

MEGASTAR FOODS LIMITED**CIN:** L15311CH2011PLC033393**Regd. Off:** Plot No. 807, Industrial Area, Phase-II
Chandigarh-160002; **Telephone:** +91 172 2653807,
5005024**Works:** Kurali-Ropar Road, Village Solkhian-140108
Distt. Rupnagar, Punjab**Telephone:** +91 1881 240403-240406**Website:** www.megastarfoods.com;**Email:** cs@megastarfoods.com**MFL/CS/2025-26/20****Date: -26.08.2025**Department of Corporate Services
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001.National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (E), Mumbai-400051.

Scrip Code: 541352

Company Symbol: MEGASTAR

Subject: Notice of 14th Annual General Meeting ("AGM") and Annual Report for the Financial Year 2024-25**Ref: Regulation 34(1) read with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")**

Dear Sir/Madam,

We wish to inform you that the 14th AGM of Megastar Foods Limited ("the Company") is scheduled to be held on Wednesday, September 24, 2025 at 11.30 A.M. through Video Conferencing("VC")/Other Audio Visual Means("OAVM") in accordance with the circulars/notifications issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ("SEBI") to transact the businesses as set forth in the Notice convening the AGM ("Notice").

The other details for the AGM are given below:

Sr. no	Particulars	Details
1.	Cut-off date for e-Voting	Wednesday, September 17, 2025
2.	Commencement of E-Voting	Sunday, September 21, 2025 at 09.00 a.m.
3.	End of E-Voting	Tuesday, September 23, 2025 at 05.00 p.m.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find enclosed herewith Annual Report for Financial Year 2024-25 containing the Notice of 14th AGM, which is being sent through electronic mode to the Members.

Annual Report containing the Notice of AGM is also uploaded on the Company's website <https://www.megastarfoods.com>

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Website: www.megastarfoods.com;

Email: cs@megastarfoods.com



We request you to please take the above on record.

Thanking you,

Yours Sincerely,

For **Megastar Foods Limited**

(Deepali Chhabra)

Company Secretary & Compliance Officer

A61299

Encl: *Notice of 14th Annual General Meeting ("AGM") and Annual Report for the Financial Year 2024-25*

Copy to:

- 1. **National Securities Depository Limited**, Trade World, A Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013*
- 2. **Central Depository Services (India) Limited**, Marathon Futurex, A Wing, 25th Floor, Mafatlal Mills, Compounds, N M Joshi Marg, Lower Parel, Mumbai – 400013*
- 3. **Skyline Financial Services Private Limited**, D-153 A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.*



ANNUAL REPORT 2024-25

Ingraining a Healthy Future



www.megastarfoods.com



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INGRAINING A HEALTHY FUTURE

In today's challenging times, the thought on everyone's mind is clear — *a healthy and safe future.*

A healthy nation is a happy one. It means sustained economic growth, abundant opportunities, and stronger communities. At our core, we believe the health of our company is inseparable from the health and resilience of the people we serve, the society we operate in, and the planet we share.

With this conviction, we are determined to be among the leading brands in India making a *Healthier Future* a reality. Our mission is to weave health and nutrition into the staple diet of more than half the world's population. From being a focused player in a niche agri-product segment, we are now expanding our reach, capabilities, and product portfolio to bring nutrient-rich wheat-based products to a wider consumer base.

Our vision extends beyond consumers — we aim to be a key contributor to the health industry while making a meaningful difference in the lives of India's backbone: the farming community.

Often, it's the simplest things that create the deepest impact. Through our commitment to delivering nutrition in every product, we strive to transform not only the way people eat, but also the way they live. For us, a *Healthy Future* is not just an aspiration — it is a promise embedded in every aspect of our business.

CORPORATE INFORMATION: -

<u>BOARD OF DIRECTORS</u> Chairman & Managing Director Whole Time Directors Independent Non- Executive Directors Chief Financial Officer Company Secretary & Compliance Officer	Mr. Vikas Goel Mr. Vikas Gupta Mr. Mudit Goyal Mr. Prabhat Kumar Ms. Savita Bansal (Woman Director) Mr. Rajiv Kathuria Ms. Manisha Gupta Ms. Deepali Chhabra
<u>STATUTORY AUDITOR</u> M/s Nitin Mahajan & Associates Chartered Accountants #5, 2nd Floor, Sector 27-A, Chandigarh 160019 <u>SECRETARIAL AUDITOR</u> CS. Kanwaljit Singh Thanewal S.C.O. 64-65, 1st Floor Sector 17-A, Madhya Marg, Chandigarh -160017	<u>REGISTRAR & SHARE TRANSFER AGENT</u> Skyline Financial Services Private Limited D- 153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020 Tel No.: +91 11 64732681-88, Fax No.: +91 11 26812682 Email: viren@skylinerta.com <u>INTERNAL AUDITOR</u> M/s MGSG & Associates Chartered Accountants SCO. 13, 1st and 2nd Floor, Industrial Area Phase II Chandigarh 160002
<u>BANKERS</u> <u>REGISTERED OFFICE</u> Plot No.807, Industrial Area, Phase II, Chandigarh 160002 Tel. No.: 01881-240401 (6 Lines), Website: www.megastarfoods.com E mail ID: cs@megastarfoods.com	• HDFC Bank Limited • CITI Bank • Standard Chartered Bank <u>WORKS</u> Kurali-Ropar Road, Village Solkhian, Distt. - Rupnagar, Punjab -140108

MEGASTAR FOODS: WHO WE ARE

Rooted in Legacy, Driven by Innovation

➤ Legacy Since 1964:

Started as a chakki plant “Basakhi Mal Ram Kishan” in Manimajra by Mr. Madan Lal Aggarwal, one of the first registered flour mills in UT Chandigarh.

➤ Visionary Growth:

Mr. Vikas Goel expanded the family legacy by founding Megastar Foods Pvt. Ltd. in 2011, with a mission to serve the global food industry.

➤ Cutting-Edge Technology:

Only plant in North India equipped with the latest Buhler machinery, ensuring efficient and precise milling.

➤ Multinational Customers:

Preferred refined flour supplier to leading MNCs such as Nestle, Mrs. Bector, Jubilant, ITC, etc

➤ Listing:

Listed In 2018 on BSE SME Platform and migrated to the Main Board in 2022.

State-of-the-Art Processing Facility certified by Highest Standards

Single Plant Location Plant in Rupnagar, Punjab

- Megastar has an in-house wheat storage capacity of 50,000 MT. New Plant Fully equipped with SS Buhler machinery
- Over 9 acres modern facility
- Maintains high standards via Good Manufacturing (GMP) and Laboratory (GLP) Practices with dedicated expert teams.
- Capable of processing 710 MT/day at its Rupnagar facility. The plant uses advanced automation, real-time quality control, and sustainable practices to consistently deliver superior flour for growing market needs.

Over the years, Megastar has developed a state-of-the-art refined flour processing plant in a single location with largest processing capacity in North India.

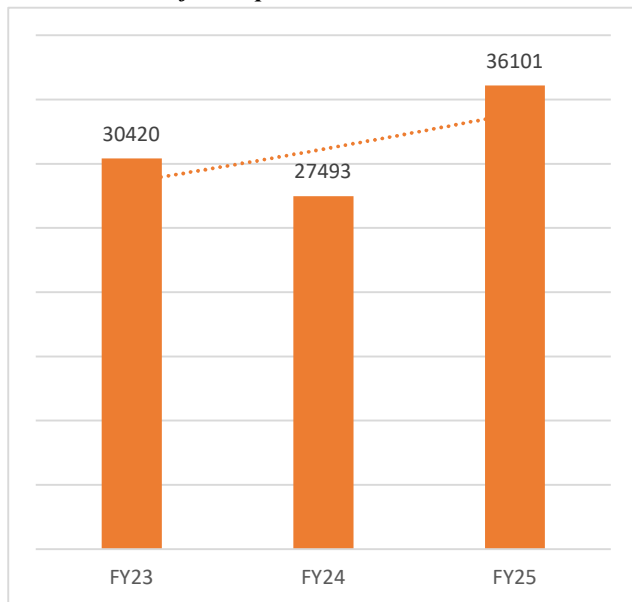




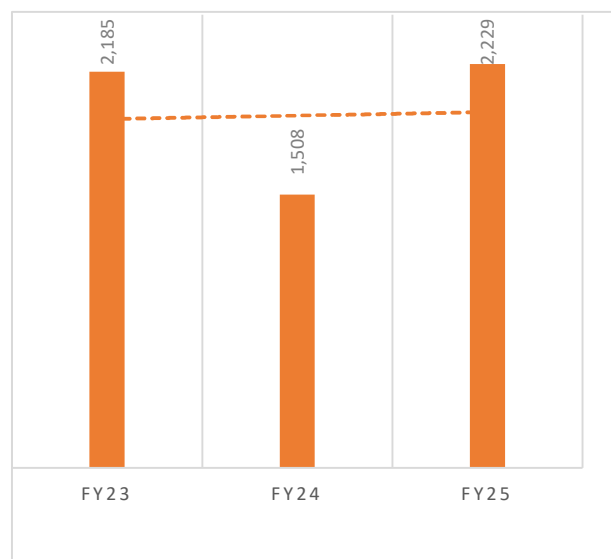
OUR FINANCIAL STORY

in Lakhs on Consolidated Basis

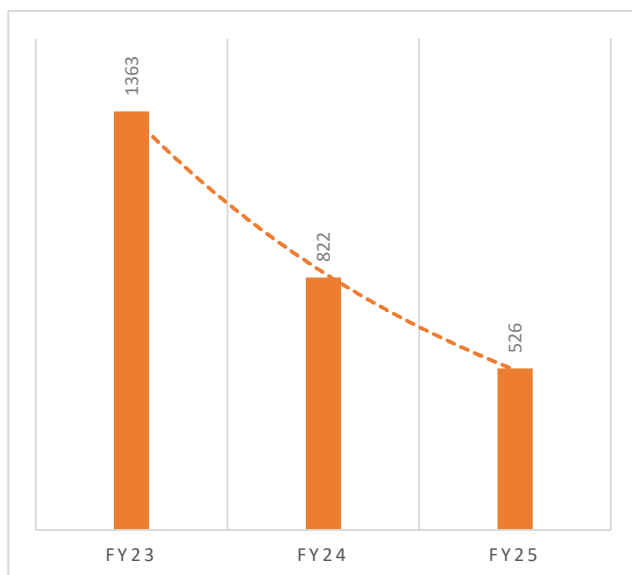
Revenue from Operation



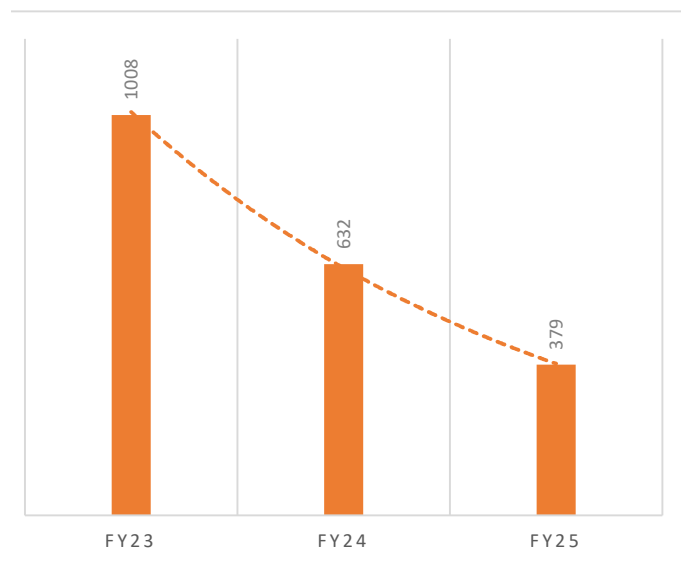
EBITDA



PBT

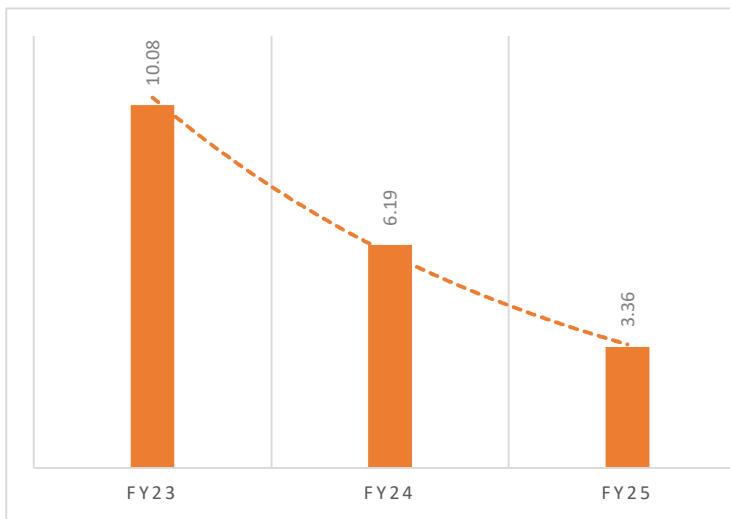


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EPS (in Rs.)



BRIEF PROFILE OF DIRECTORS



Mr. Vikas Goel, Chairman & Managing Director, DIN: - 05122585

- Mr. Goel has been in this industry for more than 34 years. With his hands on approach, Mr. Goel has directly oversees the operations of Megastar since its very inception.
- He is playing a vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. Mr. Goel aged 53 years. He is playing a vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company.
- Directorship in other Companies: - Director in Megapacific Ventures Private Limited



Mr. Vikas Gupta, Whole-time Director, DIN: - 05123386

- Mr. Vikas Gupta has a profound experience of more than 19 years in Wheat Flour. Mr. Gupta has directly overseen the production, HR and administration as well as participates in business development since its very inception.
- He is responsible and authorized for ensuring that the processes needed for the management system are established, implemented and maintained.

- Mr. Gupta aged 49 years, he holds a degree of Bachelor of Commerce and Inter passed certificate from ICAI. He is playing a vital role in formulating business strategies and effective implementation of the same with Mr. Vikas Goel and Mr. Mudit Goyal.
- Directorship in other Companies: - Director in Megapacific Ventures Private Limited



Mr. Mudit Goyal, Whole-time Director, DIN: - 08099543

- Mr. Mudit Goyal has an experience of more than 5 years in Wheat Flour and joined the Company in 2018. He looks after the marketing operations of the Company.
- Mr. Goyal aged 31 years; he holds a degree of Master of Business Administration (MBA) from Amity Global. He is playing a vital role in formulating business strategies and effective implementation of the same with Mr. Vikas Goel and Mr. Vikas Gupta.
- Directorship in other Companies: - Director in Megapacific Ventures Private Limited
Director in Roller Flour Millers Federation of India



Mr Rajiv Kathuria, Non-Executive Independent Director, DIN: - 10060062

- Mr. Rajiv Kathuria aged 63 years, is the Non- Executive Independent Director. He is a fellow member of the Institute of Chartered Accountants of India since February 1993. He has a post qualification experience as a CA for over 34 years, with expertise in the field of Commercial Treasure Management, Finance, Accounts, Audit, Taxation, and other regulatory compliances.
- He has joined the Company in 2023 and he has constructive approach towards corporate governance and act as guidance to the Board on the Policy matters as well.

- Directorship in other Companies: - Nil



Mr. Prabhat Kumar, Non-Executive Independent Director; DIN: - 08099531

- Mr. Prabhat Kumar has been associated with the Company since 2018 and is currently serving his second term of five years as an Independent Director.
- He brings with him extensive experience in the Indian food sector, having retired as Assistant General Manager from the Food Corporation of India. Over the years, he has gained deep expertise in areas such as food grain quality assessment, procurement, scientific preservation, and large-scale distribution of wheat and rice. His knowledge and industry insights add significant value to the Company's governance and strategic decision-making.
- Directorship in other Companies: - Nil



Mrs. Savita Bansal, Non-Executive Independent Director; DIN: - 08099629

- Ms. Savita Bansal has been associated with the Company since 2018 and is currently serving her second term of five years as an Independent Director.
- She brings with her a constructive approach to corporate governance and provides valuable guidance to the Board on key policy matters. Her insights and independent judgment contribute to strengthening the Company's governance framework and decision-making processes.
- Directorship in other Companies: - Nil



OUR ESTABLISHED CLIENTELE



Chairman and Managing Director's Message



"Guided by the wisdom of our forefathers, we are laying a strong foundation today to shape a prosperous tomorrow."

Dear Members,

It gives me immense pleasure to present to you the progress and achievements of Megastar Foods Limited for the year 2024-25. Despite facing significant challenges during the year, we concluded the fiscal with impressive growth. This performance reflects our strategic initiatives, operational excellence, unwavering customer focus, and, above all, the dedication and collaborative spirit of our team members.

Before delving into the financial highlights, it is important to acknowledge the external environment in which businesses operated. The global economy continued to face headwinds from pandemic aftershocks, geopolitical conflicts, supply chain disruptions, and persistent inflationary pressures, all of which created pricing challenges across industries.

Amidst this backdrop, the Indian food industry has stood resilient, reinforcing its position as a key growth engine with immense potential for value addition, especially in the food processing sector. India's growing contribution to the global food trade is both an opportunity and a responsibility that we, at Megastar, are determined to embrace.

Our management team firmly believes that in the current economic climate, business transformation is not just desirable but essential. We are channelling our energy towards improving market share, reducing costs, enhancing efficiencies, and most importantly, strengthening customer satisfaction.

I would like to express my sincere gratitude to our employees, bankers, partners, and stakeholders for their tireless efforts and continued commitment during this transformative phase of our journey.

Finally, I extend my heartfelt thanks to our shareholders and customers for their enduring trust and support. Together, we are laying the foundation for a stronger and more prosperous future for Megastar Foods Limited.

Vikas Goel
Chairman & Managing Director

MEGASTAR FOODS LIMITED

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Works: Kurali-Ropar Road, Village Solkhian-140108

Distt. Rupnagar, Punjab

Telephone: +91 1881 240403-240406

Website: www.megastarfoods.com;

Email: cs@megastarfoods.com



Notice of 14th Annual General Meeting

Notice is hereby given that the 14th Annual General Meeting (A.G.M.) of the Members of Megastar Foods Limited will be held on **Wednesday, September 24, 2025 at 11.30 a.m. (IST)** through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), and the deemed venue for the AGM is Registered Office: Plot No. 807, Industrial Area, Phase-II, Chandigarh-160002 to transact the following businesses: -

ORDINARY BUSINESS: -

1. To consider, approve and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March 2025 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Mudit Goyal (DIN: 08099543) who retires by rotation and being eligible, offers himself for re-appointment as a director.

SPECIAL BUSINESS: -

3. **APPOINTMENT OF SECRETARIAL AUDITORS FOR A TERM OF FIVE CONSECUTIVE YEARS AND FIX THEIR REMUNERATION.**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") read with Circulars issued thereunder from time to time and Section 204 of the Companies Act, 2013 ("the Act") read with the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the recommendation of the Audit Committee and Board of Directors of the Company, Mr. Kanwaljit Singh Thanewal (ICSI Membership No.: FCS-5901 and CP No.: 5870), is appointed as Secretarial Auditor of the Company for the term of five consecutive years i.e. from the conclusion of forthcoming 14th Annual General Meeting ('AGM') of the Company till the conclusion of the 19th AGM to be held in the year 2030, at a remuneration to be determined by the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or person(s) authorized by the Board).

FURTHER RESOLVED THAT approval of the members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates or reports, which the Secretarial Auditors may be eligible to provide or issue under the Applicable Laws at a remuneration to be determined by the Board."

4. TO FIX THE REMUNERATION PAYABLE TO MR. VIKAS GOEL, CHAIRMAN CUM MANAGING DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass following resolution as Special Resolution: -

"RESOLVED THAT in furtherance of the Special Resolution passed by the Members of the Company in Annual General Meeting held on September 26, 2022, pursuant to the provisions of Section 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with Schedule V to the said Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable Rules made under the Act and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification(s) or re-enactment thereof for the time being in force), subject to the Articles of Association of the Company and subject to such other approvals and compliances as per the applicable provisions of the Act and other applicable Statutes, as may be necessary, the approval of the Members of the Company be and is hereby accorded to fix the remuneration of Mr. Vikas Goel (DIN 05122585), Chairman cum Managing Director of the Company, for the remaining part of his existing tenure as Chairman cum Managing Director w.e.f. April 01, 2026, on the terms and conditions as set out in the Explanatory statement annexed to this Notice calling annual general meeting of the company.

