	1.25	0.95
	Mayank Samdani	1.00	0.90
	Bankim Purohit	0.30	0.26
(xv)	**Compulsory Convertible Debenture**		
	Ganesh Argekar	0.29	-
	Mayank Samdani	0.13	-
	Avalon Cosmetics Private Limited	0.31	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

(C) Amount due to/from related party as on:

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
(i)	**Trade payables**		
	Spans Healthcare	2.82	4.99
(ii)	**Security deposit**		
	Athene Industries	0.42	0.42
(iii)	**Other receivables**		
	Christine Valmy Institute Private Limited	0.01	-
(iv)	**Remuneration payable**		
	Sameer Kothari	1.74	1.54
(v)	**Compulsory Convertible Debenture**		
	Ganesh Argekar	0.29	-
	Mayank Samdani	0.13	-
	Avalon Cosmetics Private Limited	0.31	-

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. The Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: Nil). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operates.

*Amount below rounding off norms

40 SEGMENT REPORTING

The Group's operations predominantly relate to contract manufacturing. The Chief Operating Decision Maker (CODM) reviews the operations of the Group as contract manufacturing. Since, the quantitative threshold as per para 13 of Ind AS 108 on Segment Reporting are not met, no separate segment information has been furnished herewith.

Majority of the revenue is derived from two geography and two external customers amounting to Rs. 2,888.94 cr (Previous year: Rs. 2,532.89 cr from one geography and two external customers).

41 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial Instrument measured at Amortised cost:

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The amortised cost using effective interest rate (EIR) of non-current financial assets/liabilities are not significantly different from the carrying amount and therefore the impact of fair value is not considered for above disclosure.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in Rs. cr, unless otherwise stated)

The carrying value and fair value of financial instruments by categories as at March 31, 2025 were as follows

Particulars	Note	Amortised Cost	Fair value through profit or loss	Fair value through OCI	Total fair value	Total carrying value
Financial assets						
Other Non Current Financial Assets	7	37.41	-	-	-	37.41
Other Current Financial Assets	7	157.14	-	-	-	157.14
Trade receivable	12	209.31	-	-	-	209.31
Cash and cash equivalents	13	76.99	-	-	-	76.99
Bank balances other than cash and cash equivalents	14	6.63	-	-	-	6.63
Loan	6	1.00	-	-	-	1.00
		488.48	**-**	**-**	**-**	**488.48**
Financial liabilities						
Non current Borrowings	18(a)	618.62	-	-	-	618.62
Current Borrowings	18(b)	236.78	-	-	-	236.78
Non-current and Current lease liabilities	38	40.55				40.55
Other current financial liabilities	21	57.18	-	-	-	57.18
Trade payables	20	523.97	-	-	-	523.97
		1,477.10	**-**	**-**	**-**	**1,477.10**

The carrying value and fair value of financial instruments by categories as at March 31, 2024 were as follows

Particulars	Note	Amortised Cost	Fair value through profit or loss	Fair value through OCI	Total fair value	Total carrying value
Financial assets						
Other Non Current Financial Assets	7	124.64	-	-	-	124.64
Other Current Financial Assets	7	78.07	-	-	-	78.07
Trade receivable	12	175.77	-	-	-	175.77
Cash and cash equivalents	13	43.18	-	-	-	43.18
Bank balances other than cash and cash equivalents	14	6.11	-	-	-	6.11
		428.77	**-**	**-**	**-**	**428.77**
Financial liabilities						
Non current Borrowings	18(a)	495.20	-	-	-	495.20
Current Borrowings	18(b)	190.73	-	-	-	190.73
Non-current and Current lease liabilities	38	43.89				43.89
Other current financial liabilities	21	31.70	-	-	-	31.70
Trade payables	20	425.80	-	-	-	425.80
		1,187.32	**-**	**-**	**-**	**1,187.32**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

42 FAIR VALUE HIERARCHY

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within 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 assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

No fair value hierarchy of assets and liabilities which is measured at fair value in current year as well as previous financial year under level 3.

Management has assessed that Cash and cash equivalents, Other balances with banks, Loans, Trade receivables, Other financial assets, Short term Borrowings, Trade payables and Other financial liabilities carried at amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) 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 Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Exposure to interest risk	Increase/ decrease in basis points	Effect on profit before tax
2025		
Rs.	+50	(4.27)
Rs.	(50)	4.27

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

Exposure to interest risk	Increase/ decrease in basis points	Effect on profit before tax
2024		
Rs.	+50	(3.43)
Rs.	(50)	3.43

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency).