RESOLVED FURTHER THAT the terms and structures of remuneration may be altered, varied and modified from time to time by the Board of Directors (hereinafter referred to as "the Board" including any committee/sub-committee of the Board) of the Company, as it may at its discretion deem fit so as not to exceed the limits as set out in the explanatory statement and limits as specified under the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "the Board" including any committee/sub-committee of the Board) of the Company be and are hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

5. TO FIX THE REMUNERATION PAYABLE TO MR. VIKAS GUPTA, WHOLE-TIME DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass following resolution as Special Resolution: -

"RESOLVED THAT in furtherance of the Special Resolution passed by the Members of the Company in Annual General Meeting held on September 26, 2022, pursuant to the provisions of Section 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with Schedule V to the said Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable Rules made under the Act and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification(s) or re-enactment thereof for the time being in force), subject to the Articles of Association of the Company and subject to such other approvals and compliances as per the applicable provisions of the Act and other applicable Statutes, as may be necessary,

the approval of the Members of the Company be and is hereby accorded to fix the remuneration of Mr. Vikas Gupta (DIN 05123386), Whole-time Director of the Company, for the remaining part of his existing tenure as Whole-time Director w.e.f. April 01, 2026, on the terms and conditions as set out in the Explanatory statement annexed to this Notice calling annual general meeting of the company.

RESOLVED FURTHER THAT the terms and structures of remuneration may be altered, varied and modified from time to time by the Board of Directors (hereinafter referred to as “the Board” including any committee/sub-committee of the Board) of the Company, as it may at its discretion deem fit so as not to exceed the limits as set out in the explanatory statement and limits as specified under the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” including any committee/sub-committee of the Board) of the Company be and are hereby authorised to take all necessary steps to give effect to the aforesaid resolution.”

6. TO FIX THE REMUNERATION PAYABLE TO MR. MUDIT GOYAL, WHOLE-TIME DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass following resolution as Special Resolution: -

“RESOLVED THAT in furtherance of the Special Resolution passed by the Members of the Company in Annual General Meeting held on September 26, 2022, pursuant to the provisions of Section 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) read with Schedule V to the said Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable Rules made under the Act and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification(s) or re-enactment thereof for the time being in force), subject to the Articles of Association of the Company and subject to such other approvals and compliances as per the applicable provisions of the Act and other applicable Statutes, as may be necessary, the approval of the Members of the Company be and is hereby accorded to fix the remuneration of Mr. Mudit Goyal (DIN 08099543), Whole-time Director of the Company, for the remaining part of his existing tenure as Whole-time Director w.e.f. April 01, 2026, on the terms and conditions as set out in the Explanatory statement annexed to this Notice calling annual general meeting of the company.

RESOLVED FURTHER THAT the terms and structures of remuneration may be altered, varied and modified from time to time by the Board of Directors (hereinafter referred to as “the Board” including any committee/sub-committee of the Board) of the Company, as it may at its discretion deem fit so as not to exceed the limits as set out in the explanatory statement and limits as specified under the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” including any committee/sub-committee of the Board) of the Company be and are hereby authorised to take all necessary steps to give effect to the aforesaid resolution.”

Date: 06.08.2025
Place: Chandigarh

for and on behalf of
MEGASTAR FOODS LIMITED

Sd/-
VIKAS GOEL

Chairman & Managing Director
DIN: 05122585

Reg office: Plot No. 807, Industrial Area Phase-II,
Chandigarh -160002

NOTES:-

1. The Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 is annexed hereto. The Board of Directors have considered and decided to include the Item No. 3,4,5 and 6 given above as Special Business in the forthcoming Annual General Meeting ("AGM"), as it is unavoidable in nature.
2. The Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 10/2022 dated 28th December, 2022, 09/2023 dated 25th September, 2023 and 09/2024 dated 19th September, 2024 (collectively referred to as "MCA Circulars") read with Securities and Exchange Board of India ("SEBI") circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, SEBI/ HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 and (collectively referred to as "SEBI Circulars"), permitted the companies for holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The procedure for participating in the meeting through VC / OAVM is explained hereunder in the Note.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM 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 this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, a Body Corporate is entitled to appoint authorised representative to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.
4. Institutional / Corporate Members (i.e. other than individual / HUF, NRI etc.) are required to send a scanned copy (PDF / JPEG format) of its Board or governing body Resolution / Authorization etc. authorizing the representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Company at cs@megastarfoods.com with copy marked to ajaykcs@gmail.com and helpdesk.evoting@cdslindia.com
5. The information of the Director seeking re-appointment at the ensuing AGM is provided at Annexure-A to this Notice as prescribed under regulation 36(3) of the

Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Company's Registrar and Share Transfer Agent ("RTA") for its Share Registry Work (Physical and Electronic) are Skyline Financial Services Private Limited.
8. A person whose name is recorded in the Register of Members and in the List of Beneficial Owners maintained by the depositories as on Wednesday, September 17, 2025 ("**cut-off date**") shall be entitled to avail the facility of remote e-voting or voting at the time of AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.

The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again.

The members whose names appear in the Register of Members and List of Beneficial Owners as on cut-off date are entitled to vote on Resolutions set forth in the Notice of AGM. Eligible members who have acquired shares after sending the Notice electronically and holding shares as on the cut-off date may approach the Company for seeking assistance for issuance of the User id and Password for exercising their right to vote by electronic means.

9. Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request in advance at least 7 (seven) days prior to the AGM mentioning their name, demat account number /folio number, e-mail id, mobile number and the brief description of their queries at cs@megastarfoods.com. These queries will be replied appropriately by the Company at the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@megastarfoods.com. These queries will be replied to by the company suitably by email.
10. Only those members who have registered themselves as a speaker, will be allowed to express their views/ask questions during the AGM.
11. Only those members, who are present in the AGM through VC/OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
12. In compliance with the MCA and SEBI Circulars for General Meetings, Notice of the AGM of the Company, inter alia, indicating the process and manner of e-voting and the Annual Report 2024-25 are being sent only through electronic mode to those Members whose e-mail address are registered with the Company / DP. Members may note that Notice has been uploaded on the website of the Company at <https://www.megastarfoods.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL i.e www.evotingindia.com
13. Members holding shares in dematerialized mode who have not registered / updated their email addresses are requested to register / update their email addresses with the relevant Depository Participants.
14. Members may also note that the Notice of the AGM and the Annual Report 2024-25 are uploaded and available on the website of the Company, the Stock Exchanges and CDSL at www.megastarfoods.com, and www.evotingindia.com respectively. The

copies of the documents will also be available for electronic inspection during normal business hours on working days, from the date of circulation of this Notice up to the date of AGM. For any communication, the members may also send requests to the Company's investor e-mail id at cs@megastarfoods.com.

15. Relevant documents referred to in the accompanying Notice shall be available for inspection by the Members through electronic mode, basis the request being sent on cs@megastarfoods.com.

E-Voting (voting through electronic means):

1. The businesses as set out in the Notice shall be transacted through electronic voting system. In compliance with the provisions of section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, Standard 2 of the Secretarial Standard on General Meetings and in compliance with regulation 44 of the Listing Regulations and pursuant to the MCA and SEBI Circulars for General Meetings, the Company is pleased to offer the facility of voting through electronic means, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with CDSL to facilitate the members to cast their votes from a place other than venue of the AGM ("remote e-voting"). The facility for voting shall be made available at the AGM through electronic voting and the members attending the meeting who have not cast their vote by remote-voting shall be able to exercise their right during the AGM. The facility of casting votes by a member using remote e-voting as well as e-voting at the meeting on the date of the AGM will be provided by CDSL.

In terms of provisions of section 107 of the Act, as the Company is providing the facility of remote e-voting to the members, there shall be no voting by show of hands at the AGM.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
 - I. A person whose name is recorded in the Register of Members and in the List of Beneficial Owners maintained by the depositories as on Wednesday, September 17, 2025 ("**cut-off date**") shall be entitled to avail the facility of remote e-voting or voting at the time of AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.

The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again.

The members whose names appear in the Register of Members and List of Beneficial Owners as on cut-off date are entitled to vote on Resolutions set forth in the Notice of AGM. Eligible members who have acquired shares after sending the Notice electronically and holding shares as on the cut-off date may

approach the Company for seeking assistance for issuance of the User id and Password for exercising their right to vote by electronic means.

II. Process for those members whose e-mail ids, mobile nos. are not registered with the Depositories:

- i. Members holding shares in demat mode-please update your e-mail id and mobile number with your respective DP.
- ii. Individual members holding shares in demat mode-please update your e-mail id and mobile number with your respective DP which is mandatory for e-voting and joining the AGM through VC / OAVM through Depository.

III. Instructions for members for remote e-voting, e-voting during AGM and joining the AGM through VC/OAVM are as under:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- i. The remote e-voting period commences at **09.00 a.m. (IST) on Sunday, September 21, 2025 and ends at 05.00 p.m. (IST) on Tuesday, September 23, 2025**. During this period members of the Company, holding shares either in physical mode or in dematerialized mode, as on the cut-off date i.e. Wednesday, September 17, 2025, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the AGM.
- iii. Pursuant to SEBI Circular No. SEBI/HO/FD/CMD/CIR/P/2020/242 dated December 9, 2020, under regulation 44 of the Listing Regulations, listed companies are required to provide remote e-voting facility to its members in respect of all members' resolutions.

Currently there are multiple e-voting service providers ("ESPs") providing e-voting facility to listed companies in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts/ websites of Depositories/ DPs. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication, but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- iv. In view of the aforesaid SEBI Circular dated December 9, 2020, individual members holding shares in demat mode are allowed to vote

through their demat account maintained with Depositories and DPs. Members are advised to update their mobile number and e-mail id in their demat accounts in order to access e-voting facility.

Pursuant to the aforesaid SEBI Circular dated December 9, 2020, login method for e-voting and joining virtual meetings for individual members holding shares in demat mode is given below: -

Type of Members	Login Methods
Individual member holding shares in demat mode with CDSL	1. Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on Login icon & My Easi New (Token) Tab. 2. After successful login, the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service provider's website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a e-Voting link available www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail id as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual member holding shares in demat mode with NSDL	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will

	have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual member (holding shares in demat mode) login through their Depository Participants (DPs)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for individual members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login Type	Helpdesk Numbers
Individual members 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 call at toll free no.:1800 21 09911.
Individual members 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 and 022-2499 7000.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- v. Login method for e-voting and joining AGM through VC/OAVM for **members other than individual members holding shares in demat and physical mode** is as under:

1. The members should log on to the remote e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now Enter your User ID

- a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
 5. If you are holding shares in demat mode and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 6. If you are a first-time user follow the steps given below: -

	For members holding shares in Demat and Physical mode other than individual members.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank details or Date of Birth (DOB) (in dd/mm/yyyy format) as recorded in your demat account or in the company's records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Members holding shares in physical mode will then directly reach the Company selection screen. However, members holding shares in demat mode will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting on resolutions of any other Company in which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical mode, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for MEGASTAR FOODS LIMITED on which you choose to vote.
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

15. You can also take a print of the vote cast by clicking on “Click here to print” option on the voting page.
16. If demat account holder has forgotten the login password, they should enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
17. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
18. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance Users would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively non-individual members are required to send the relevant Board Resolution/authority letter together with attested specimen signature of the duly authorised signatory, who are authorised to vote, to the Scrutinizer and to the Company, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / I-Pads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the

facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to cs@megastarfoods.com and info@skylinerta.com .

For Demat shareholders -Please update your email id & mobile no. with your respective Depository Participant (DP)

For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

A member can opt for only one mode of voting i.e. either through remote e-voting or e-voting at the meeting. If a member cast votes by both modes, then voting done through remote e-voting shall prevail.

Mr. Ajay K. Arora (C.P. No. 993 and M. No. 2191), Company Secretary, Chandigarh, has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-voting system during the meeting in a fair and transparent manner.

During the 14th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/ OAVM Facility to vote on the resolutions as set out in the Notice of the 14th AGM and announce the start of the casting of vote through the e-voting system. After the Members participating through VC/ OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-voting will be closed with the formal announcement of closure of the 14th AGM.

The Scrutinizer shall after the conclusion of e-voting at the 14th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and such Report shall then be sent to the Chairman or a person authorized by him, within two working days from the conclusion of the 14th AGM, who shall then countersign and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.megastarfoods.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the Stock Exchanges.

REQUEST TO THE MEMBERS: -

Members desiring any relevant information on the Audited Financial Statements or any matter to be placed at the AGM are requested to write to the Company at least 7 (seven) days in advance of the date of AGM through e-mail at cs@megastarfoods.com . The same will be replied by the Company suitably.

Date: 06.08.2025

Place: Chandigarh

for and on behalf of
MEGASTAR FOODS LIMITED

Sd/-

VIKAS GOEL

Chairman & Managing Director

DIN: 05122585

Add.: Plot No. 807, Industrial Area Phase-II,
Chandigarh -160002

Registered Office:

Plot No. 807, Industrial Area Phase -II,
Chandigarh -160002

CIN: L15311CH2011PLC033393

Ph.: +91 1881240401

E-mail: cs@megastarfoods.com

Website: <https://www.megastarfoods.com/>



Annexure A**ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015 AND SS-2 SECRETARIAL STANDARDS ON GENERAL MEETINGS.**

Name of Director	Mr. Vikas Goel	Mr. Vikas Gupta	Mr. Mudit Goyal
Director Identification Number (DIN)	05122585	05123386	08099543
Designation	Chairman cum Managing Director	Whole-time Director	Whole-time Director
Date of Appointment	28/11/2011	28/11/2011	31/03/2018
Age	53 years	49 years	31 years
Brief Resume, Nature of expertise in Specific functional Areas	Mr. Goel has been in this industry for more than 34 years. With his hands on approach, Mr. Goel has directly oversees the operations of Megastar since its very inception. He is playing a vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company.	Mr. Vikas Gupta holds a degree of Commerce and Inter passed certificate from ICAI. He has rich experience of more than 19 years in Wheat Flour industry.	Mr. Mudit Goyal aged 31 years, is the Whole-time Director of the Company. He holds a degree from Master of Business Administration (MBA) from Amity Global. He has joined the company in 2018 and looks after the marketing operations of the company.
Qualification	Metric	Bachelor of Commerce and Inter passed certificate from ICAI.	Master of Business Administration (MBA)
List of Directorship	Directorship:- Megapacific Ventures Private Limited	Directorship:- Megapacific Ventures Private Limited	Directorship:- Megapacific Ventures Private Limited

Listed Entities from which Director has resigned in Last 3 years	Nil	Nil	Nil
Committee Membership	Membership in:- • Audit Committee • Stakeholders Relationship Committee • Corporate Social Responsibility Committee • Finance and Investment Committee	Membership in:- • Finance and Investment Committee	Membership in:- • Finance and Investment Committee
No. of Board Meetings of Megastar Foods Limited attended during FY 2024-25	06	06	06
Relationship with other Directors, Managers and Key Managerial Personnel	Mr. Vikas Goel is the father of Mr. Mudit Goyal. Apart from this, he does not have any pecuniary relationship with the Company. Mr. Vikas Goel belongs to Promoter Category	Mr. Vikas Gupta does not have any pecuniary relationship with the Company. Mr. Vikas Gupta belongs to Promoter Category	Mr. Mudit Goyal is the son of Mr. Vikas Goel. Mr. Mudit Goyal does not have any pecuniary relationship with the Company. Mr. Mudit Goyal belongs to Promoter Group Category
Shareholding in Megastar Foods Limited	25,92,660 Equity shares	22,19,900 Equity shares	2,01,500 Equity shares

Note: - No sitting fees and commission were paid to Mr. Vikas Goel, Mr. Vikas Gupta and Mr. Mudit Goyal during FY 2024-25.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the items of the Special Business

Item No. 3

SEBI vide its notification dated 12th December, 2024 amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the Listing Regulations). The Amended regulation read with the SEBI circular no. SEBI/HO/CFD/CFDPoD-2/CIR/P/2024/185 dated 31st December, 2024 (the Circular) have inter-alia prescribed the term of appointment/ re-appointment, eligibility, qualifications and disqualifications of Secretarial Auditor of a Listed Company.

As per the amended Regulation 24A of the Listing Regulations, the Company is required to undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and annex a Secretarial Audit Report in such form as specified by SEBI, with the annual report of the Company.

In accordance with the above, upon recommendation of the Audit Committee, the Board of Directors at its meeting held on 06.08.2025, approved and recommended to the Shareholders of the Company for their approval, the appointment of Mr. Kanwaljit Singh Thanewal (ICSI Membership No.: FCS-5901 and CP No.: 5870), as Secretarial Auditors of the Company at the ensuing 14th Annual General Meeting for a term of 5 (Five) consecutive Years i.e. from the conclusion of forthcoming 14th Annual General Meeting ('AGM') of the Company till the conclusion of the 19th AGM to be held in the year 2030 ('the term').

The Board of Directors also approved to avail or obtain from the Secretarial Auditor, such other services or certificates, or reports, which the Secretarial Auditors may be eligible to provide or issue under the Applicable Laws.

Mr. Kanwaljit Singh Thanewal have given his consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the prescribed limits under the Companies Act, 2013 ('the Act') & Rules made thereunder and SEBI LODR Regulations. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of the provisions of the Act & Rules made thereunder and SEBI LODR Regulations.

Rationale for Appointment of Secretarial Auditor

The appointment of Mr. Kanwaljit Singh, Practising Company Secretary (Membership No. FCS 5901, CP No. 5870), is based on a comprehensive evaluation by the Audit Committee and the Board, considering the following factors:

- **Peer-Reviewed Expertise:** Mr. Kanwaljit Singh holds a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (ICSI), attesting to adherence to professional standards and continuous quality control.
- **Experience in Corporate Governance:** He brings with him substantial hands-on experience in secretarial audit, SEBI compliance, and Companies Act requirements, especially for listed and regulated entities.

- **Independence and Integrity:** The proposed auditor fulfills the independence criteria and has made necessary declarations regarding absence of disqualification under applicable laws and Listing Regulations.
- **Geographic and Operational Accessibility:** Based in Chandigarh, Mr. Kanwaljit Singh has demonstrated capacity to serve clients across regions while maintaining efficiency and timely reporting.

Other disclosures:

The Board, after taking into account the experience of Mr. Kanwaljit Singh Thanewal was of the opinion that they are qualified to be appointed as the Secretarial Auditors of the Company in accordance with the Listing Regulations. The Board accordingly recommended their appointment as the Secretarial Auditors for the term, as set out in the proposed resolution, to the members of the Company.

It is further proposed that the remuneration of Rs. 40,000/- plus applicable taxes and reimbursement of out-of-pocket expenses incurred during the course of the audit to be paid to the Secretarial Auditor, for the Financial Year ending 31st March, 2026 and for subsequent year(s) of their term, such fee as determined by the Board, on recommendation of the Audit Committee.

None of the Directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Basis the rationale provided above, the Board of Directors of the Company recommends the resolution set out at Item No. 3 for approval of the Members as an Ordinary Resolution.

Item No. 4

The present term of Mr. Vikas Goel (DIN 05122585), Chairman cum Managing Director of the Company is valid upto April 03, 2028 and in compliance with the requirements of Schedule V of the Companies Act, 2013, his remuneration was approved by the Shareholders for an initial period of 3 years of his tenure, i.e. until March 31, 2026.

In view of the continued vital role played by Mr. Vikas Goel as the Chairman and managing Director of the company, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee has approved payment of remuneration to Mr. Vikas Goel for the remaining part of his existing tenure w.e.f. April 01, 2026, as per the details given hereunder

The Details of the Remuneration proposed to be payable to Mr. Vikas Goel are set out below:

Salary	Rs. 8.00 Lakhs per month
Perquisites	
Car	One Car for use of Company's Business and permissible personal use
Leave and encashment of Leave	As per the policy of the Company
Contribution towards Provident Fund and Superannuation Fund	As per the policy of the Company

or Annuity Fund, National Pension Scheme	
Gratuity and/or contribution to the Gratuity Fund of Company	As per the policy of the Company
Other Allowances/benefits, perquisites	Any other allowances, benefits and perquisites as per the rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may from time to time decide.
Any other one time/periodic retirement allowances/benefits as may be decided by the Board at the time of retirement.	

- Subject as aforesaid, the Managing Director shall be governed by such other rules as are applicable to the Senior Management of the Company from time to time.
- For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Vikas Goel, Chairman cum Managing Director will be considered as continuous service with the Company from the date of his joining.
- When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including perquisites as aforesaid will be paid to Mr. Vikas Goel in accordance with the applicable provisions of Schedule V of the Act.

In accordance with the Schedule V and other applicable provisions of the Companies Act, 2013, on recommendation of Nomination and Remuneration Committee of the Company at its meeting held on 04.08.2025, the Board of Directors of the Company at its meeting held on 06.08.2025, have approved the payment of remuneration as detailed above, subject to such other approvals as may be necessary, as minimum remuneration to Mr. Vikas Goel in the absence or inadequacy of profits.

Information required under Section II of Part II of Schedule V to the Companies Act, 2013

The detailed information as per Section II of Part II of Schedule V is as follows: -

I. General Information:				
1. Nature of Industry	Manufacturer of Wheat Flour			
2. Date or expected date of commencement of commercial production	The Company is in operation since 2013			
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4. Financial performance based on given indicators	Standalone Basis (in Lakhs)			
	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
	Total Income	26799.00	25621.86	35036.25
	Earnings before Interest, Depreciation and Tax and exceptional items (from Continued operation)	2117.31	1468.05	2206.20

	Profit from Continued Operations before Tax and exceptional items	1296.69	802.41	523.48
	Total Profit before Tax after exceptional items	1296.69	802.41	523.48
	Total Profit after Tax	961.71	616.33	377.56
	Total Comprehensive Income	971.58	615.53	384.23
	Consolidated Basis (in Lakhs)			
	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
	Total Income	30440.19	27697.19	36124.58
	Earnings before Interest, Depreciation and Tax and exceptional items (from Continued operation)	2184.74	1507.97	2228.74
	Profit from Continued Operations before Tax and exceptional items	1362.56	821.65	525.83
	Total Profit before Tax after exceptional items	1362.56	821.65	525.83
	Total Profit after Tax	1008.20	632.25	379.27
	Total Comprehensive Income	1018.07	631.45	385.94
5. Foreign investments or collaborations, if any.	Nil			
II. Information about the Appointee				
6. Background details	Mr. Goel has been in this industry for more than 34 years. With his hands on approach, Mr. Goel has directly oversees the operations of Megastar since its very inception. He is playing a vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. Mr. Goel aged 53 years. He is playing a vital role in formulating business strategies and effective implementation of the same with Mr. Vikas Gupta and Mr. Mudit Goyal. He is responsible for the expansion and overall management of the business of our Company.			
7. Past Remuneration	2022-23	2023-24	2024-25	
	66.82 Lakhs	81.40 Lakhs	93.40 Lakhs	
8. Recognition or Awards	Nil			
9. Job profile and its suitability	Mr. Vikas Goel as Chairman cum Managing Director is responsible for the expansion and overall management of the business of our Company.			
10. Remuneration Proposed	As stated in Explanatory Statement			
11. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration as proposed of Mr. Vikas Goel is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the company			
12. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Beside the remuneration proposed, Mr. Vikas Goel does not have any pecuniary relationship with the Company. Mr. Vikas Goel is the father of Mr. Mudit Goyal, Whole-time Director of the Company. Mr. Vikas Goel belongs to the Promoter Category. Mr. Vikas Goel, Chairman cum Managing Director and holds 25,92,660 equity shares in the share capital of the Company.			

III. Other Information	
1. Reasons of loss or inadequate profits	There are no losses in the company. The company has been achieving performance landmarks in terms of its operational and financial performance over the past several years. However, for the purpose of determining managerial remuneration as per section 198, the profits might seem inadequate. The Company is passing a Special Resolution pursuant to the proviso to sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, in anticipation that the profitability of the Company may be affected due to business environment during the period for which remuneration is payable to Mr. Vikas Goel.
2. Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The inherent strengths of the Company, especially its reputation as a premium manufacturer and powerful brands are also expected to enable the Company to position itself during adversities. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce the cost and improve the bottom line.
3. Expected increase in productivity and profits in measurable terms	The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.
IV. Disclosures	1. Remuneration of Managerial Personnel: - Details of remuneration is fully mentioned in the Explanatory Statement as stated above. 2. Disclosures in the Board of Director's Report under the heading "Corporate Governance" included in Annual Report 2024-25: - The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of Annual Report of FY 2024-25 of the Company.

Except for Mr. Vikas Goel and Mr. Mudit Goyal, none of the others directors and key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above resolution set out in the Notice.

Basis the rationale provided above, the Board of Directors of the Company recommends the resolution set out at Item No. 4 for approval of the Members as Special Resolution.

Item No. 5

The present term of Mr. Vikas Gupta (DIN 05123386), Whole-time Director of the Company is valid upto April 03, 2028 and in compliance with the requirements of Schedule V of the Companies Act, 2013, his remuneration was approved by the Shareholders for an initial period of 3 years of his tenure i.e until March 31, 2026.

In view of the continued vital role played by Mr. Vikas Gupta as Whole-time Director of the Company, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee has approved payment of remuneration to Mr. Vikas Gupta for the remaining part of his existing tenure w.e.f April 01, 2026, as per the details given hereunder.

The Details of the Remuneration proposed to be payable to Mr. Vikas Gupta are set out below: -

Salary	Rs. 8.00 Lakhs per month
Perquisites	
Car	One Car for use of Company's Business and permissible personal use
Leave and encashment of Leave	As per the policy of the Company
Contribution towards Provident Fund and Superannuation Fund or Annuity Fund, National Pension Scheme	As per the policy of the Company
Gratuity and/or contribution to the Gratuity Fund of Company	As per the policy of the Company
Other Allowances/benefits, perquisites	Any other allowances, benefits and perquisites as per the rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may from time to time decide.
Any other one time/periodic retirement allowances/benefits as may be decided by the Board at the time of retirement.	

- Subject as aforesaid, the Whole-time Director shall be governed by such other rules as are applicable to the Senior Management of the Company from time to time.
- For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Vikas Gupta, Whole-time Director will be considered as continuous service with the Company from the date of his joining.
- When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including perquisites as aforesaid will be paid to Mr. Vikas Gupta in accordance with the applicable provisions of Schedule V of the Act.

In accordance with the Schedule V and other applicable provisions of the Companies Act, 2013, on recommendation of Nomination and Remuneration Committee of the Company at its meeting held on 04.08.2025, the Board of Directors of the Company at its meeting held on 06.08.2025 have approved the payment of remuneration as detailed above, subject to such other approvals as may be necessary, as minimum remuneration to Mr. Vikas Gupta in the absence or inadequacy of profits.

Information required under Section II of Part II of Schedule V to the Companies Act, 2013

The detailed information as per Section II of Part II of Schedule V is as follows: -

V. General Information:	
1. Nature of Industry	Manufacturer of Wheat Flour
2. Date or expected date of commencement of commercial production	The Company is in operation since 2013
3. In case of new companies, expected date of commencement of activities	Not Applicable

as per project approved by financial institutions appearing in the prospectus				
4. Financial performance based on given indicators	Standalone Basis (in Lakhs)			
	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
	Total Income	26799.00	25621.86	35036.25
	Earnings before Interest, Depreciation and Tax and exceptional items (from Continued operation)	2117.31	1468.05	2206.20
	Profit from Continued Operations before Tax and exceptional items	1296.69	802.41	523.48
	Total Profit before Tax after exceptional items	1296.69	802.41	523.48
	Total Profit after Tax	961.71	616.33	377.56
	Total Comprehensive Income	971.58	615.53	384.23
	Consolidated Basis (in Lakhs)			
	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
	Total Income	30440.19	27697.19	36124.58
	Earnings before Interest, Depreciation and Tax and exceptional items (from Continued operation)	2184.74	1507.97	2228.74
	Profit from Continued Operations before Tax and exceptional items	1362.56	821.65	525.83
	Total Profit before Tax after exceptional items	1362.56	821.65	525.83
	Total Profit after Tax	1008.20	632.25	379.27
	Total Comprehensive Income	1018.07	631.45	385.94
5. Foreign investments or collaborations, if any.	Nil			
VI. Information about the Appointee				
6. Background details	Mr. Vikas Gupta has a profound experience of more than 19 years in Wheat Flour. Mr. Gupta has directly overseen the production , HR and administration as well as participates in business development since its very inception. He is responsible and authorized for ensuring that the processes needed for the management system are established, implemented and maintained. Mr. Gupta aged 49 years, he holds a degree of Bachelor of Commerce and Inter passed certificate from ICAI. He is playing a vital role in formulating business strategies and effective implementation of the same with Mr. Vikas Goel and Mr. Mudit Goyal			
7. Past Remuneration	2022-23	2023-24	2024-25	
	66.82 Lakhs	81.40 Lakhs	93.40 Lakhs	
8. Recognition or Awards	Nil			
9. Job profile and its suitability	Mr. Vikas Gupta as Whole-time Director is responsible and authorized for ensuring that the processes needed for the management system are established, implemented and maintained.			
10. Remuneration Proposed	As stated in Explanatory Statement			
11. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant	The remuneration as proposed of Mr. Vikas Gupta is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the company			

details would be with respect to the country of his origin)	
12. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Beside the remuneration proposed, Mr. Vikas Gupta does not have any pecuniary relationship with the Company. Mr. Vikas Gupta belongs to the Promoter Category. Mr. Vikas Gupta, Wholetime Director and holds 22,19,900 equity shares in the share capital of the Company.
VII. Other Information	
1. Reasons of loss or inadequate profits	The Company is passing a Special Resolution pursuant to the proviso to sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to business environment during the period for which remuneration is payable to Mr. Vikas Gupta i.e till March 31, 2027.
2. Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The inherent strengths of the Company, especially its reputation as a premium manufacturer and powerful brands are also expected to enable the Company to position itself during adversities. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce the cost and improve the bottom line.
3. Expected increase in productivity and profits in measurable terms	The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.
VIII. Disclosures	3. Remuneration of Managerial Personnel: - Details of remuneration is fully mentioned in the Explanatory Statement as stated above. 4. Disclosures in the Board of Director's Report under the heading "Corporate Governance" included in Annual Report 2024-25: - The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of Annual Report of FY 2024-25 of the Company.

Except for Mr. Vikas Gupta, none of the others directors and key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above resolution set out in the Notice.

Basis the rationale provided above, the Board of Directors of the Company recommends the resolution set out at Item No. 5 for approval of the Members as Special Resolution.

Item No. 6

The present term of Mr. Mudit Goyal (DIN 08099543), Whole-time Director of the Company is valid up to April 03, 2028 and in compliance with the requirements of Schedule V of the Companies Act, 2013, his remuneration was approved by the Shareholders for an initial period of 3 years of his tenure i.e. until March 31, 2026.

In view of the continued vital role played by Mr. Mudit Goyal as Whole-time Director of the company, the Board of Directors, based on the recommendation of the Nomination and

Remuneration Committee has approved payment of remuneration to Mr. Mudit Goyal for remaining part of his existing tenure w.e.f April 01, 2026 as per details given hereunder: -

The Details of the Remuneration proposed to be payable to Mr. Mudit Goyal are set out below:

Salary	Rs. 8.00 Lakhs per month
Perquisites	
Car	One Car for use of Company's Business and permissible personal use
Leave and encashment of Leave	As per the policy of the Company
Contribution towards Provident Fund and Superannuation Fund or Annuity Fund, National Pension Scheme	As per the policy of the Company
Gratuity and/or contribution to the Gratuity Fund of Company	As per the policy of the Company
Other Allowances/benefits, perquisites	Any other allowances, benefits and perquisites as per the rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may from time to time decide.
Any other one time/periodic retirement allowances/benefits as may be decided by the Board at the time of retirement.	

- Subject as aforesaid, the Whole-time Director shall be governed by such other rules as are applicable to the Senior Management of the Company from time to time.
- For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Mudit Goyal, Whole-time Director will be considered as continuous service with the Company from the date of his joining.
- When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including perquisites as aforesaid will be paid to Mr. Mudit Goyal in accordance with the applicable provisions of Schedule V of the Act.

In accordance with the Schedule V and other applicable provisions of the Companies Act, 2013, on recommendation of Nomination and Remuneration Committee of the Company at its meeting held on 04.08.2025, the Board of Directors of the Company at its meeting held on 06.08.2025 have approved the payment of remuneration as detailed above, subject to such other approvals as may be necessary, as minimum remuneration to Mr. Mudit Goyal in the absence or inadequacy of profits.

Information required under Section II of Part II of Schedule V to the Companies Act, 2013

The detailed information as per Section II of Part II of Schedule V is as follows: -

IX. General Information:	
1. Nature of Industry	Manufacturer of Wheat Flour
2. Date or expected date of commencement of commercial production	The Company is in operation since 2013

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4. Financial performance based on given indicators	Standalone Basis (in Lakhs)			
	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
	Total Income	26799.00	25621.86	35036.25
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	Total Profit before Tax after exceptional items	1296.69	802.41	523.48
	Total Profit after Tax	961.71	616.33	377.56
	Total Comprehensive Income	971.58	615.53	384.23
	Consolidated Basis (in Lakhs)			
	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
	Total Income	30440.19	27697.19	36124.58
	Earnings before Interest, Depreciation and Tax and exceptional items (from Continued operation)	2184.74	1507.97	2228.74
	Profit from Continued Operations before Tax and exceptional items	1362.56	821.65	525.83
	Total Profit before Tax after exceptional items	1362.56	821.65	525.83
Total Profit after Tax	1008.20	632.25	379.27	
Total Comprehensive Income	1018.07	631.45	385.94	
5. Foreign investments or collaborations, if any.	Nil			
X. Information about the Appointee				
6. Background details	Mr. Mudit Goyal has an experience of more than 5 years in Wheat Flour and joined the Company in 2018. He looks after the marketing operations of the Company. Mr. Goyal aged 31 years; he holds a degree of Master of Business Administration (MBA) from Amity Global. He is playing a vital role in formulating business strategies and effective implementation of the same with Mr. Vikas Goel and Mr. Vikas Gupta.			
7. Past Remuneration	2022-23	2023-24	2024-25	
	35.15 Lakhs	57.40 Lakhs	78.40 Lakhs	
8. Recognition or Awards	Nil			
9. Job profile and its suitability	Mr. Mudit Goyal as Whole-time Director is responsible for the expansion and overall management of the business of our Company.			
10. Remuneration Proposed	As stated in Explanatory Statement			
11. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with	The remuneration as proposed of Mr. Vikas Gupta is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the company			

respect to the country of his origin)	
12. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides the remuneration proposed, Mr. Mudit Goyal does not have any pecuniary relationship with the Company. Mr. Mudit Goyal is the son of Mr. Vikas Goel, Chairman cum Managing Director of the Company. Mr. Mudit Goyal belongs to the Promoter Group Category. Mr. Mudit Goyal, Wholetime Director and holds 2,01,500 equity shares in the share capital of the Company.
XI. Other Information	
1. Reasons of loss or inadequate profits	The Company is passing a Special Resolution pursuant to the proviso to sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to business environment during the period for which remuneration is payable to Mr. Mudit Goyal i.e till March 31, 2027.
2. Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The inherent strengths of the Company, especially its reputation as a premium manufacturer and powerful brands are also expected to enable the Company to position itself during adversities. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce the cost and improve the bottom line.
3. Expected increase in productivity and profits in measurable terms	The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.
XII. Disclosures	1. Remuneration of Managerial Personnel: - Details of remuneration is fully mentioned in the Explanatory Statement as stated above. 2. Disclosures in the Board of Director's Report under the heading "Corporate Governance" included in Annual Report 2024-25: - The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of Annual Report of FY 2024-25 of the Company.

Except for Mr. Mudit Goyal and Mr. Vikas Goel, none of the others directors and key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above resolution set out in the Notice.

Basis the rationale provided above, the Board of Directors of the Company recommends the resolution set out at Item No. 6 for approval of the Members as Special Resolution.

MEGASTAR FOODS LIMITED**CIN:** L15311CH2011PLC033393**Regd. Off:** Plot No. 807, Industrial Area, Phase-IIChandigarh-160002; **Telephone:** +91 172 2653807, 5005024**Works:** Kurali-Ropar Road, Village Solkhian-140108

Distt. Rupnagar, Punjab

Telephone: +91 1881 240403-240406**Website:** www.megastarfoods.com;**Email:** cs@megastarfoods.com

Management Discussion and Analysis

Pursuant to Schedule V to the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report covering business performance, industry trends, opportunities, challenges and outlook (within limits set by the Company's competitive position) is given below:

Wheat flour continues to be one of the most widely consumed food ingredients globally, primarily due to the presence of gluten — a protein that imparts strength, elasticity and desirable texture to dough and baked products.

The demand for wheat flour is being driven by multiple factors, including population growth, rising disposable incomes, increasing consumption of bakery and convenience foods and changing lifestyle patterns. Its versatility as a key ingredient in bakery and fast-food products such as bread, noodles, pasta, and breakfast cereals has further accelerated global consumption.

Additionally, wheat flour enjoys a competitive advantage over flour made from other grains, being relatively cost-effective and readily accessible to consumers across all socio-economic segments. These attributes continue to support the sustained growth of the wheat flour market worldwide.

Industry Trends

Economic Review

a. Global Economy Overview

Global growth prospects are softening, with trade barriers, tighter financial conditions, waning confidence, and policy uncertainty expected to weigh on activity, according to the OECD's latest Economic Outlook. Global GDP is projected to slow from 3.3% in 2024 to 2.9% in both 2025 and 2026, with the sharpest deceleration anticipated in the United States, Canada, Mexico, and China.

The global economy continues to face significant headwinds, driven primarily by rising trade tensions and heightened policy uncertainty. For emerging markets and developing economies (EMDEs), this weak outlook constrains the capacity to generate employment and reduce extreme poverty, a challenge further exacerbated by subdued foreign direct investment inflows.

In this environment, global cooperation is essential to restore a stable trade framework and provide greater support to vulnerable nations, including those in fragile and conflict-affected situations. At the domestic level, decisive policy measures are required to contain inflationary pressures and build fiscal resilience. Over the longer term, unlocking job creation and sustainable growth will depend on reforms aimed at enhancing institutional quality, attracting private investment, and strengthening human capital and labour markets.

World Economic Outlook Growth Projections

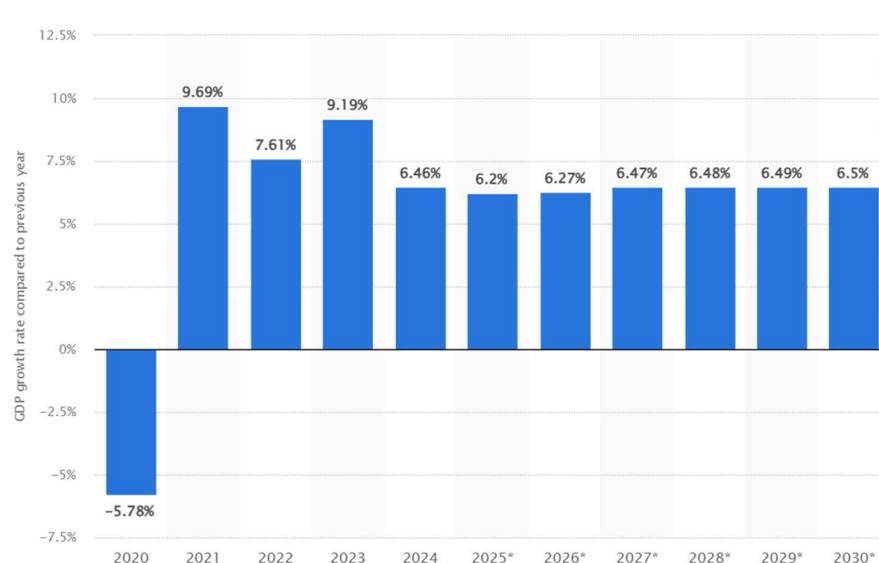
(Real GDP, annual percent change)	PROJECTIONS		
	2024	2025	2026
World Output	3.3	2.8	3.0
Advanced Economies	1.8	1.4	1.5
United States	2.8	1.8	1.7
Euro Area	0.9	0.8	1.2
Germany	-0.2	0.0	0.9
France	1.1	0.6	1.0
Italy	0.7	0.4	0.8
Spain	3.2	2.5	1.8
Japan	0.1	0.6	0.6
United Kingdom	1.1	1.1	1.4
Canada	1.5	1.4	1.6
Other Advanced Economies	2.2	1.8	2.0
Emerging Market and Developing Economies	4.3	3.7	3.9
Emerging and Developing Asia	5.3	4.5	4.6
China	5.0	4.0	4.0
India	6.5	6.2	6.3

(Source: IMF, World Economic Outlook, April 2025)

b. India Economic Overview

India's GDP growth eased to 6.5% in FY25, the slowest pace in three years; down from 9.2% in FY23. As the new fiscal begins, India's growth momentum is powered by three robust engines a resilient consumer base, a widening investment horizon, and a digitally skilled, agile workforce. Urban consumption is climbing, private capex is gathering pace, and India's tech-savvy talent is fuelling innovation while making its mark on the global stage.