The following table shows foreign currency exposures receivable and payable at the end of the reporting period

		As at March 31, 2025		As at March 31, 2024	
		Foreign currency in cr	Rs. in cr	Foreign currency in cr	Rs. in cr
Trade receivable	EURO	0.02	1.97	0.02	1.97
	USD	0.18	14.84	0.07	5.92
	GBP	-	-	0.00*	0.01
Cash & cash equivalents	EURO	0.01	1.01	0.02	1.45
	USD	0.02	1.36	0.00*	0.00
Trade Payables	EURO	0.00*	0.27	0.00*	0.01
	GBP	0.00*	0.43	0.00*	0.17
	AUD	0.00*	0.03	-	-
	USD	0.07	6.03	0.04	3.27
Capital Creditors	EURO	0.01	0.72	0.03	2.53

* Amount below rounding off norms.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the EURO, USD, AUD and GBP exchange rate , with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities).

	Effect on profit- total gain / (loss)			
	5% increase in exchange rate		5% decrease in exchange rate	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Trade receivable	0.84	0.40	(0.84)	(0.40)
Cash & cash equivalents	0.12	0.07	(0.12)	(0.07)
Trade Payables	(0.34)	(0.17)	0.34	0.17
Capital Creditors	(0.04)	(0.13)	0.04	0.13
	0.59	**0.17**	**(0.58)**	**(0.17)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

(B) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is primarily attributable to the Group's trade and other receivables. The amounts presented in this consolidated statement of financial position are net of allowances for doubtful receivables, estimated by management based on prior experience and their assessment of the current economic environment.

The Group measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

The ageing analysis for accounts receivables has been considered from the date the invoice falls due:

Fair value measurement hierarchy for liability

	As at March 31, 2025	As at March 31, 2024
Not due	124.65	104.96
Less than 6 months	84.38	61.88
6 months to 12 months	0.28	8.93
beyond 12 months	-	-
	209.31	**175.77**

(C) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Processes and policies related to such risks are overseen by senior management who monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Group's financial liabilities:

As at March 31, 2025	Less than 1 year	More than 1 year	Total
Long-term borrowings	-	618.62	618.62
Short term borrowings	236.78	-	236.78
Trade payables	523.97	-	523.97
Lease Liability	3.62	36.93	40.55
Other financial liability	57.18	-	57.18
	821.55	**655.55**	**1,477.10**

As at March 31, 2024	Less than 1 year	More than 1 year	Total
Long-term borrowings	-	495.20	495.20
Short term borrowings	190.73	-	190.73
Trade payables	425.80	-	425.80
Lease Liability	3.30	40.59	43.89
Other financial liability	31.70	-	31.70
	651.53	**535.79**	**1,187.32**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

44 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, equity component of redeemable non cumulative non convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value and to ensure the Group's ability to continue as a going concern.

The Group has not distributed any dividend to its shareholders. The Group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing, current borrowings and lease liabilities which represents borrowings from bank and others, lease liabilities and liability component of redeemable non cumulative non convertible preference shares. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		As at March 31, 2025	As at March 31, 2024
Total equity	(i)	891.02	646.13
Total borrowings (including liability portion of redeemable non cumulative non convertible preference shares and lease liabilities)		895.94	729.82
Less: cash and cash equivalents		(76.99)	(43.18)
Total debt	(ii)	818.95	686.64
Overall financing	(iii) = (i) + (ii)	1,709.97	1,332.77
Gearing ratio	(ii)/ (iii)	0.48	0.52

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

45 DISCLOSURE AS REQUIRED BY IND AS 7 - "CASH FLOW STATEMENTS" - CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES:

Particulars	As at March 31, 2024	Cash flow changes		Non-cash flow changes	Reclassification*	As at March 31, 2025
		Receipts	Payments			
Non-current borrowings (refer note 15(a))	495.20	222.99	(82.32)	0.46	(17.71)	618.62
Current borrowings (refer note 15(b))	190.73	28.33	-	0.01	17.71	236.78
Total	**685.93**	**251.32**	**(82.32)**	**0.47**	**-**	**855.40**

*Current maturity of long term loan classified in non-current borrowings for cash flow purpose.

46 DISCLOSURES PURSUANT TO REGULATION 34 (3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

(a) Details of Loans given by the Group

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Loan to others, repayable on demand	1.00	-

(b) Investment by the loanees in the shares of the Holding Company

The loanees have not made any investments in the shares of the Holding Company.

(c) Details of investments made by the Group

	As at March 31, 2025	As at March 31, 2024
Unquoted Equity Shares of Transition Sustainable Energy Services One Private Limited	0.00*	-

*Amount below rounding off norms.