Looking ahead, India is set to retain its crown as the world's fastest-growing major economy through 2026, with GDP forecast to expand 6.3% in 2026, according to Morgan Stanley's Global Investment Committee. This resilience stems from robust domestic demand, steady structural reforms, and a supportive policy backdrop — even amid rising protectionism and global trade disruptions. (Source: IBEF)



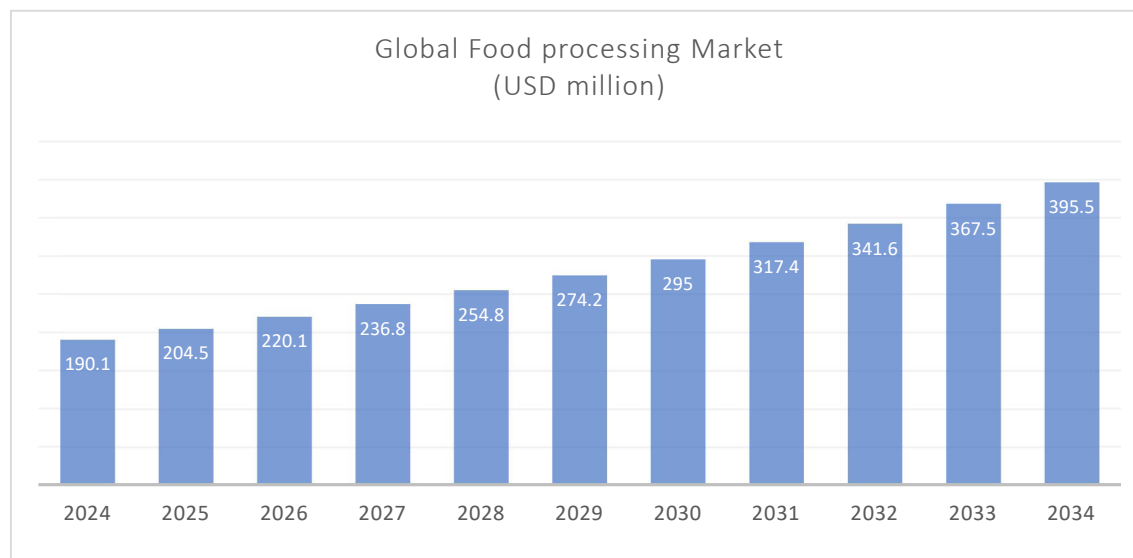
(Source: Statista)

Global Food Processing Sector Overview in FY 2024-25

In 2025, the global food processing industry is undergoing rapid transformation, fuelled by technological innovation, evolving consumer preferences, and a heightened focus on sustainability. Health-conscious demand is driving the shift towards organic, low-sugar, and plant-based products, prompting manufacturers to reformulate offerings with reduced unhealthy ingredients and added functional components such as probiotics and antioxidants. Advanced technologies like high-pressure processing (HPP) and pulsed electric fields (PEF) are enhancing product safety and quality, extending shelf life, and preserving nutritional and sensory value without relying on traditional thermal methods.

The Global Food Processing Market size is expected to be worth around USD 395.5 Bn by 2034, from USD 204.5 Bn in 2024, growing at a CAGR of 7.6% during the forecast period from 2025 to 2034.

The Food Processing Industry transforms raw agricultural commodities into consumable food products that are easy to prepare and safe to eat. In 2024, the industry reported significant growth, underscored by an increasing global demand for processed foods fuelled by rising urbanization and the expansion of the middle class, particularly in emerging economies. The driving factors for the industry include the rising consumer preference for convenient, ready-to-eat products that do not compromise on nutritional value.



According to the Food and Agriculture Organization (FAO), global processed food sales are expected to continue their upward trajectory, driven by urban lifestyles and changing dietary preferences.

The market is expected to grow at a CAGR of 7.6% during the forecast period from 2025 to 2034.

(Source: [Global Food processing Market](#))

India Food Processing Sector Overview

India's food processing sector is expanding rapidly, backed by government initiatives under Make in India and a 30% higher budget allocation for 2024–25. Key programmes include the Pradhan Mantri Kisan SAMPADA Yojana (₹4,600 crore till 2026), which has sanctioned over 1,600 projects such as Mega Food Parks and cold chains, and the Production-Linked Incentive Scheme (₹10,900 crore till 2027), supporting 171 companies and creating nearly 2.9 lakh jobs. The PM Formalisation of Micro Food Processing Enterprises scheme (₹10,000 crore till 2026) aims to formalise 2 lakh units under the “One District–One Product” approach. Plans for 2025–26 include setting up 100 NABL-accredited food-testing labs, while events like World Food India 2024 showcase India's potential as a global food hub.

(Source: [PIB](#))

Wheat sector in India

India's wheat sector is one of the largest in the world, forming a crucial pillar of the country's food security and rural economy. As the second-largest global producer after China, India has consistently expanded its wheat output from around 86 million tonnes in 2015–16 to a projected record 115–117 million tonnes in 2024–2025, driven by improved seed varieties, irrigation facilities, and government support through Minimum Support Prices (MSP) and large-scale procurement.

The Food Corporation of India (FCI) plays a central role, maintaining buffer stocks well above safety norms to supply the Public Distribution System (PDS) and welfare schemes. While domestic demand of about 102–103 million tonnes is fully met, exports remain restricted under the ban imposed in 2022 to prioritize domestic availability and price stability. The sector's growth outlook is positive, with projections suggesting output could reach 120 million tonnes by 2028; however, weather volatility, especially heatwaves during the grain-filling stage, remains a key risk. Overall, India's wheat industry stands as a resilient and strategically managed segment of its agricultural economy, balancing farmer incomes, consumer needs, and national food security.

Growth Drivers in India's Wheat Market

- ▶ Improved Seed Varieties – Adoption of high-yielding, climate-resilient wheat varieties developed by ICAR and state agricultural universities has boosted productivity.
- ▶ Mechanization & Technology Adoption – Greater use of combine harvesters, precision farming tools, and IoT-based monitoring improves efficiency and reduces post-harvest losses.
- ▶ Favourable Climatic Zones – The Indo-Gangetic plains offer fertile soil and suitable climate for large-scale wheat cultivation, making India naturally competitive in production.
- ▶ Rising Domestic Demand – Wheat remains a dietary staple, with steady demand growth from urban and rural households, food processing industries, and institutional buyers.

Opportunities in the Wheat industry

- ▶ Technological Advancements: Utilizing advanced agricultural technologies such as satellite-based crop monitoring and AI-driven advisory systems can optimize farming practices and improve productivity. At the same time, advanced technologies like high-pressure processing (HPP) and pulsed electric fields (PEF) are improving food safety, extending shelf life, and preserving nutrition and taste without relying on traditional heat-based methods
- ▶ Consumer Trends: Adapting to changing dietary preferences and food trends can help businesses in the wheat sector stay relevant and meet the evolving needs of consumers.

- ▶ Rising health awareness is driving demand for organic, low-sugar, plant-based, and functional foods, prompting processors to reduce unhealthy ingredients and add probiotics or antioxidants.

Challenges

- ▶ Changing Consumer Preferences: Rapid shifts in dietary habits and lifestyle trends require constant product innovation.
- ▶ Regulatory Compliance: Adhering to evolving food safety and quality regulations increases operational complexity.
- ▶ Skilled Workforce Shortage: Limited availability of trained manpower in modern food processing technologies can hinder productivity.

Future Outlook

- ▶ Growth Potential: With a growing population and increasing urbanization, the demand for flour is expected to rise, driving further growth in the industry.
- ▶ Innovation: Continued innovation in milling processes and product development, such as gluten-free or specialty flours, will likely play a key role in the industry's evolution.

Overall, the flour milling industry in India is robust and continues to adapt to changing market demands and technological advancements.

Company overview

Megastar Foods was incorporated in 2013 and listed as a public company since 2018. It is a leading wheat-based processing company headquartered in Chandigarh with a state-of-the-art manufacturing facility in Punjab.

The company specializes in producing a wide portfolio of products such as atta, maida, suji/rawa, bran, and organic flours. The company leverages the cutting-edge Buhler machinery and modern, automated infrastructure including state-of-the-art equipment for flour testing and R&D, and quality control systems to deliver hygienic, top-quality flour. The company has an installed processing capacity of 710 MTPD or up to 259,150 MTPA.

The company has various certification such as Halal, BRCGS, FSSAI, and SEDEX (SMETA), enabling the company to serve multinational clients such as Nestle, PepsiCo, Mondelez, General Mills, ITC Foods, and Bimbo Bakeries India, etc. The company has earned recognition as a preferred supplier and has long-standing partnerships with various global multinational companies. The company continues to grow as a trusted supplier in the flour and food ingredient space.

Guided by the vision of its Chairman & Managing Director, Mr. Vikas Goel, the company combines traditional expertise with modern technology to expand its footprint and strengthen its position in the global food processing value chain.

Financial Overview (Consolidated basis)

Particulars (₹ Lakhs)	FY 2024-25	FY 2023-24
Revenue from Operations	36,101	27,493
EBITDA	2,229	1,508
Dep & Amortization	536	257
PBT	526	822
PAT	379	632
EPS	3.36	6.19

Wheat Market News

12th July 2025: The food ministry has approved a reserve price of wheat under the open market sale (OMSS) to bulk buyers such as flour millers. The wheat will be sourced from the surplus stocks available

with the Food Corporation of India (FCI), priced at Rs 2550/quintal for 2025-26, against the minimum support price (MSP) of Rs 2425/quintal for the season.

28th May 2025: India's robust wheat harvest is replenishing reserves, ensuring the nation can meet domestic demand without imports this year, contrary to previous market speculation. Increased production, driven by favourable weather and improved seeds, has led to record procurement levels by the Food Corporation of India.

RISK AND CONCERN/RISK MANAGEMENT IN FLOUR MILLING

Risk management in the flour milling industry is crucial due to the sector's reliance on raw materials, production processes, and market dynamics. Here's a detailed look at the risks and concerns, along with strategies for managing them:

1. Raw Material Risks

- **Supply Chain Disruptions:** Variability in wheat supply due to weather conditions, pest infestations, or geopolitical issues can impact production.

Management Strategies:

- **Diversification:** Source wheat from multiple suppliers or regions to reduce dependency on a single source.
- **Inventory Management:** Maintain strategic reserves of raw materials to buffer against short-term disruptions.
- **Forward Contracts:** Enter into forward contracts or futures to lock in prices and secure supply.
- **Quality Variability:** Differences in wheat quality can affect the consistency of flour products.

2. Operational Risks

- **Equipment Failures:** Machinery breakdowns can halt production and lead to financial losses.

Management Strategies:

- **Preventive Maintenance:** Establish a preventive maintenance schedule to regularly check and service equipment.
- **Training:** Ensure that staff are well-trained in equipment handling and troubleshooting.
- **Workplace Safety:** Flour milling involves dust and machinery, which can pose safety risks.

Management Strategies:

- **Safety Protocols:** Develop and enforce strict safety protocols and provide regular safety training to employees.
- **Dust Control:** Implement effective dust control systems to minimize hazards and improve air quality.

3. Market Risks

- **Price Fluctuations:** Volatility in wheat prices can affect profit margins.

Management Strategies:

- **Hedging:** Use financial instruments like futures contracts to hedge against price fluctuations.
- **Pricing Strategies:** Develop flexible pricing strategies to pass on some of the costs to customers if necessary.
- **Demand Variability:** Changes in consumer preferences or economic conditions can impact demand for flour products.

Management Strategies:

- **Market Research:** Conduct regular market research to understand consumer trends and adjust product offerings accordingly.
- **Diversification:** Expand product lines to include specialty flours or value-added products to cater to different market segments.

4. Regulatory and Compliance Risks

- **Compliance with Standards:** Adherence to food safety regulations and quality standards is critical.

Management Strategies:

- **Regulatory Awareness:** Stay updated with local and international regulations and ensure compliance.
- **Certification:** Obtain necessary certifications (e.g., ISO, FSSAI) to demonstrate adherence to quality and safety standards.
- **Labelling and Packaging:** Incorrect labelling or packaging can lead to legal issues and customer dissatisfaction.

5. Environmental Risks

- **Sustainability Concerns:** Environmental regulations and sustainability issues can impact operations.

Management Strategies:

- **Eco-friendly Practices:** Adopt sustainable practices such as waste reduction, recycling, and energy-efficient processes.
- **Compliance:** Ensure compliance with environmental regulations and consider certifications for sustainable practices.

6. Financial Risks

- **Cash Flow Management:** Managing cash flow is essential to handle operational costs and unexpected expenses.

Management Strategies:

- **Financial Planning:** Develop a robust financial plan with forecasts and budgets to manage cash flow effectively.
- **Reserve Funds:** Maintain reserve funds to cover unexpected expenses or financial downturns.

7. Technological Risks

- **Cybersecurity:** As the industry adopts more digital solutions, cybersecurity becomes a concern.

Management Strategies:

- **Cybersecurity Measures:** Implement strong cybersecurity measures and regularly update systems to protect against breaches.
- **Data Backup:** Regularly back up critical data to prevent loss in case of cyber incidents.

By identifying these risks and implementing effective management strategies, flour milling operations can enhance their resilience and maintain smooth production and distribution processes.

INTERNAL CONTROL SYSTEM

Internal control systems in flour mills are essential for ensuring efficient operations, safeguarding assets, and maintaining compliance with regulations. Effective internal controls help mitigate risks related to financial accuracy, operational efficiency, and regulatory compliance. Here's a detailed look at the key components of internal control systems in flour mills:

1. Control Environment

- **Management Commitment:** The commitment of senior management to ethical behavior, adherence to regulations, and internal controls is crucial. It sets the tone for the entire organization.
- **Key Practices:**
 - **Code of Conduct:** Establish and enforce a code of conduct for employees at all levels.
 - **Training:** Provide regular training on internal controls, ethics, and compliance.
- **Organizational Structure:** An effective organizational structure with clear reporting lines and responsibilities supports internal controls.
- **Key Practices:**
 - **Segregation of Duties:** Ensure that no single individual has control over all aspects of any critical transaction (e.g., authorization, recording, and custody).
 - **Reporting Lines:** Clearly define and communicate reporting lines and responsibilities.

2. Risk Assessment

- **Risk Identification:** Regularly assess and identify risks related to operations, financial reporting, and compliance.
- **Key Practices:**
 - **Risk Assessments:** Conduct periodic risk assessments to identify potential internal and external risks.
 - **Risk Mitigation:** Develop and implement risk mitigation strategies based on the assessment.
- **Control Activities:** Implement control activities to address identified risks.
- **Key Practices:**
 - **Standard Operating Procedures (SOPs):** Develop and document SOPs for key processes such as procurement, production, and quality control.
 - **Checklists and Authorization:** Use checklists and require proper authorization for critical transactions and activities.

3. Control Activities

- **Operational Controls:** Ensure controls are in place to manage and oversee daily operations.
- **Key Practices:**
 - **Production Controls:** Monitor and control the production process to ensure adherence to quality standards and efficiency.
 - **Inventory Management:** Implement controls for managing inventory, including regular stock counts and reconciliation.
- **Financial Controls:** Ensure accurate and timely financial reporting.
- **Key Practices:**
 - **Accounts Reconciliation:** Regularly reconcile accounts, including bank statements and general ledger accounts.
 - **Expense Authorization:** Require proper authorization and documentation for all expenses and purchases.
- **Physical Controls:** Protect physical assets and inventory from theft or damage.
- **Key Practices:**
 - **Access Controls:** Restrict access to critical areas, such as the cash office or inventory storage, to authorized personnel only.
 - **Security Measures:** Implement security measures such as surveillance cameras and alarm systems.

4. Information and Communication

- **Information Systems:** Use reliable information systems to support operations and internal controls.
- **Key Practices:**
 - **System Security:** Implement strong cybersecurity measures to protect against data breaches and unauthorized access.
 - **Data Integrity:** Ensure data accuracy and integrity through regular system audits and updates.
- **Communication:** Establish effective communication channels to ensure that internal control policies and procedures are understood and followed.
- **Key Practices:**
 - **Internal Reporting:** Regularly communicate performance, compliance, and control issues to relevant stakeholders.
 - **Feedback Mechanisms:** Provide mechanisms for employees to report issues or concerns related to internal controls.

5. Monitoring and Evaluation

- **Ongoing Monitoring:** Continuously monitor the effectiveness of internal controls.
- **Key Practices:**
 - **Internal Audits:** Conduct regular internal audits to evaluate the effectiveness of internal controls and compliance with policies.
 - **Performance Metrics:** Use performance metrics to assess the efficiency and effectiveness of operations.
- **Periodic Reviews:** Periodically review and update internal control systems to address changes in the business environment or operations.

- **Key Practices:**
 - **Control Review:** Regularly review control activities and make adjustments as needed based on audit findings or changes in risk assessments.
 - **Policy Updates:** Update internal control policies and procedures to reflect changes in regulations, technology, or business practices.

6. Documentation and Reporting

- **Documentation:** Maintain thorough documentation of internal control processes, procedures, and compliance.
- **Key Practices:**
 - **Process Documentation:** Document all internal control processes, including procedures and control activities.
 - **Audit Trails:** Keep detailed audit trails for financial transactions and operational activities.
- **Reporting:** Ensure accurate and timely reporting of financial and operational information.
- **Key Practices:**
 - **Financial Reports:** Prepare and review financial reports to ensure accuracy and compliance with accounting standards.
 - **Compliance Reports:** Submit required compliance reports to regulatory authorities as needed.

Implementing a robust internal control system in a flour mill helps safeguard assets, ensure accurate financial reporting, and maintain compliance with regulations, ultimately supporting the overall efficiency and effectiveness of the operation.

HUMAN RESOURCES

The Company has consistently endeavoured to attract the best talent, provide an inspiring and engaging work environment, and retain achievers and high performers, while instilling a strong sense of loyalty towards the organization. Continuous efforts are made to enhance employees' involvement in decision-making and to nurture them for future leadership roles.

Industrial relations remained harmonious throughout the year, supported by open communication and active engagement with the workforce through various forums. As on March 31, 2025, the Company's employee strength stood at 256.

OTHER DISCLOSURES

S.NO	PARTICULARS	FORMULA	2025	2024	Changes %	Explanation
1	CURRENT RATIO (Times)	CURRENT ASSETS	1.37	4.61	-70.29	For significant increase in current liabilities
		CURRENT LIABILITIES				
	CURRENT ASSETS		8,262.27	4,724.68		
	CURRENT LIABILITIES		6,032.93	1,025.09		
2	DEBT-EQUITY RATIO (times)	LONG TERM DEBTS	0.84	0.55	51.84	For increase in long term debts
		SHAREHOLDER'S EQUITY				
	LONG TERM DEBT		7,774.23	5,035.88		
	SHAREHOLDER'S EQUITY		9,305.85	9,152.86		
3	DEBT SERVICE COVERAGE RATIO (Times)	PAT+INTEREST ON LT DEBTS +DEPRECIATION	0.81	1.36	-40.06	for increase in debt to serve

		INTEREST ON LT DEBT +PRINCIPAL PAID/TO BE SERVED DURING THE YEAR				
	EARNINGS AVAILABLE FOR DEBT SERVICE		1,374.10	1,108.72		
	TOTAL DEBT SERVICE		1,691.08	817.92		
4	RETURN ON EQUITY RATIO (%)	PROFIT AFTER TAX	4.09	8.99	-54.47	For reduction in earnings and increase in equity
		AVG. EQUITY SHAREHOLDER'S FUND				
	PROFIT AFTER TAX		377.56	616.33		
	AVERAGE SHAREHOLDER'S EQUITY		9,229.36	6,858.84		
5	INVENTORY TURNOVER RATIO (Times)	COST OF GOODS SOLD	11.78	11.73	0.48	NA
		AVERAGE INVENTORY				
	COST OF GOODS SOLD		32,748.53	23,659.17		
	AVERAGE INVENTORY		2,779.15	2,017.48		
6	TRADE RECEIVABLES TURNOVER RATIO (Times)	SALES	10.23	9.94	2.91	NA
		AVERAGE TRADE RECEIVABLE				
	SALES		35,011.74	25,405.82		
	AVERAGE TRADE RECEIVABLE		3,421.53	2,554.94		
7	TRADE PAYABLES TURNOVER RATIO (Times)	TOTAL PURCHASE	101.14	80.71	25.31	For significant increase in net purchases.
		AVERAGE TRADE PAYABLE				
	TOTAL PURCHASE		32,352.63	21,697.16		
	AVERAGE TRADE PAYABLE		319.88	268.82		
8	NET CAPITAL TURNOVER RATIO (Times)	TOTAL SALES	11.81	8.96	31.75	For increase in sales and decrease in average net working capital
		NET WORKING CAPITAL				
	TOTAL SALES		35,011.74	25,405.82		
	AVERAGE NET WORKING CAPITAL		2,964.46	2,834.02		
9	NET PROFIT RATIO (%)	PAT	1.08	2.43	-55.55	For reduction in earnings
		NET SALES				
	NET PROFIT		377.56	616.33		
	NET SALES		35,011.74	25,405.82		
10	RETURN ON CAPITAL EMPLOYED (%)	EBIT	10.41	9.11	14.33	NA
		FIXED ASSETS+CURRENT ASSETS-CURRENT LIABILITIES				
	EBIT		1,670.66	1,210.78		
	CAPITAL EMPLOYED		16,047.77	13,296.83		
11	RETURN ON INVESTMENT	EBIT	N.A.	N.A.	N.A.	N.A.
		AVERAGE INVESTMENTS				
	INCOME GENERATED FROM INVESTMENTS		-	-		
	AVERAGE INVESTMENTS		250.00	250.00		

CAUTIONARY STATEMENT

In summary, the statement about forward-looking statements in the MD&A report serves as a cautionary note, indicating that while the company provides projections and expectations about future performance, actual outcomes may differ significantly due to various factors. This disclaimer is important for setting

realistic expectations and for understanding the potential risks associated with the company's future plans. Investors and stakeholders should use this information to make informed decisions, keeping in mind the inherent uncertainties in predicting future performance.

Date: 06.08.2025
Place: Chandigarh

For and on behalf of
MEGASTAR FOODS LIMITED

SD/-
VIKAS GOEL
Chairman & Managing Director
DIN: 05122585

SD/-
VIKAS GUPTA
Whole Time Director
DIN: 05123386



MEGASTAR FOODS LIMITED**CIN:** L15311CH2011PLC033393**Regd. Off:** Plot No. 807, Industrial Area, Phase-IIChandigarh-160002; **Telephone:** +91 172 2653807, 5005024**Works:** Kurali-Ropar Road, Village Solkhian-140108

Distt. Rupnagar, Punjab

Telephone: +91 1881 240403-240406**Website:** www.megastarfoods.com;**Email:** cs@megastarfoods.com

Directors' Report

The Directors are pleased to present the 14th Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended March 31, 2025.

GENERAL OUTLOOK OF THE COMPANY

Megastar Foods Limited was established in 2011 with a vision to serve the global food industry. It is the only plant in North India equipped with the latest Buhler machinery, ensuring efficient and precise milling. Over the years, Megastar has developed a state-of-the-art refined flour processing plant, which boasts the largest processing capacity in North India. The facility, located in Rupnagar, is capable of processing 259150 metric tons per annum. The plant utilizes advanced automation, real-time quality control, and sustainable practices to consistently deliver superior flour to meet the demands of the growing market. The company adheres to high standards by implementing Good Manufacturing Practices (GMP) and Good Laboratory Practices (GLP), supported by dedicated expert teams.

For the financial year ended on March 31, 2025 the company has earned a net profit of Rs. 377.56 Lakhs as compared to the net profit of Rs. 616.33 Lakhs, for the previous year ended on 31 March 2024.

1. FINANCIAL PERFORMANCE

The financial position of the company for the financial year ended on 31 March 2025 is summarised below:

(Rs. in Lacs, except as stated)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations	35,011.74	25,405.82	36,100.92	27,493.21
Other Income	24.51	216.04	23.66	203.97
Total Revenue	35,036.25	25,621.86	36,124.58	27,697.19
Profit Before Tax, Depreciation and Finance Cost and extraordinary items	2206.20	1468.05	2228.74	1507.96
Finance Cost	1147.18	408.37	1167.25	428.91
Depreciation and Amortization expenses	535.54	257.28	535.66	257.41
Profit before Tax	523.48	802.41	525.83	821.65
Tax	145.92	186.08	146.56	189.40
Profit After Tax	377.56	616.33	379.27	632.25
Earnings Per Share: (In INR)				
Basic	3.34	6.03	3.36	6.19
Diluted	3.34	6.03	3.35	6.19

2. OPERATIONS

Standalone

Revenue from operations for the year ended March 31, 2025 stood at Rs. 35,011.74 Lakhs as against Rs. 25,405.82 Lakhs for the previous year. Profit after tax for the year ended March 31, 2025 amounts to Rs. 377.56 Lakhs and EPS is Rs. 3.34 per share as against a net profit and EPS of Rs. 616.33 Lakhs and Rs. 6.03 per share, respectively for the previous year.

Consolidated

On Consolidated basis, the Revenue from operations for the year ended March 31, 2025 stood at Rs. 36,100.92 Lakhs as against Rs. 27,493.21 Lakhs for the previous year. Profit after tax for the year ended March 31, 2025 was Rs. 379.27 Lakhs and EPS is Rs. 3.36 per share as against a net profit and EPS of Rs. 632.25 Lakhs and Rs. 6.19 per share respectively for the previous year.

3. DIVIDEND

Your directors have decided to plough back the earnings in the growth of business and for this reason, have decided, not to recommend any Dividend for the year under review.

The provisions of regulation 43A (2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 regarding establishment of a Dividend Distribution Policy are not applicable to the company.

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

During the financial year ended 31 March 2025, no entity became or ceased to be the Subsidiary, Joint Venture or Associate of the Company.

5. TRANSFER TO RESERVES

Entire amount of Net Profit of Rs. 377.56 Lakhs for the financial year 2024-25, has been transferred to Profit and Loss Surplus account, which appears under the head “Reserves and Surplus.” No amount has been transferred to any other reserves.

6. SHARE CAPITAL

The authorised share capital of the company at the end of the Financial Year 2024-25 was Rs. 15,00,00,000 comprising of 1,50,00,000 equity shares of Rs. 10/- each and the paid-up capital was Rs. 11,29,37,000 divided into 1,12,93,700 equity shares of Rs. 10/- each.

7. CHANGES IN SHARE CAPITAL

During the financial year, there were no instances of change in the share capital of the company. There were no instances of preferential issue, bonus issue, issue of shares with differential voting right, buy back of shares or ESOP during the year.

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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and till the date of this Report.

9. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in nature of business of the Company during the financial year 2024-25.

10. CASH FLOW STATEMENT

The Cash Flow Statement for the financial year ended March 31, 2025 prepared in accordance with accounting standard -3, 'Statement of Cash Flows' is attached and forming part of the financial statements of the Company.

11. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company familiarizes its Independent Directors about their role and responsibilities at the time of their appointment through a formal letter of appointment. Presentations are regularly made at the meetings of the Board and its various committees on the relevant subjects. All efforts are made to keep Independent Directors informed. The familiarization programme of Independent Directors may be accessed on the Company's website <https://www.megastarfoods.com/>

12. SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

The Company has One Wholly owned Subsidiary, Megapacific Ventures Private Limited. There is no Associate Company within the meaning of Section 2(6) of the Companies Act, 2013. Further there has been no material change in the nature of business of the Subsidiaries during the financial year 2024-25.

The Consolidated Financial Statements of the Company for the financial year 2024-25 are prepared in compliance with applicable provisions of the Companies Act, 2013, read with the Rules issued thereunder, applicable Indian Accounting Standards (Ind-As) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Financial

Statements have been prepared by consolidating the audited Financial Statements of the Company and its Subsidiaries. Further, pursuant to the proviso of sub section (3) of section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 a separate statement containing the salient features of the financial statements of Subsidiaries in the prescribed form AOC-1 is attached as ‘**Annexure -1**’ and forms part of this report. The Financial Statements of the Subsidiary Companies and related information is also available for inspection by the members at the Registered Office of the Company during business hours on all days except Sunday and holiday upto the date of Annual General Meeting (“AGM”) as required under Section 136 of the Companies Act, 2013. The Financial Statements including the Consolidated Financial Statements, Financial Statements of Subsidiaries and all other documents are also available on the Company’s website <https://www.megastarfoods.com/> under the link Investor Relations.

13. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board Composition

As on March 31, 2025, the Company’s Board has a strength of 6 (Six) Directors including 1 (One) Woman Director. The Chairman of the Board is an Executive Promoter Director. The composition of the Board is as below: -

Category	Number of Directors	% to Total Number of Directors
Executive Directors	3	50
Independent Non-Executive Directors	3	50

The detailed section on ‘Board of Directors’ is given in the ‘Report on Corporate Governance’ forming part of the Annual Report.

Optimum Composition of the Board of Directors of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 has been maintained throughout the year.

Pursuant to the provisions of Section 149(13) of the Companies Act, 2013 and Articles of Association of the Company all Directors except Independent Directors are liable to retire by rotation. The Independent Directors of Company are appointed for terms upto 5 years each in compliance with the provisions of Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Declaration by Independent Directors

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the criteria of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company’s Code of Business Conduct & Ethics laid down for the Board of Directors, Senior Management Personnel and Other Employees.

Retirement by rotation and subsequent re-appointment

Pursuant to the provisions of Section 149(13) of the Companies Act, 2013 and Articles of Association of the Company all directors except Independent Directors are liable to retire by rotation. Accordingly, Mr. Mudit Goyal (DIN: 08099543), Whole-time Director of the Company, being the longest in the office amongst the directors liable to retire by rotation, retire from the Board by rotation this year and being eligible, has offered his candidature for re-appointment. This shall not constitute a break in his office as the Whole-time Director of the Company.

Brief Resume of the Directors being appointed/re-appointed

As required under Regulation 36 of the SEBI Listing Regulations, the brief resume of the Director being re-appointed at the ensuing AGM, the nature of their expertise in specific functional areas, names of Companies in which they have held Directorships, Committee Memberships/ Chairmanships, their shareholding, etc. are forming part of the Notice calling AGM of the Company.

KEY MANAGERIAL PERSONNELS

The details of Key Managerial Personnel's (KMPs) of the Company in accordance with the provisions of Section 2(51) and Section 203 of the Companies Act, 2013, read with rules framed thereunder, are as follows: -

S. No.	NAME	DESIGNATION	TENURE
1.	Mr. Vikas Goel	Chairman & Managing Director	Since 28.11.2011
2.	Ms. Manisha Gupta	Chief Financial Officer	Since 12.02.2020
3.	Ms. Deepali Chhabra	Company Secretary	Since 08.01.2024

14. AUDIT COMMITTEE

In compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, as on 31st March 2025, the Audit Committee of Megastar Foods Limited comprises of following 3 (Three) Members, 2 (Two) Members are Independent Non-Executive Directors and 1 (One) is Executive Director: -

Name	Designation	Category
Mrs. Savita Bansal	Chairperson	Independent Non-Executive Director
Mr. Vikas Goel	Member	Managing Director
Mr. Rajiv Kathuria	Member	Independent Non-Executive Director

The recommendation made by the Audit Committee from time to time was accepted by the Board of Directors. The details of the terms of reference, meetings held during the year, attendance of Audit Committee members at such meetings etc. are provided in the Report on Corporate Governance forming part of this Annual Report.

15. POLICY ON REMUNERATION OF DIRECTORS, KMPs, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The remuneration paid to the Executive Directors is in accordance with the Nomination and Remuneration Policy of Megastar Foods Limited formulated in accordance with Section 134(3)(e) and Section 178(3) of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy have been outlined below:

- To identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel, Senior Management Personnel of the Company.
- To formulate the criteria for evaluation of performance of independent directors and the board of directors.
- To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation of the Board and to determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- To recommend to the Board on all remuneration in whatever form, payable to the Directors, KMPs and Senior Management.
- To develop a succession plan for the Board and to regularly review the plan.
- To assist the Board in fulfilling responsibilities.

The Nomination and Remuneration policy of Megastar Foods Limited is available on the website of the Company at the weblink <http://megastarfoods.com/assets/pdf/NOMINATION-REMUNERATION-AND-BOARD-DIVERSITY-POLICY.PDF>

16. NUMBER OF BOARD MEETINGS AND COMMITTEE MEETINGS

During the year under review, 06 (Six) Board meetings, 5 (Five) Audit Committee meetings, 2 (Two) Stakeholders Relationship Committee meetings, 1 (One) Nomination & Remuneration Committee meetings, and 1 (one) Corporate Social Responsibility Committee meetings were convened and held. Details and attendance of such Board & Committees meetings are mentioned in Corporate Governance Report.

Pursuant to clause VII (1) of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Director of the company was also held.

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

As the ultimate responsibility for sound governance and prudential management of a Company lies with its Board, its imperative that the Board remains continually energized, proactive and effective.

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual Directors by seeking their inputs on various aspects of Board/Committee Governance.

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

The Companies Act, 2013, not only mandates Board and Director Evaluation, but also requires the evaluation to be formal, regular and transparent. Subsequently, SEBI Listing Regulations has also contained the provisions regarding requirement of performance evaluation of Independent Directors by the entire Board of Directors.

The Independent Directors of the Company met separately without the presence of Non-Independent Directors and inter-alia reviewed the performance of the Members of Management, Non-Independent Directors, Board as a whole, performance of the Chairman of the Company and the Committees, after taking into consideration the views of Executive and Non-Executive Directors.

In compliance with the provisions of SEBI Listing Regulations, the Board of Directors has also carried out evaluation of every Independent Director's performance during the financial year.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm: -

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- Such accounting policies have been selected and applied consistently and the Directors have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2025 and of the Profit and Loss of the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts of the Company have been prepared on a going concern basis;
- Internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. ENERGY CONSERVATION, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to provisions of Section 134 (3) (m) of the Companies Act, 2013 read with rules framed thereunder, the details of activities in the nature of Energy Conservation, Research and Development, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as ‘**Annexure-2**’ and forms part of this report.

20. PARTICULARS OF REMUNERATION OF DIRECTORS AND KMPs

The statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as “**Annexure-3**”. Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report and in terms of the provisions of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Shareholders excluding the aforesaid statement. Any Shareholder interested in obtaining such details may write to the Company Secretary of the Company and the same will be made available during 21 days before the Annual General Meeting.

21. ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Returns of the Company has been placed on the website of the Company and can be accessed at <https://www.megastarfoods.com/annual-return>

22. AUDITORS AND AUDITORS’ REPORT

I.) STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s. Nitin Mahajan & Associates Chartered Accountants (Firm Registration No. 019837N), were appointed as the Statutory Auditors of the Company by the Shareholders in the 12th AGM of the Company held on September 27, 2023 for a further term of 5 (Five) years from the Financial Year 2023-24 to Financial Year 2027-28. The notes on financial statements referred to in the Auditors’ Report are self-explanatory and do not call for any further comments. The Auditors’ Report does not contain any qualification, reservation or adverse remark. During the financial year, there have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of Companies Act, 2013 read with rules framed thereunder, either to the Company or to the Central Government.

II.) SECRETARIAL AUDITORS

As required under Section 204(1) of the Companies Act, 2013 read with rules framed thereunder, the Company has appointed Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (M. No. 5901 & C.P. No. 5870), to conduct the Secretarial Audit for the financial year 2024-25.

The Secretarial Audit Report submitted by Mr. Kanwaljit Singh Thanewal in the prescribed form MR- 3, together with the Management Replies to the comments made by the Secretarial Auditor, is attached as ‘**Annexure - 4**’ and forms part of this Report.

III.) COST AUDIT

As per the provisions of Section 148 read with the Cost Audit Rules, the provisions regarding Cost Audit is not applicable to the Company.

23. CORPORATE GOVERNANCE

At Megastar Foods Limited, it is our firm belief that the quintessence of Good Corporate Governance lies in the phrase ‘Your Company’. It is ‘Your Company’ because it belongs to you-the Stakeholders. The Chairman and Directors are ‘Your’ fiduciaries and trustees.

Your Company has evolved and followed the corporate governance guidelines and best practices sincerely to not just boost long-term Shareholder value, but to also respect minority rights. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

Your Company is devoted to benchmarking itself with global standards for providing Good Corporate Governance. The Companies Act, 2013 and SEBI Listing Regulations have strengthened the governance regime in the Country. Your Company is in compliance with the governance requirements provided under SEBI Listing Regulations.

The Board has also evolved and implemented a Code of Conduct based on the principles of Good Corporate Governance and best management practices being followed globally. The Code is available on the Company’s website at <https://www.megastarfoods.com/>

A separate section titled ‘Report on Corporate Governance’ has been included in this Annual Report along with Secretarial Auditors Certificate on Corporate Governance.

24. INTERNAL FINANCIAL CONTROL SYSTEM

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate and commensurate with the size, scale and complexity of its operation. The internal controls are tested for adequacy, efficiency and effectiveness through audits by the in- house internal audit department and the observations, corrective and preventative actions are reviewed by the management and Audit committee of the Board of Directors.

During financial year under review, no material or serious observation has been received from the Internal Auditors of the Company for inadequacy or ineffectiveness of such controls.

25. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Companies Act, 2013, re-emphasizes the need for an effective Internal Financial Control System in the Company. The system should be designed and operated effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board Report.

To ensure effective Internal Financial Controls, the Company has laid down the following measures: -

- The Company's books of accounts are maintained in ERP and transactions are executed through ERP setups to ensure correctness/effectiveness of all transactions, integrity and reliability of reporting.
- The Company is having in place a Risk Management framework.
- The Company is having in place a well-defined Vigil Mechanism (Whistle Blower Policy).
- Compliance of Secretarial functions is ensured by way of Secretarial Audit.
- Compliance relating to Internal Control System of the Company is ensured by way of Internal Audit.

26. RISK MANAGEMENT

The primary objective of risk management is to protect the Company against risks to the value of the business, its capital and its continuity. In order to achieve the objective and for better governance, the Company has adopted a formal Risk Management Policy and also posted on the Company website: <https://www.megastarfoods.com/>. The Policy sets out key risk areas - financial risks (including risk to assets), legislative and regulatory risks, environmental risks (including natural disasters), operational risks (markets, production, technology, etc.), risks relating to employment and manpower, and individual large transactional risks.

The Chairman & Managing Director of the company identifies and proposes action in respect of all risks through his management team as and when any are perceived or foreseen or inherent in operations; analyses these, and then recommend it to Audit Committee for its review and further mitigation measures.

27. CREDIT RATING

During the period under the review, the Company assigned a credit rating of BB+ stable from Care Edge Ratings.

The Requisite disclosures of the same has been submitted with both the Stock Exchanges.

28. DISCLOSURE ON DEPOSITS UNDER CHAPTER V

The Company has neither accepted nor renewed any Deposits during the Financial Year 2024-25 in terms of Chapter V of the Companies Act, 2013. Further, the Company is not having any Unpaid or Unclaimed Deposits at the end of the Financial Year.

29. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has zero tolerance policy in case of sexual harassment at workplace and is committed to provide a healthy environment to each and every employee of the Company. The Company has in place '**Policy for Prevention and Redressal of Sexual Harassment**' in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (hereinafter referred "as the said act") and Rules made there under. As per the provisions of Section 4 of the said Act, the Board of Directors has constituted the Internal Complaints Committee ('ICC') at the Registered Office, works to deal with the Complaints received by the Company pertaining to gender discrimination and sexual harassment at workplace.