47 DISCLOSURES MANDATED BY SCHEDULE III OF COMPANIES ACT 2013, BY WAY OF ADDITIONAL INFORMATION :

Particulars	FY 2024-2025							
	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in OCI		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated profit	Amount	As a % of consolidated profit	Amount
Parent :								
Hindustan Foods Limited	95.65%	852.30	94.26%	103.34	142.37%	0.66	94.46%	104.00
Subsidiary :								
HFL Consumer Products Private Limited	0.48%	4.27	3.60%	3.95	(1.50%)	(0.01)	3.58%	3.94
Aerocare personal care products LLP	1.66%	14.79	4.74%	5.20	(8.63%)	(0.04)	4.69%	5.16
HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	2.40%	21.39	8.55%	9.38	4.31%	0.02	8.53%	9.40
HFL Multiproducts Private Limited (with effective from June 23, 2023)	(0.03%)	(0.25)	(2.85%)	(3.13)	(1.65%)	(0.01)	(2.85%)	(3.14)
KNS Shoetech Private Limited (with effective from October 01, 2023)	0.52%	4.60	(7.45%)	(8.17)	(34.91%)	(0.16)	(7.57%)	(8.33)
Elimination	(0.68%)	(6.08)	(0.85%)	(0.93)	0.00%	-	(0.85%)	(0.93)
Grand Total	**100.00%**	**891.02**	**100.00%**	**109.64**	**100.00%**	**0.46**	**100.00%**	**110.10**

	FY 2023-2024							
	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in OCI		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated profit	Amount	As a % of consolidated profit	Amount
Parent :								
Hindustan Foods Limited	97.25%	628.36	84.15%	78.28	73.64%	0.92	84.02%	79.20
Subsidiary :								
HFL Consumer Products Private Limited	0.05%	0.33	(1.26%)	(1.17)	2.19%	0.03	(1.21%)	(1.14)
Aerocare personal care products LLP	1.49%	9.63	7.87%	7.32	(1.61%)	(0.03)	7.74%	7.29

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

	FY 2023-2024							
	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in OCI		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated profit	Amount	As a % of consolidated profit	Amount
HFL Healthcare and Wellness Private Limited (formally known as Reckitt Benckiser Scholl India Private Limited)	1.86%	11.99	9.51%	8.84	11.66%	0.15	9.53%	8.99
HFL Multiproducts Private Limited (with effective from June 23, 2023)	0.03%	0.18	0.20%	0.18	0.00%	-	0.19%	0.18
KNS Shoetech Private Limited (with effective from October 01, 2023)	0.14%	0.88	0.75%	0.70	14.12%	0.17	0.93%	0.87
Elimination	(0.81%)	(5.24)	(1.22%)	(1.13)	0.00%	-	(1.20%)	(1.13)
Grand Total	**100.00%**	**646.13**	**100.00%**	**93.02**	**100.00%**	**1.24**	**100.00%**	**94.26**

48 DISCLOSURE OF INTEREST IN OTHER ENTITIES

The Consolidated Financial Statements present the consolidated accounts of Hindustan Foods Limited with its following subsidiaries:

A. Subsidiary

Name	Country of incorporation	Activities	Percentage of ownership interest	Percentage of ownership interest
			As at March 31, 2025	As at March 31, 2024
HFL Consumer Products Private Limited	India	Contract Manufacturing	100%	100%
Aero Care Personal Products LLP	India	Contract Manufacturing	100%	100%
HFL Healthcare and Wellness Private limited (Earlier know as - Reckitt Benckiser Scholl India Private Limited)	India	Contract Manufacturing	100%	100%
KNS Shoetech Private Limited (w.e.f September 01 2023)	India	Contract Manufacturing	100%	100%
HFL Multiproducts Private limited (w.e.f June 23, 2023)	India	Contract Manufacturing	100%	100%

49 ADDITIONAL REGULATORY INFORMATION

(A) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(B) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(C) The Group does not have any transactions or balance outstanding with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 **(Contd.)**
(All amounts in Rs. cr, unless otherwise stated)

(D) The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

(E) The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(F) The Group has not traded or invested in Crypto currency or Virtual currency during the year ended March 31, 2025.

(G) **Utilisation of borrowed funds and share premium**

(i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(H) During the year the Group has not entered into scheme of arrangement and amalgamation having an accounting impact. .

(I) The Group has not revalued its property, plant and equipment during the current year or during the previous year.

(J) The Group has not given loans and advances to promoters and directors.