Further, as per the provisions of Section 21 & 22 of the said Act, the Report on the details of the number of cases filed under Sexual Harassment and their disposal for the financial year under review, is as under: -

Sr. No.	No. of cases pending as on the beginning of the financial year under review	No. of complaints filed during the financial year under review	No. of cases pending as on the end of the financial year under review
-NIL-			

30. DEPOSITORY SYSTEMS

The Company's shares are compulsorily tradable in electronic form. As on 31 March 2025, 100% of the Company's Issued Share Capital are in dematerialized form with both the Depositories.

The Company has established connectivity with both Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has appointed M/s Skyline Financial Services Private Limited, its Registrar and Share Transfer Agent.

31. PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENT(S) UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the financial year ended March 31, 2025, the company has not made any investments. There were no instances of guarantee given or securities provided for the loans availed by any other party. During the period under review, the company has extended loan to its wholly owned subsidiary company M/s Megapacific Ventures Private Limited with the requisite approvals and at the prevailing interest rates for its regular business operations in ordinary

course of its business and the same has been repaid by M/s Megapacific Ventures Private Limited.

The details of the loan given and the amounts outstanding thereof have been provided in the Financial Statements which forms part of the Annual Report.

32. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

During the Financial Year 2024-25, all contracts / arrangements / transactions entered into by your Company with Related Parties were on an arm's length pricing basis and were in the ordinary course of business and did not attract the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant transactions with related parties during the financial year which conflicted with the interest of the Company and hence, enclosing of Form AOC 2 is not required. Suitable disclosures as required by the Accounting Standard Ind AS – 24 have been made in the notes to the Financial Statements.

All related party transactions are placed before the Audit Committee and also before the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for transactions which could be foreseen and are of a repetitive nature for a period of one year. All transactions entered into under the omnibus approval are placed before the Audit Committee every quarter.

The Policy on Related Party Transactions, as approved by the Board is uploaded on the Company's website <https://www.megastarfoods.com/policies-codes-related-documents>. None of the Directors has any pecuniary relationship or transaction vis-à-vis the Company.

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchange.

33. CORPORATE SOCIAL RESPONSIBILITY

During the financial year, the provision of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility, were applicable to the company. Keeping with Company's core value of Good Corporate Citizenship, your Company is committed to its social responsibility by taking various initiatives that would benefit society. In line with the Company's CSR Policy and CSR thrust areas, your Company's CSR efforts continue to be directed towards education, including vocational skills training, public health, environment and community welfare.

The company has constituted a CSR Committee with the following composition:

Mrs. Savita Bansal	Chairperson	Non-Executive Independent Director
Mr. Vikas Goel	Member	Chairman and Managing Director
Mr. Rajiv Kathuria	Member	Non-Executive Independent Director

During the year, the Board of Directors, with the recommendation of the CSR Committee approved and adopted an Annual Action Plan on CSR activities. The CSR Policy and other relevant details of CSR Activities carried out during the financial year are available on the website of the company <https://www.megastarfoods.com/>.

The Annual Report on CSR activities is annexed as "Annexure-5" to this report.

34. DISCLOSURE ON VIGIL MECHANISM (WHISTLE BLOWER POLICY)

The Company has in place a Vigil Mechanism/ Whistle Blower Policy, in terms of provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its powers) Rules, 2014 which was approved by the Board of Directors. The Company's personnel have direct access to the chairman of the Audit Committee to report concerns about unethical behaviour (actual or suspected), frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee. Adequate safeguards are being provided against victimization of whistle blowers availing of such mechanism.

Whistle Blower Policy of the Company is posted on the website of the Company at the weblink: <https://www.megastarfoods.com/whistle-blower>

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

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

36. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government.

37. COMPLIANCE WITH THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS 2015

The company's equity shares were listed on the BSE Limited and National Stock Exchange of India Limited (NSE) which has nationwide trading terminals. The company has paid the Annual Listing Fees to BSE and NSE for the Financial Year 2025-26. All compliances with respect to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 have been duly made by the company.

38. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, Megastar Foods Limited is having the Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The said Code is available on the website of the Company at <https://www.megastarfoods.com/policies-codes-related-documents>.

39. INDUSTRIAL RELATIONS

Industrial relations and work atmosphere remained cordial throughout the year with sustained communication and engagement with workforce through various forums.

40. SAFETY, HEALTH AND ENVIRONMENT

The Company continues to demonstrate strong commitment to safety, health and environment which have been adopted as core organizational values. The Company assures safety and facilities in accordance with statutory and regulatory requirements. Employees are continuously made aware of hazards / risks associated with their job and their knowledge and skills are updated through requisite training to meet any emergency. Medical and occupational check-ups of employees and eco-friendly activities are promoted. The Company does not produce any kind of hazardous waste.

41. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Annual Audited Consolidated Financial Statements for the financial year ended 31 March 2025, together with Report of Auditors’ thereon, forms part of this annual report.

42. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook, major events occurred during the year as well as state of company’s affairs is given in the Management Discussion and Analysis, which forms part of this report.

43. ANNUAL SECRETARIAL COMPLIANCE REPORT

Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary, have issued Secretarial Compliance Report for the year ended 31st March 2025 confirming compliance of SEBI Regulations / guidelines / circulars issued thereunder and applicable to the Company.

44. BUSINESS RESPONSIBILITY REPORT

Regulation 34(2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not applicable to the Company during the year under review, based on the market capitalisation.

45. TRANSFER OF UNCLAIMED DIVIDEND TO IEPF

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government.

During the FY 2024-25, there is no such amount with respect to Unclaimed Dividend, which is required to be transferred to Investor Education and Protection Fund (IEPF).

46. TRANSFER OF SHARES TO IEPF

Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account').

During FY 2024-25, there were no shares which are required to be transferred to IEPF Account.

47. GENERAL DISCLOSURE

During the year under review: -

- The Company has not made any provisions of money or has not provided any loan to the employees of the Company for purchase of shares of the Company pursuant to the provisions of Section 67 of Companies Act, 2013 and Rules made thereunder.
- The Company has not bought back its shares, pursuant to the provisions of Section 68 of Companies Act, 2013 and Rules made thereunder.
- The company has made timely payments to micro and small enterprises and payments to micro and small enterprise suppliers does not exceed forty-five days from the date of acceptance or the date of deemed acceptance of the goods or services as per the provisions of section 9 of the Micro, Small and Medium Enterprises Development Act, 2006.
- The company is not paying any commission to its directors. Only the Non-Executive Independent Directors are entitled to the payment of setting fees for attending the meetings.
- There was no revision of financial statements and Board Report of the company during the year under review.
- During the year, the Company has not made any application and there are no proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).
- There were no instances of any one-time settlement executed between the company or any of its lenders, hence there is no requirement of disclosing the difference between amount of valuation done at the time of one-time settlement and the valuation done while taking loans from banks and financial institutions along with the reasons thereof.

48. ACKNOWLEDGEMENT

Employee relations throughout the Company were harmonious. The Board wishes to place on record its appreciation to all employees in the Company, for their sustained efforts and immense contribution to the good levels of performance and growth that the Company has achieved during the financial year under review.

Your directors also place on record their sincere thanks and appreciation for the continuing support and assistance received from the financial institutions, banks, Government as well as non- government authorities, customers, vendors, and members during the financial year under review.

Date:06.08.2025
Place: Chandigarh

for and on behalf of
MEGASTAR FOODS LIMITED



SD/-
VIKAS GOEL
Chairman & Managing Director
DIN: 05122585

SD/-
VIKAS GUPTA
Whole Time Director
DIN: 05123386

ANNEXURE- 1**FORM No. AOC- 1**

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

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL
STATEMENT OF SUBSIDIARIES**

PARTICULARS	DETAILS (in Lakhs)
Name of the subsidiary	Megapacific Ventures Private limited
Reporting year/period for the subsidiary concerned	01.04.2024 to 31.03.2025
Reporting currency and exchange rate as on the Financial Year ended on 31 st March, 2025	INR
Share capital	250.00
Reserves & surplus	61.31
Total assets	312.04
Total Liabilities	0.73
Investments	0
Turnover	1089.17
Profit/(loss) before taxation	2.35
Provision for taxation	0.64
Profit/(loss) after taxation	1.71
Other comprehensive income	0
Total comprehensive income	0
Proposed Dividend	Nil
% of shareholding	100%

Date:06.08.2025
Place: Chandigarh

for and on behalf of
MEGASTAR FOODS LIMITED

SD/-	SD/-
VIKAS GOEL	VIKAS GUPTA
Chairman & Managing Director	Whole Time Director
DIN: 05122585	DIN: 05123386

ANNEXURE-2**INFORMATION AS PER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31 MARCH 2025****(I) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

PARTICULARS	FOR THE YEAR ENDED ON 31ST MARCH, 2025	FOR THE YEAR ENDED ON 31ST MARCH, 2024
<u>1. CONSERVATION OF ENERGY, POWER AND FUEL CONSUMPTION</u>		
-The company is taking all measures to conserve Energy, Power and Fuel Consumption.		
a) Electricity	6245440	3995765
Units Consumed	504.37	300.23
Total Amount (Rs. in Lakhs)	8.08	7.51
Rate/Unit Rs.		
b) High Speed Diesel (HSD)	12340	1050
Quantity (litres)	10.86	0.93
Total Amount (Rs. in Lakhs)	88.04	89.15
Average Rate per litre (Rs.)		
<u>2. TECHNOLOGY ABSORPTION & RESEARCH AND DEVELOPMENT</u>		
Through continuous Research and Development efforts, the company has been able to maintain the quality of wheat products as compared with its competitor multinational companies. The company is constantly upgrading its technology by R&D to help in the overall development of the company.		
Expenditure on Research & Development	148.85	57.58
a) Capital (Rs. in Lakhs)	Nil	Nil
b) Recurring (Rs. in Lakhs)	148.85	57.58
c) Total (Rs. in Lakhs)	Nil	Nil
d) Total R & D expenditure as percentage of turnover of Manufacturing activity		
<u>3. FOREIGN EXCHANGE EARNINGS AND OUTGO</u>		
Foreign exchange earnings (Rs. in Lakhs)	Nil	29.78
Foreign exchange outgo (Rs. in Lakhs)	285.58	748.83

Date: 06.08.2025

Place: Chandigarh

For and on behalf of
MEGASTAR FOODS LIMITED**SD/-****VIKAS GOEL**

Chairman & Managing Director

DIN: 05122585

SD/-**VIKAS GUPTA**

Whole Time Director

DIN: 05123386

ANNEXURE-3

DISCLOSURE PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

A. The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year ended March 31, 2025: -

S. No.	Name of Directors	Ratio of Remuneration of each Director to median remuneration of employees
1	Executive Directors	
a)	Mr. Vikas Goel, Chairman & Managing Director	78.25
b)	Mr. Vikas Gupta, Whole-time Director	78.25
c)	Mr. Mudit Goyal, Whole-time Director	65.63

B. The Percentage Increase in Remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial Year 2024-25:

S.No.	Name of the Director	% Increase in remuneration
Executive Directors		
1	Mr. Vikas Goel	14.74
2	Mr. Vikas Gupta	14.74
3.	Mr. Mudit Goyal	36.58
Non-Executive Independent Directors*		
4.	Mr. Prabhat Kumar	Nil
5.	Mr. Rajiv Kathuria	Nil
6.	Mr. Savita Bansal	Nil
7.	Ms. Manisha Gupta, Chief Financial Officer	-30.56
8.	Ms. Deepali Chhabra, Company Secretary and Compliance officer#	268.279

*Sitting fees paid to Non-Executive Independent Directors.

During the Previous year 2023-24, Deepali Chhabra, Company Secretary and Compliance officer of the Company was appointed on 08.01.2024.

C. The Percentage Increase in the Median Remuneration of Employees in the Financial Year 2024-25: There was increase of 71.89 % in the Median Remuneration of Employees in the financial year 2024-25.

D. The Number of Permanent Employees on the rolls of Company: 256

E. Average Percentile increase already made in the Salaries of Employees other than the Managerial Personnel in the last Financial Year and its Comparison with the

Percentile Increase in the Managerial Remuneration: The Average Salary increase made in the salaries of employees other than Managerial Personnel in the financial year i.e 2024-25 was about 68 %. The Average Salary increase made in the salaries of Managerial Personnel in the financial year i.e. 2024-25 was about -29.34%.

- F. Affirmation that the Remuneration is as per the Remuneration policy of the Company:** The remuneration is as per the Nomination and Remuneration Policy of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013.
- G. Details as per Section 197 and Rule 5(2) and 5(3) of the Act:** - During the financial year 2024-25, no employee of the Company, received remuneration of one crore and two lakh rupees or more per annum while working for the whole year or at the rate of eight lakh and fifty thousand rupees per month while working for a part of the year.
- H.** During the financial year 2024-25 or part thereof, no employee of the Company received remuneration in excess of the remuneration drawn by Managing Director or Whole-Time Director or Manager and no employee of the Company (by himself or along with his spouse and dependent children), was holding two percent or more of the equity shares of the Company.
- I.** During the financial year 2024-25, no employee of the Company, resident in India, posted and working in a country outside India, not being Directors or their relatives, had drawn more than sixty lakh rupees per year or five lakh rupees per month.

Date: 06.08.2025
Place: Chandigarh

For and on behalf of
MEGASTAR FOODS LIMITED

SD/-
VIKAS GOEL
Chairman & Managing Director
DIN: 05122585

SD/-
VIKAS GUPTA
Whole Time Director
DIN: 05123386

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

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

To,
The Members,
Megastar Foods Limited,
Plot No. 807, Industrial Area,
Phase II, Chandigarh.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MEGASTAR 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 company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 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 MEGASTAR FOODS LIMITED (“the Company”) for the financial year ended on March 31, 2025, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of 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 (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: Not Applicable during the financial year.

- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: Not applicable during the financial year.
 - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no instance of Buy-Back during the financial year.
 - f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
 - g) 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 as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review.
- (vi) The major provisions and requirements have also been complied with as prescribed under other applicable laws.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (*SEBI LODR Regulations*) being listed on the National Stock Exchange of India Limited and BSE Limited;

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

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the audit period.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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.
3. All decisions are carried through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion 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, there was a delay of two days in submission of the Annual Secretarial Compliance Report with the Stock exchanges for the FY 2023-24 as per

Regulation 24A of SEBI LODR regulations. The SOP fines imposed by the Stock Exchanges for the same have been duly paid by the company.

I further report that during the audit period:

1. The company has passed the following special resolutions dated 16.05.2024 through Postal Ballot:
 - a. Under Section 180(1) (c) of the Companies Act, 2013 for authorising the Board of the company to borrow money exceeding the aggregate of the paid-up share capital and free reserves of the company but not exceeding Rs. 500 Crores.
 - b. Under Section 180(1)(a) of the Companies Act, 2013 for authorising the Board of Directors of the company to sell, lease or otherwise dispose-off the immovable properties or undertakings and to create charge or mortgage on the properties of the company.
2. In the matter of alleged violation under Regulation 23 (1) and 23 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the FY 2022-23, the company on receipt of a Show Cause Notice from SEBI and after due correspondence opted to settle the proceedings initiated against it, without admitting or denying the facts and conclusions of law, through a settlement order and filed a settlement application with SEBI in terms of the provisions of SEBI (Settlement Proceedings) Regulations, 2018. Accordingly, SEBI vide settlement order dated 02.01.2025 directed payment of a settlement amount, which was duly paid by the company and the adjudication proceedings accordingly stood disposed.

I further report that, during the audit period under review there were no instances of

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity
- (ii) Merger / amalgamation / reconstruction etc.
- (iii) Redemption / Buy-back of Securities
- (iv) Foreign technical collaborations.

Place: Chandigarh

Date : 08.07.2025

UDIN: F005901G000731879

Kanwaljit Singh
Thanewal
(Proprietor)
FCS No. 5901
C P No.: 5870
Peer review Cert No. 2319/2022

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

To,
The Members,
Megastar Foods Limited,
Plot No. 807, Industrial Area,
Phase II, Chandigarh.

My 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. My responsibility is to express an opinion on these secretarial records, based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my 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 provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chandigarh

Date : 08.07.2025

UDIN: F005901G000731879

Kanwaljit Singh
Thanewal
(Proprietor)
FCS No. 5901
C P No.: 5870
Peer review Cert No. 2319/2022

MEGASTAR FOODS LIMITED**CIN:** L15311CH2011PLC033393**Regd. Off:** Plot No. 807, Industrial Area, Phase-IIChandigarh-160002; **Telephone:** +91 172 2653807, 5005024**Works:** Kurali-Ropar Road, Village Solkhian-140108

Distt. Rupnagar, Punjab

Telephone: +91 1881 240403-240406**Website:** www.megastarfoods.com;**Email:** cs@megastarfoods.com**ANNEXURE-5**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)
ACTIVITIES FOR THE FINANCIAL YEAR 2024-25**

1. Brief outline on CSR Policy of the Company.

The key thrust areas of Company's policy on CSR, adopted by the Board of Directors in adherence to Section 135 of the Companies Act, 2013, are- Eradicating Hunger, Promotion of Education to poor and needy Children, preventive healthcare and animal Welfare, etc.

2. Composition of CSR Committee:

S. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the tenure of Director	Number of meetings of CSR Committee attended during the year
1.	Mrs. Savita Bansal	Chairperson (Independent Director)	1	1
2.	Mr. Vikas Goel	Member (Chairman and Managing Director)	1	1
3.	Mr. Rajiv Kathuria	Member (Independent Director)	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:
<https://www.megastarfoods.com/CSR-projects> and
<https://www.megastarfoods.com/policies-codes-related-documents>

4. The executive summary along with the web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: N.A.

a.	Average net profit of the company as per sub-section (5) of section 135	Rs. 9,44,86,969
b.	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 18,89,739
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
d.	Amount required to be set-off for the financial year, if any	NIL
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	18,89,739

7.

- a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) Rs. 18,90,000
- b. Amount spent in Administrative Overheads NIL
- c. Amount spent on Impact Assessment, if applicable NIL
- d. Total amount spent for the Financial Year [(a)+(b)+(c)] Rs. 18,90,000

e. CSR amount spent or unspent for the Financial Year:

Total Amount spent for the financial year	Amount Unspent				
Rs. 18,90,000	Total Amount transferred to Unspent VCSR account as per Sub Section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
	N.A.	Nil	N.A.	Nil	N.A.

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

S. No.	Particulars	Amount
(i)	Two per cent of average net profit of the company as per sub-section (5) of section 135	18,89,739
(ii)	Total amount spent for the Financial Year	18,90,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	261/-

(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

8. Details of Unspent CSR amount for the preceding three financial years: Nil

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs. Lakhs)
1.	NA						

9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: No

10. 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: N.A.

Date: 23.05.2025

Place: Chandigarh

For and on behalf of
MEGASTAR FOODS LIMITED

SD/-

VIKAS GOEL
Chairman & Managing Director
DIN: 05122585

SD/-

SAVITA BANSAL
Chairman of CSR Committee
DIN: 08099629

MEGASTAR FOODS LIMITED**CIN:** L15311CH2011PLC033393**Regd. Off:** Plot No. 807, Industrial Area, Phase-IIChandigarh-160002; **Telephone:** +91 172 2653807, 5005024**Works:** Kurali-Ropar Road, Village Solkhian-140108

Distt. Rupnagar, Punjab

Telephone: +91 1881 240403-240406**Website:** www.megastarfoods.com;**Email:** cs@megastarfoods.com

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At Megastar Foods Limited, we firmly believe that the principles of transparency, accountability, and sustainability form the foundation of good corporate governance. Since incorporation, our visionary founders have instilled these principles into the very fabric of our business, making governance not just a compliance requirement, but a core value.

Responsible corporate conduct is integral to how we operate. Our actions are guided by values and principles that are deeply embedded across all levels of the Company. We are committed to doing business the right way—taking ethical decisions that comply with applicable laws while aspiring to go beyond them.

Our Code of Business Conduct is a reflection of these values. It reinforces our collective responsibility to act with integrity, set high standards, and ensure ethical practices across all operations. We recognize that true success lies not only in financial performance, but also in creating a positive impact on people, communities, and the environment.

We believe that long-term success requires the highest standards of corporate behaviour towards all stakeholders—our shareholders, employees, partners, communities, and the ecosystem we depend on. This approach drives responsible growth, enhances competitiveness, and helps us deliver sustainable value.

The Board of Directors plays a pivotal role in upholding these principles. The Board is committed to ensuring sound governance, providing strategic oversight, and safeguarding the short- and long-term interests of shareholders and stakeholders. With a focus on maintaining an effective, informed, and independent Board, we continuously review and benchmark our practices against global best standards.

At Megastar, good governance is not a destination—it is a continuous journey of improvement, guiding us towards consistent, competitive, profitable, and responsible growth.

2. BOARD OF DIRECTORS

A. SIZE AND COMPOSITION OF BOARD

The present policy of Megastar Foods Limited regarding size and composition of the Board is to have an optimum combination of Executive and Non-Executive Directors along with Woman Director which clearly demarcate the functions of governance and management.

As on 31 March 2025, the Board comprises of 6 (Six) members, 3 (Three) of which are Independent Non-Executive Directors including 1 (One) Independent Woman Director, constituting 50% of the Board's strength and remaining 3 (Three) are Executive Promoter

Directors. Out of 3 (Three) Executive Directors, 1 (One) is Chairman & Managing Director and 2 (Two) are Whole Time Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as well as the Companies Act, 2013 read with the rules issued thereunder.

B. ROTATION/REAPPOINTMENT OF DIRECTORS

RETIREMENT BY ROTATION AND SUBSEQUENT RE-APPOINTMENT

Pursuant to the provisions of Section 149(13) of the Companies Act, 2013 and Articles of Association of the Company all directors except Independent Directors are liable to retire by rotation.

Accordingly, Mr. Mudit Goyal (DIN: 08099543), Whole-time Director of the Company, being the longest in the office amongst the directors liable to retire by rotation, retire from the Board by rotation this year and being eligible, has offered his candidature for re-appointment. This shall not constitute a break in his office as the Whole-time Director of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfil the criteria of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics laid down for the Board of Directors, Senior Management Personnel and Other Employees.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the independent directors fulfil the conditions specified on the Companies Act, 2013 and the Listing Regulations and are independent of the management of the company.

C. DIRECTORS ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIP(S) AND COMMITTEE MEMBERSHIP(S)

As mandated by Regulation 26 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, none of the Director is a member of more than 10 (Ten) Board level Committees or Chairman of more than 5 (Five) Committees across all listed companies in which he/she is a director. Directors' attendance at the Board Meetings during the financial year and the last AGM and also their Directorships and Memberships in other committees is given below:

Composition of the Board, Attendance Record, Directorships and Committee Membership for the Financial Year 2024-25: -

Brief Information about Directors		Attendance record during Financial Year 2024-25			Directorship/Membership /Chairmanship as on 31 March 2025			
Name of the Directors	Directors Identificati on Number (DIN)	Number of Board Meeting held and attended		Attendance at the last AGM	Number of Directorshi ps in all Companies *	Number of Committee Positions held in all Companies** as on 31 March 2025		
		Held	Attended			as on 31 March 2025	Chairman	Member
Executive Directors								
Mr. Vikas Goel	05122585	06	06	Yes	2	Nil	2	

Mr. Vikas Gupta	05123386	06	06	Yes	2	Nil	Nil
Mr. Mudit Goyal	08099543	06	06	Yes	2	Nil	Nil
Independent Non-Executive Directors							
Mr. Rajiv Kathuria	10060062	06	05	Yes	1	Nil	1
Mr. Prabhat Kumar	08099531	06	06	Yes	1	Nil	1
Ms. Savita Bansal	08099629	06	05	Yes	1	2	2

*This includes Directorships in all Companies (Listed, Unlisted Public and Private Limited Companies incorporated in India) including Megastar Foods Limited.

** For the purpose of considering the limit of the committees on which a directors can serve, all public limited companies, whether listed or not, including Megastar Foods Limited is considered. Further in addition to the Audit Committee and Stakeholders Relationship Committee as prescribed under explanation to Regulation 26(1)(b) of the SEBI Listing Regulations.

The Senior Management has made disclosure to the Board confirming that there is no material, financial and/ or commercial transactions between them and the company which could have potential conflicts of interest with the company at large.

D. LIMIT ON THE NUMBER OF DIRECTORSHIPS

As per the declarations and disclosures provided by the Directors, the number of directorships and committee positions held by all the directors of the company are in compliance with the provisions of Section 165 of the Companies Act, 2013, read with relevant LODR regulations.

E. MAXIMUM TENURE OF INDEPENDENT DIRECTORS

Pursuant the provisions of Section 149(11) of the Companies Act, 2013, the Independent Directors of Company are appointed for terms of 5 years each in compliance with the provisions of Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the year, there were no instances of resignation by Independent Directors.

F. FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS

- In accordance with the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with Schedule IV of the Companies Act, 2013, the Company has issued formal letters of appointment to all the Independent Directors.
- The terms and conditions of Appointment of Independent Directors has been disseminated on the Company's website at www.megastarfoods.com

G. PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee, has laid down the criteria for performance evaluation of Board of the Company, its committees and the individual Board Members, including Independent Directors.

The performance evaluation of Independent Directors was done by the entire Board of Directors excluding the Directors being evaluated.

H. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

During the year, a separate Meeting of the Independent Directors of the Company was held during the financial year, where in inter-alia following items as enumerated under Schedule IV of the Companies Act, 2013, read with Regulation 25 of the SEBI Listing Regulations were discussed: -

- Review of Performance of Non-Independent Directors and Board as a whole.
- Review of Performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company, Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mrs. Savita Bansal was appointed as the Chairperson to lead the meeting of the Independent Directors.

I. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In compliance with the provisions of Regulation 25 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, all Independent Directors are familiarized about the Company, through various programs from time to time, including the following:

- Nature of the industry in which the Company operates;
- Business model of the Company;
- Roles, rights and responsibilities of Independent Directors; and
- Any other relevant information.

A web- link for the details of the familiarisation programmes conducted during the year 2024-25 has been uploaded on the Company's website at <https://www.megastarfoods.com/details-of-familiarization-programmes>

J. BOARD MEMBERSHIP CRITERIA AND LIST OF CORE SKILLS/ EXPERTISE/ COMPETENCIES IDENTIFIED IN THE CONTEXT OF THE BUSINESS

The Board of Directors are collectively responsible for selection of a Member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- Desired age and diversity on the Board;
- Size of the Board with optimal balance of skills and experience and balance of Executive and Non - Executive Directors consistent with the requirements of law;
- Professional qualifications, expertise and experience in specific area of relevance to the Company;

- Balance of skills and expertise in view of the objectives and activities of the Company;
- Avoidance of any present or potential conflict of interest;
- Availability of time and other commitments for proper performance of duties;
- Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset;

In terms of requirement of Schedule V of the SEBI 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:

Skills and its description	Mr. Vikas Goel	Mr. Vikas Gupta	Mr. Mudit Goyal	Mr. Rajiv Kathuria	Mr. Prabhat Kumar	Ms. Savita Bansal
Experience in leading well-governed organizations*	✓	✓	✓	✓	✓	✓
Experience of crafting Business Strategies**	✓	✓	✓	✓	✓	✓
Finance and Accounting Experience***	✓	✓	✓	✓	✓	✓
Experience of large Companies and understanding of the changing regulatory landscape****	✓	✓	✓	✓	✓	✓

* **Experience in leading well-governed organizations** – Experience in leading well-governed organizations, with an understanding of organizational 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 / Rice business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions.

*** **Finance and Accounting Experience** - Leadership experience in handling financial management of a well-governed organization along with good understanding of accounting and financial statements.

**** **Experience of large Companies and understanding of the changing regulatory landscape** - Experience of having served in large 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.

K. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS

The Non-Executive Directors of the Company does not hold any Equity Shares. Further the Company is not having any convertible instruments.

L. ROLES AND RESPONSIBILITIES OF THE BOARD

The primary role of the Board is that of trusteeship to protect and enhance shareholders value through strategic direction to the Company. As trustee, the Board of Directors has fiduciary responsibility to ensure that the company has clear goals aligned to shareholders value and its growth. The Board exercises its duties with care, skill and diligence and exercises

independent judgment. The Board sets strategic goals and seeks accountability for their fulfilment. The Board also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfils Stakeholders aspirations and societal expectations.

- **Disclosure of Information**

- Members of Board of Directors and Key Managerial Personnel shall disclose to the Board of Directors whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company.
- The Board of Directors and Senior Management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

- **Key functions of the Board**

- The Board reviews and guides Corporate Strategy, Major Plans of Action, Key policies, Annual Budgets and Business Plans; Setting Performance Objectives; Monitoring Implementation and Corporate Performance; and Overseeing Major Capital Expenditures, Acquisitions and Divestments.
- Board monitors the effectiveness of the Company's governance practices and making changes as needed.
- Selects, Compensates, Monitors and when necessary, replaces key executives and overseeing succession planning.
- Ensures a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- Monitors and manages potential conflicts of interest of Management, Board Members and Shareholders, including misuse of corporate assets and abuse of Related Party Transactions.
- Ensures the integrity of the Company's accounting and financial reporting systems, including the Independent Audit, and that appropriate systems of control are in place, in particular, systems for Risk Management, Financial and Operational Control, and Compliance with the law and relevant standards.
- Oversees the process of disclosure and communications.
- Monitors Board evaluation framework.
- Aligned Key Managerial Personnel and remuneration of Board of Directors with the longer-term interests of the Company and its Shareholders.
- Company has well established Committees of the Board of Directors, and their mandate, composition and working procedures have been well defined.

- **Other responsibilities**

- The Board provides the strategic guidance to the Company, ensure effective monitoring of the Management and should be accountable to the Company and the Shareholders.

- The Board sets corporate culture and the values by which executives throughout a group will behave.
- Board members act on a fully informed basis, in good faith, with Due Diligence and Care, and in the best interest of the Company and the Shareholders.
- The Board encourages continuing Director's training to ensure that the Board Members are kept up to date.
- Where Board decisions affect different shareholder groups differently, the Board treats all Shareholders fairly.
- The Board applies high ethical standards. It takes into account the interests of stakeholders.
- The Board is able to exercise objective independent judgment on Corporate Affairs.
- Board considers assigning a sufficient number of Non-Executive Board Members capable of exercising Independent Judgment to tasks where there is a potential for conflict of interest.
- The Board ensures that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the company to excessive risk.
- The Board has ability to 'Step Back' to assist Executive Management by challenging the assumptions underlying: Strategy, Strategic Initiatives (such as acquisitions), Risk Appetite, Exposures and the Key areas of the Company's focus.
- Board Members should be able to commit themselves effectively to their responsibilities.
- In order to fulfill their responsibilities, Board Members have access to accurate, relevant and timely information.
- The Board and Senior Management facilitate the Independent Directors to perform their role effectively as a Board Member and also a Member of a Committee.

- **Role of Independent Directors**

Independent Directors have emerged as the cornerstones of the worldwide Corporate Governance movement. Their increased presence in the boardroom has been hailed as an effective deterrent to fraud and mismanagement, inefficient use of resources, inequality and unaccountability of decisions and as a harbinger for striking the right balance between individual, economic and social interests.

Independent Directors plays a key role in the decision-making process of the Board. The Independent Directors are committed to act in what they believe to be in the best interest of the Company and its Shareholders. The Independent Directors are professionals, with expertise and experience in general corporate management, Public Policy, Finance, Financial Services and Other allied fields. This wide knowledge of their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, Independent and experienced perspective. The Company benefits immensely from their inputs in achieving its strategic direction.

M. INTER-SE RELATIONSHIP AMONGST DIRECTORS

NAME OF THE DIRECTOR	DESIGNATION OF DIRECTOR	RELATIONSHIPS INTER- SE
Mr. Vikas Goel	Managing Director	Father of Mr. Mudit Goyal
Mr. Vikas Gupta	Whole Time Director	No relationship with any other Directors
Mr. Mudit Goyal	Whole Time Director	Son of Mr. Vikas Goel
Mr. Rajiv Kathuria	Independent Director	No relationship with any other Directors
Mr. Prabhat Kumar	Independent Director	No relationship with any other Directors
Ms. Savita Bansal	Independent Director	No relationship with any other Directors

3. BOARD MEETINGS AND PROCEDURES

A. BOARD MEETINGS

Company's Corporate Governance requires the Board to meet at least four times in a year. The maximum gap between two Board Meetings should not be more than 120 (One hundred and twenty) days as prescribed under Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Additional Board Meetings may be convened to address the specific needs of the Company. In case of business exigencies or matters of urgency, the Board may also approve resolutions by Circulation as permitted under Companies Act, 2013.

B. BOARD PROCEDURE

The meeting of Board of Directors and Committees of Board of Directors are governed with the structured agenda. The agenda is prepared in consultation with the Chairman of the Board/Committees of Board and other Board/Committee Members. The Agenda for the Meetings of the Board/Committees of Board together with the appropriate supporting documents are circulated well in advance to all the Board/Committee members. Detailed presentations are also made to the Board/Committee Members covering operations, Business Performance, Finance, Sales, Marketing, Global and Domestic Business Environment and related details. All necessary information including but not limited to those as mentioned in Part-A Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are placed before the Board/Committee Members to enable it to discharge its responsibility for the strategic supervision of the Company. The Board/Committee Members also reviews periodical compliances of all laws, rules and regulations. At the Board/Committees Meeting, the members have full freedom to express their opinion and decisions are taken after detailed deliberations. Members of the Senior Management team are also invited to attend the Board/Committees Meetings as and when required, which provides additional inputs to the items being discussed by the Board/Committees Meetings.

C. DETAILS OF BOARD MEETINGS HELD AND ATTENDED BY THE DIRECTORS DURING FINANCIAL YEAR 2023-24: -

S. No.	Date of Board Meetings	Board Strength	Number of Directors Present	% of attendance
1.	03.04.2024	6	6	100
2.	20.05.2024	6	6	100
3.	09.08.2024	6	5	83.33
4.	05.11.2024	6	5	83.33
5.	11.02.2025	6	6	100

6.	24.02.2025	6	6	100
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In terms of Regulation 17 of the SEBI Listing Regulations, the gap between any two meetings did not exceed 120 (One Hundred and Twenty) days.

D. SHAREHOLDING OF DIRECTORS

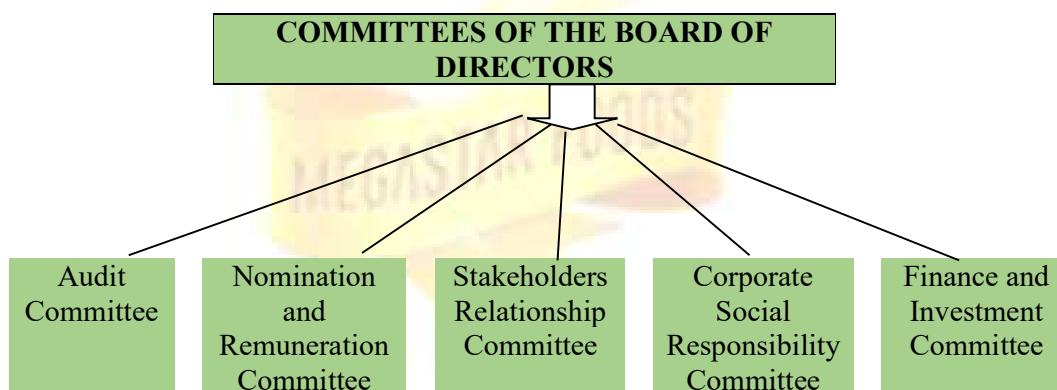
The Shareholding of Directors (in individual capacity) as on 31 March 2025 are given below:

Name	Number of Shares Held
Mr. Vikas Goel	25,92,660
Mr. Vikas Gupta	22,19,900
Mr. Mudit Goyal	2,01,500

The Independent Non- Executive Directors of the Company were not holding any shares in the Company as on 31 March 2025.

4. COMMITTEES OF THE BOARD

Megastar Foods Limited has 5 (Five) Board level Committees: -



DETAILS OF ROLE AND COMPOSITION OF THESE COMMITTEES, INCLUDING THE NUMBER OF MEETINGS HELD DURING THE FINANCIAL YEAR AND THE RELATED ATTENDANCE ARE PROVIDED BELOW:

A. AUDIT COMMITTEE

I. Composition of the Committee

As on March 31, 2025, the Audit Committee of Megastar Foods Limited comprises of following Members:

Name	Designation	Category
Mr. Vikas Goel	Member	Executive & Managing Director
Mrs. Savita Bansal	Chairperson	Independent Non-Executive Director
Mr. Rajiv Kathuria	Member	Independent Non-Executive Director

The Members of Audit Committee of the Company have good knowledge of Finance, Accounts and Business Management. The Chairperson of the Committee, Mrs. Savita Bansal, has

considerable accounting and related Financial Expertise. The Statutory Auditors and the Internal Auditors of the Company attend the meetings of the Committee on the invitation of the Chairperson.

The composition of the Audit Committee is in compliance with the requirements of Section 177 of the Companies Act, 2013, read with Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The Audit Committee oversees the work carried out in the financial reporting process by the Management; the Internal Auditors and the Independent Auditors notes the process and safeguards employed by each of them.

The Company Secretary acts as Secretary to the Committee.

II. Terms of Reference

The roles, powers and functions of the Audit Committee of Megastar Foods Limited are in accordance with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 and Part-C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Subject to and conditional upon the approval of the Board of Directors, approval of Related Party Transactions (RPTs) or subsequent modifications thereto. Such approval can be in the form of specific approval or omnibus approval of RPT subject to conditions is not inconsistent with the conditions specified in Regulation 23(2) and Regulation 23(3) of the Listing Regulations. Such approval shall not be required for transactions with a wholly owned subsidiary whose accounts are consolidated with the Company;
9. Subject to review by the Board of Directors, review on quarterly basis, of RPTs entered into by the Company pursuant to respective omnibus approval given pursuant to (8) above;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
12. Review the Company's established system and processes of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
17. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the whistle blower mechanism;
21. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
22. Audit committee shall oversee the vigil mechanism.
23. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
24. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee reviews the following:

- a) Management discussion and analysis of financial condition and results of operations.
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the audit committee.
- f) Statement of deviations:

- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

III. Meetings and Attendance

During the financial year 2024-25, 4 (Four) meetings of Audit Committee were held. Details of Audit Committee Meetings held and attended by Members during the financial year 2024-25 are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	20.05.2024	3	3	100.00
2.	09.08.2024	3	3	100.00
3.	05.11.2024	3	3	100.00
4.	11.02.2025	3	3	100.00

The attendance details of the Audit Committee Members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mrs. Savita Bansal	Chairperson	4	4	100.00
2.	Mr. Rajiv Kathuria	Member	4	4	100.00
3.	Mr. Vikas Goel	Member	4	4	100.00

NOMINATION AND REMUNERATION COMMITTEE

I. Composition of the Committee

As on 31 March 2025, the Nomination and Remuneration Committee of Megastar Foods Limited comprises of following Members:

Name	Designation	Category
Ms. Savita Bansal	Chairperson	Independent Non-Executive Director
Mr. Prabhat Kumar	Member	Independent Non-Executive Director
Mr. Rajiv Kathuria	Member	Independent Non-Executive Director

The primary objective of the Nomination and Remuneration Committee is to screen and review individuals who are qualified to serve as Key Managerial Personnel, Executive Directors, Non-Executive Directors and Independent Directors and to recommend to Board for their appointment/ change in remuneration from time to time. Also, Nomination and Remuneration Committee's primary role is to identify persons who may be appointed in Senior Management and to change their remuneration from time to time.

The Company Secretary acts as Secretary to the Committee.

II. TERMS OF REFERENCE

The role of the Nomination and Remuneration Committee of Megastar Foods Limited also covers such functions and scope as prescribed under Section 178 of the Companies Act, 2013 read with allied Rules framed thereunder and Regulation 19 and Part-D of Schedule II of the SEBI Listing Regulations.

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.; and
- To formulate and administer the Employee Stock Option Scheme.

Nomination and Remuneration Policy: -

Nomination and Remuneration Policy is in place for Directors, KMP's and other employees, in accordance with the provisions of the Act and Listing Regulations. The policy is available on website of the Company at www.megastarfoods.com. The criteria for performance evaluation of the Directors are covered in Nomination and Remuneration Policy of the Company.