50 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Group will assess the impact of the Code and will give appropriate impact in the consolidated financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

51 HFL Multiproducts Private Limited, a wholly owned subsidiary of the Company was incorporated on June 23, 2023.

52 (i) During the current year, the Holding Company has received balance 75% amount towards 29,29,060 warrants from two of the allottee towards the conversion of Warrants into Equity Shares as approved by the shareholders in the Extra Ordinary General Meeting held on October 20, 2023. The Share Allotment Committee of Board of Directors of the Holding Company at their Meeting held on December 28, 2024, has allotted 29,29,060 Equity Shares having face value of Rs. 2/- each at a premium of Rs. 544.25 per share.

(ii) During the previous year, the Holding Company has received 25% amount towards issue of 72,71,081 Convertible Warrants ("Warrants") on Preferential basis to certain Qualified Institutional Buyers and to certain Non-Qualified Institutional Buyers under Non-Promoter category, approved by the shareholders in the Extra Ordinary General Meeting held on October 20, 2023. On January 25, 2024, the Holding Company has received balance 75%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts in Rs. cr, unless otherwise stated)

amount towards 18,30,663 warrants from one of the allottee towards the conversion of Warrants into Equity Shares. The Share Allotment Committee of Board of Directors of the Holding Company at their Meeting held on February 02, 2024, has allotted 18,30,663 Equity Shares having face value of Rs. 2/- each at a premium of Rs. 544.25 per share.

53 On September 24, 2024, the Board of directors of the Holding Company had approved the Composite Scheme of Arrangement and Amalgamation for de-merger of Contract Manufacturing (Nashik) Business of Avalon Cosmetics Private Limited and Amalgamation of Vanity Case India Private Limited with the Holding Company with effect from the appointment date April 01, 2024 and October 01, 2024 respectively. The Holding Company has received the approval of Bombay Stock Exchange and National Stock Exchange and now is in the process of getting the required approval from National Company Law Tribunal.

54 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

55 From current year, the Group has changed presentation denomination from "Rs. in Lacs" to "Rs. in cr". Accordingly, the figures for the previous year end have been re-presented in "Rs. in cr".

56 These consolidated financial statements were authorised for issue by the Board of Directors on May 19, 2025.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
Firm's Registration No.:105047W

VIRENDRA KANAK
Partner
Membership No: 110811

Place : Mumbai
Date : May 19, 2025

For and on behalf of the Board of Directors of
Hindustan Foods Limited
CIN: L15139MH1984PLC316003

SAMEER R. KOTHARI
Managing Director
DIN: 01361343

GANESH T. ARGEKAR
Executive Director
DIN: 06865379

MAYANK SAMDANI
Chief Financial Officer

BANKIM PUROHIT
Company Secretary
Membership No:ACS21865

Place : Mumbai
Date : May 19, 2025

ANNEXURE

FORM NO. AOC.1

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/ Joint Ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Amount (Rs. In Crores)

Sr. No.	Particulars	Name of Wholly Owned Subsidiaries			
		HFL Consumer Products Private Limited ('HCPPL')	HFL Healthcare and Wellness Private Limited ('HHWPL')	HFL Multiproducts Private Limited ('HMPL')	KNS Shoetech Private Limited ('KNS Shoetech')
1	Date since when Subsidiary was acquired	August 06, 2020	July 1, 2022	June 23, 2023	October 1, 2023
2	Reporting period	FY 2024-25	FY 2024-25	FY 2024-25	FY 2024-25
3	Reporting Currency	Rs.	Rs.	Rs.	Rs.
4	Share Capital	0.01	50.00	0.01	47.00
5	Reserves & Surplus	4.27	25.51	(0.25)	2.40
6	Total Assets	257.48	103.32	86.52	299.01
7	Total Liabilities	253.20	27.81	86.76	249.61
8	Investments	Nil	2.87	Nil	Nil
9	Turnover	229.74	92.32	13.43	388.98
10	Profit/(Loss) before taxation	4.92	12.52	(4.16)	(10.88)
11	Provision for taxation	(0.97)	(3.14)	1.03	2.71
12	Profit/(Loss) after taxation	3.95	9.38	(3.13)	(8.17)
13	Proposed Dividend	Nil	Nil	Nil	Nil
14	% of Shareholding	100%	100%	100%	100%

Notes:

1. Names of Subsidiaries which are yet to commence operations – Not Applicable
2. The Financial Statements are as on March 31, 2025
3. Names of Subsidiaries which have been liquidated or sold during the year - Not Applicable.

Part "B": Associates and Joint Ventures

Associates and Joint Ventures-**Not Applicable**

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HINDUSTAN FOODS LIMITED

Registered Office
Office No. 3, Level 2, Centrium,
Phoenix Market City,
15 Lal Bahadur Shastri Road,
Kurla (W), Mumbai 400 070, India
CIN No.: L15139MH1984PLC316003