III. MEETINGS AND ATTENDANCE

During the financial year 2024-25, 1 (One) meeting of Nomination and Remuneration Committee were held. Details of Nomination and Remuneration Committee Meetings held and attended by Members during the financial year 2024-25 are as follows: -

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	18.05.2024	3	3	100.00

The attendance details of the Nomination and Remuneration Committee members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mrs. Savita Bansal	Chairperson	1	1	100.00
2.	Mr. Prabhat Kumar	Member	1	1	100.00
3.	Mr. Rajiv Kathuria	Member	1	1	100.00

IV. Remuneration Policy

The Remuneration policy of the Company is to lay down a framework in relation to remuneration of Directors, KMP and Senior Management Personnel and directed towards rewarding performance, based on review of achievements on periodic basis.

The remuneration paid to Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors in the Board Meeting, subject to the approval of the Shareholders and such other authorities, if any, as the case may be and the remuneration paid to KMPs and Senior Management other than Directors is recommended by Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

The Non-Executive Directors are paid with the sitting fee upto the limit as specified under the Companies Act, 2013 read with SEBI Listing Regulations.

The Nomination and Remuneration policy of Megastar Foods Limited is available on the Company's website at www.megastarfoods.com

V. Remuneration of Directors

i. Remuneration to Non- Executive Directors

The Independent Non-Executive Directors are being paid with the sitting fees for attending Board Meetings.

Details of Sitting Fees paid to the Independent Non- Executive Directors during the Financial Year 2024-25 are as follows:

(Amount in Rupees)		
Name of the Directors	Sitting Fees Paid FY 2024-25	No. of shares held as on 31 March 2025
Mr. Rajiv Kathuria	21,000	Nil
Mr. Prabhat Kumar	28,000	Nil
Mrs. Savita Bansal	14,000	Nil

ii. Remuneration to Executive Directors

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee, taking into account factors such as industry benchmarks, the Company's performance, the responsibilities undertaken, and the individual performance and track record of the Director. The final remuneration is approved by the Board of Directors.

The Company pays remuneration by way of salary, perquisites and allowances to its Executive Directors within the limits prescribed under the Companies Act, 2013 and approved by the Shareholders.

Details of Remuneration on account of salary and perquisites paid to the Executive Directors during the Financial Year 2024-25 are as follows:

(Amount in Lakhs)			
Name & Designation of Director	Salaries	Allowances (including HRA, Leave Travel)	Total
Mr. Vikas Goel Chairman & Managing Director	40.50	52.89	93.39

Mr. Vikas Gupta Whole Time Director	40.50	52.89	93.39
Mr. Mudit Goyal Whole Time Director	36.00	42.39	78.39

STAKEHOLDERS RELATIONSHIP COMMITTEE

I. Composition of the Committee

As on 31 March 2025, the Stakeholders Relationship Committee of Megastar Foods Limited comprises of following Members: -

Name	Designation	Category
Ms. Savita Bansal	Chairperson	Independent Non-Executive Director
Mr. Vikas Goel	Member	Executive Director
Mr. Prabhat Kumar	Member	Independent Non-Executive Director

The Company Secretary acts as Secretary to the Committee.

II. Terms of Reference

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per Regulation 20 and Part-D of Schedule II of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013, and allied rules as may be notified from time to time.

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Meetings and Attendance

During the financial year 2024-25, 2 (Two) meetings of Stakeholders Relationship Committee were held. Details of Stakeholders Relationship Committee Meetings held and attended by Members during the financial year 2024-25 are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	18.05.2024	3	3	100.00
2.	11.02.2025	3	2	66.67

The attendance details of the Stakeholders Relationship Committee Members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Ms. Savita Bansal	Chairperson	2	1	50.00
2.	Mr. Vikas Goel	Member	2	2	100.00
3.	Mr. Prabhat Kumar	Member	2	2	100.00

INVESTORS GRIEVANCE REDRESSAL

The Company has been attending to all investor grievances/complaints expeditiously and promptly to the satisfaction of stakeholder(s). The status of Shareholders/ Investors Grievances pursuant to Regulation 13(3) of Listing Regulations for the financial year 2024-25, is as follows:

Particulars	Number of Complaints
Pending at the beginning of the financial year	Nil
Received during the financial year	Nil
Disposed during the financial year	Nil
Remaining unresolved as on 31 March 2025	Nil

B. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In accordance with provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has a well-established Corporate Social Responsibility (CSR) Committee at the Board Level along with the CSR Monitoring Committee and Unit CSR Teams under the CSR Committee, to formulate and recommend the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and to recommend to Board the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the Company from time to time.

I. Composition of the Committee

As on 31 March 2025, the CSR Committee of Megastar Foods Limited comprises of following 3 (Three) Members out of which 1 (One) are Executive Directors and 2 (Two) are Independent Non-Executive Directors:

Name	Designation	Category
Mr. Vikas Goel	Member	Executive & Managing Director
Ms. Savita Bansal	Chairperson	Independent Non-Executive Director
Mr. Rajiv Kathuria	Member	Independent Non-Executive Director

The Company Secretary acts as Secretary to the Committee.

II. Terms of Reference

The Terms of Reference of CSR Committee includes the duties and functions of the CSR Committee of Megastar Foods Limited are as per Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;
- 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;

The Company has formulated the CSR Policy in line with Schedule VII of the Companies Act, 2013. The same is available on the Company's website at www.megastarfoods.com

III. Meeting and Attendance

During the financial year 2024-25, 1 (One) meetings of Corporate Social Responsibility Committee were held. Details of Corporate Social Responsibility Committee Meetings held and attended by Members during the financial year 2024-25 are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	18.05.2024	3	3	100.00

The attendance details of the Corporate Social Responsibility Committee Members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Ms. Savita Bansal	Chairperson	1	1	100.00
2.	Mr. Vikas Goel	Member	1	1	100.00
3.	Mr. Rajiv Kathuria	Member	1	1	100.00

5. SENIOR MANAGEMENT

Following Change in the senior management since the closure of the previous financial year:-

Mr. Nand Kishore Awasthy, Plant Manager- resigned from the position with effect from November 04, 2024.

The following personnel are the senior management of the Company as on 31.03.2025: -

Mr. Niraj Hedda	General Manager (Milling)
Ms. Manisha Gupta	Chief Financial Officer
Ms. Deepali Chhabra	Company Secretary and Compliance Officer
Mr. Shiva Chouhan	Manager, Marketing and Sales and Supply Chain Management

*Further, On July 31, 2025, Mr. Niraj Hedda resigned from the position of General Manager (Milling)

6. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT AS SPECIFIED UNDER REGULATION 32 OF SEBI (LODR) REGULATIONS, 2015

The company did not raise any funds during the FY 2024-25.

7. SUBSIDIARY COMPANIES – MONITORING FRAMEWORK

Megastar Foods Limited does not have any Material Subsidiary as defined under Regulation 16(1)(c) of the SEBI Listing Regulations read with amended SEBI Listing Regulations. Material Subsidiary means a Subsidiary Company whose income or net worth (i.e. paid-up capital and free reserves) exceeds 10% of the consolidated income or net worth respectively, of the Listed Holding Company and its Subsidiaries in the immediately preceding accounting year.

The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries. The minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company are periodically placed before the Board of Directors of the Company.

The Company has formulated a policy for determining its Material Subsidiaries. The same is available on the Company's website at <https://www.megastarfoods.com/assets/pdf/POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARIES.PDF>

8. GENERAL BODY MEETINGS

A. GENERAL BODY MEETING HELD DURING LAST 3 YEARS

Year	Time, Day, Date and Location	Summary of Special Resolutions passed in the AGM
13 th AGM 2024	Friday, September 20, 2024 at 11.30 A.M Through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), and the deemed venue for the AGM is Registered Office.	No Special Resolution was passed in AGM.
2023-EGM	Saturday, December 23, 2023 at 11.19 a.m Through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), and the deemed venue for the AGM is Registered Office.	Approved to create, issue, offer and allot, up to 13,00,000 ("Thirteen Lakhs Only") Equity shares of Rs.10 each of the Company, on preferential basis to the Promoters/ Non Promoters/ Public Category shareholder of the company on such terms and conditions as may be determined by the Board and subject to the approval of the Shareholders of the Company at the Extra Ordinary General Meeting and applicable regulatory authorities as the case may be, in accordance with the SEBI ICDR Regulations, Companies Act, 2013 and other applicable laws

12 th AGM 2023	Wednesday, 27 th September, 2023 at 11.00 a.m. Through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), and the deemed venue for the AGM is Registered Office.	No Special Resolution was passed in AGM.
11 th AGM 2022	Monday, 26 th September, 2022 at 11.00 a.m. Through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), and the deemed venue for the AGM is Registered Office.	• Re-appointment Mr. Prabhat Kumar (DIN: 08099531) as an Independent Director of the company for the second term of 5 years • Re-appointment Mrs. Savita Bansal (DIN: 08099629) as an Independent Director Of the company for the second term of 5 years. • Re-appointment of Mr. Vikas Goel (DIN: 05122585) as Chairman & Managing Director of the company and revision in remuneration. • Re-appointment of Mr. Vikas Gupta (DIN: 05123386) as Whole Time Director of the company and revision in remuneration. • Re-appointment of Mr. Mudit Goyal (DIN: 08099543) as Whole Time Director of the company and revision in remuneration • Increase in limits of borrowings u/s 180 (1) (c) of the Companies Act, 2013 • Increase in limits of providing security u/s 180 (1) (a) of the Companies Act, 2013 in connection with the borrowing of the company.

B. SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT DURING THE FINANCIAL YEAR 2024-25.

During the financial year 2024-25, the following Special Resolution was passed by the Company through postal ballot:

Sr. no	Date of passing of postal ballot resolution	Particulars of Resolution
1.	May 16, 2024	Increase in limits of Borrowings under Section 180 (1) (c) of the Companies Act, 2013
		Increase in limits for creating Mortgage /Hypothecation /Charge on Assets of the Company under Section 180 (1) (a) of the Companies Act, 2013

The details of the votes casted under the Postal Ballot has been uploaded on the website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of the company.

9. DISCLOSURES

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed section on 'Management Discussion and Analysis' forms part of this report.

A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and amendment to the Listing Regulations, your Company has formulated a revised 'Policy on Related Party Transactions', which is also available on the Company's website at <https://www.megastarfoods.com/policies-codes-related-documents>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. All transactions entered into with related parties as defined under the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year, were in the ordinary course of business and at arm's-length price.

There was no materially significant related party transaction entered into by the Company with its promoters, directors or key managerial personnel which may have potential conflict with the interest of the Company at large or which warrants the approval of the members.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013, for all the transactions covered therein, in Form AOC-2 is for the financial year ended 31 March, 2025 forms part of the Directors report as **Annexure-5**.

Details of related party transactions entered into by the Company, in terms of IND AS-24 are disclosed in the financial statements for the financial year ended 31st March, 2025. All related party transactions were placed before the audit committee for prior approval and review on a quarterly basis and prior omnibus approval of the audit committee was obtained for the transactions which were of a repetitive nature.

B. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

The Company has complied with the Indian Accounting Standards (IND-AS) as laid down by the Institute of Chartered Accountants of India (ICAI) and notified by the Ministry of Corporate Affairs in preparation of its financial statements. The Basis of preparation, measurement and significant accounting policies may be referred in Note No. 2 to the financial statements of the Company.

C. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

There has neither been any non-compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchanges or SEBI or any other statutory authorities, on any matters related to capital market during the last three years, except

During the FY 2024-25, there was a delay of two days in submission of the Annual Secretarial Compliance Report with the Stock exchanges for the FY 2023-24 as per Regulation 24A of SEBI LODR regulations. The SOP fines imposed by the Stock Exchanges for the same has been duly paid by the company.

During the FY 2023-24 in filing of quarterly statement of investor complaints, quarterly corporate governance report and filing of quarterly Shareholding Pattern for the Quarter ended

June 30, 2023 with the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Ltd. ("NSE"), for which a fine was imposed and the same was duly deposited.

D. PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES, PREFERENTIAL ISSUES, ETC.

There were no instances of Public Issue, Rights Issue, or preferential issue of shares during the year.

E. VIGIL MECHANISM POLICY

The Company promoted ethical behaviour in all its business activities and in line with the best international governance practices, The Company has established a system through which Directors, Employees, Business Associates may report via email or via physical mode the unethical behaviour, malpractices, wrongful conduct, fraud or violation of Company's code of conduct without any fear of reprisal. The Company has a Vigil Mechanism (Whistle Blower Policy) under which all Directors, Employees and other Business Associates have direct access to the Chairman of the Audit Committee. The same is available on the Company's website at www.megastarfoods.com. During the financial year no personnel has been denied access to the audit committee of the company.

F. PECUNIARY RELATIONSHIP OR TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS

There is no pecuniary relationship or transactions with Non-Executive Directors except payment of sitting fees to them.

G. DISCLOSURE REGARDING APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

The disclosure regarding the appointment and re-appointment of Directors is given under the head Board of Directors forming part of the Report on Corporate Governance. The relevant details are also forming part of Notice calling AGM of the Company.

H. RISK MANAGEMENT

The Company from time to time apprises the Board of Directors of the Company with the material risks, concerns and its mitigation plans, related to the Company and the Industry in which the Company operates. The provisions of LODR regarding establishment of Risk Management Committee and policies thereof are not applicable to the company.

I. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a protective environment at workplace for all its employees' men and women to ensure that every Employee is treated with dignity and respect. As mandated under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has also formulated policy for prevention of Sexual Harassment at the workplace.

A statement giving details of Sexual Harassment Complaints during the year is as below:

S. No.	Particulars	No. of Complaints
1.	No. of complaints received during the financial year	Nil

2.	No. of complaints disposed of during the financial year	Nil
3.	No. of complaints pending as at the end of the financial year	Nil

J. CEO/ CFO CERTIFICATION

The CEO and CFO certification on the Financial Statements is attached and forming part of the Report on Corporate Governance.

10. MEANS OF COMMUNICATION

FINANCIAL RESULTS AND ANNUAL REPORTS ETC.

The Quarterly Unaudited Financial Results and the Annual Audited Financial Results as approved and taken on record by the Board of Directors of the Company are published during the year under review in Leading National Newspapers, i.e. Economic Times, Business Standard, Financial Express, Jansatta, Nav Bharat Times etc. and are also sent immediately to all the Stock Exchanges wherein the equity shares of the Company are listed. The Quarterly and Annual Financial Statements, the Annual Report of the Company and other information can also be retrieved by Investors from the website of the Company www.megastarfoods.com, under the link investor relations.

During the year ended on 31st March, 2025, no presentations were made to institutional investors or analysts.

11. GENERAL SHAREHOLDER'S INFORMATION

i. ANNUAL GENERAL MEETING

Day, Date & Time	:	Wednesday, September 24, 2025 at 11.30 am
Financial Calendar	:	The Financial year of the Company start from 1st April each year and ends on 31st March of the following year.
Dividend Payment date		N.A

ii. FINANCIAL YEAR

The Company follows April-March as the financial year. The meetings of the Board of Directors for approval of quarterly financial results for the financial year ended 31 March 2025 were held on the following dates: -

Particulars	Date
Quarter ended 30.06.2024	09.08.2024
Quarter and half year ended 30.09.2024	05.11.2024
Quarter and Nine months ended 31.12.2024	11.02.2025
Quarter and financial year ended 31.03.2025	23.05.2025

12. CODE OF CONDUCT

The Company has adopted a Code of Business Conduct and Ethics for Board of Directors, Senior Management Personnel and Other Employees. The same is available on the Company's website at www.megastarfoods.com.

The Company has also obtained affirmation for adherence to the Code. The declaration from the Chairman & Managing Director to that effect forms a part of this report.

13. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND CODE OF PRACTICE AND PROCEDURE FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

In accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, read with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019, Megastar Foods Limited is having the Code of Conduct to Regulate, Monitor and Report Trading by Insiders.

Further pursuant to Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, read with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019. The same is available on the Company's website at www.megastarfoods.com.

14. REGISTRAR AND SHARE TRANSFER AGENT

The Company has appointed M/s. Skyline Financials Services Private Limited, having its office at D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020 as its Registrar and Transfer Agent (RTA) for transfer of shares of both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company's shares are traded in the Stock Exchanges compulsorily in demat mode. Pursuant to the changes made in provisions of Regulation 40 of SEBI Listing Regulations, the transfer of securities shall not be processed unless the securities are held in dematerialized form with effect from 01 April 2019. Further SEBI vide notification dated 08 June 2019 read with press release dated 03 December 2018 had amended Regulation 40 of SEBI Listing Regulations and has mandated all transfers of securities in dematerialized form only w.e.f. 01 April 2019.

The Stakeholders Relationship Committee reviews the share transmissions approved by the RTA, Company Secretary, who have been delegated with requisite authority. All requests for Dematerialization of shares are processed and confirmed to the Depositories, NSDL and CDSL, within 15 days. The Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DP) regarding change of address, change of bank mandates and nomination.

15. DEMATERIALIZATION OF SHARES AND LIQUIDITY

Pursuant to the provisions of Regulation 31 of SEBI Listing Regulations, the Company's shares are required to be traded compulsorily in the Dematerialized form and are available for trading under both the depository systems in India – NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's Equity Shares under the depository system is INE00EM01016. The Annual Custodial Fees for the Financial Year 2024-25 has been paid to both the Depositories.

For guidance on depository services, shareholders may write to the Company or to the respective Depositories:

National Securities Depository Limited (NSDL)	Central Depository Services (India) Limited (CDSL)
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Trade World, A Wing 4 th Floor, Kamala Mills Compound, Lower Parel, Mumbai-400013 Telephone: 1800-222-990 E-mail: info@nsdl.co.in Website: www.nsdl.co.in	Marathon Futurex, A-Wing 25 th Floor, N.M. Joshi Marg, Lower Parel, Mumbai- 400013 Telephone: 1800-21-09911 E-mail: heldesk@cdslindia.com Website: https://www.cdslindia.com/
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16. SHARE TRANSFER SYSTEM

All communications regarding share certificates, change of address, etc. should be addressed to Registrar and Share Transfer Agent of the Company. The Company has delegated authority for approving transmission of shares and other related matters to the Stakeholders Relationship Committee of the Company. A summary of all transmissions etc. so approved by officers of the Company is placed in subsequent meeting of the Stakeholders Relationship Committee of the Company. All share transmissions are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains the certificate of compliance for share transfer/transmission formalities as required under Regulation 40(9) and 40(10) of SEBI Listing Regulations, from a Company Secretary in whole time practice and filed the same with the Stock Exchanges as well on half yearly basis and also placed before the Stakeholders Relationship Committee members and Board of Directors of the Company for noting, comments and advise.

17. LISTING ON STOCK EXCHANGES

The Company's shares are listed and actively traded on the below mentioned Stock Exchange.

I. BSE LIMITED (BSE)	II. NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Website: www.bseindia.com Stock Code: 541352	Exchange Plaza” C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Website: www.nseindia.com Symbol: Megastar, Series: Eq.

The Company has paid the Annual listing fees to BSE for the Financial Year 2025-26. The trading of the company's shares was not suspended on the stock Exchange at any time during the financial year.

18. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2025

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
Up To 5,000	8357	93.72	4994730.00	4.42
5001 To 10,000	225	2.52	1733330.00	1.53
10001 To 20,000	125	1.40	1859720.00	1.65
20001 To 30,000	49	0.55	1273370.00	1.13
30001 To 40,000	36	0.40	1342420.00	1.19
40001 To 50,000	27	0.30	1217500.00	1.08
50001 To 1,00,000	39	0.44	2977580.00	2.64
1,00,000 and above	59	0.66	97538350.00	86.37
Total	8917	100.00	112937000.00	100.00

19. SHARES HELD IN PHYSICAL AND DEMATERIALIZED FORM AS ON 31 MARCH 2025

S. No.	Name of the Depository	Number of shares	% shareholding
1.	Central Depository Services (India) Limited (CDSL)	22,84,696	20.23%
2.	National Securities Depository Limited (NSDL)	90,09,004	79.77%
	TOTAL	1,12,93,700	100.00

20. CATEGORY OF SHAREHOLDING AS ON 31 MARCH 2025

Category	Number of Shares held	%
Promoter & Promoter Group	69,41,700	61.47%
Public	2166413	19.18%
Body Corporate	1442560	12.77%
Foreign Portfolio Investors	2,50,963	2.22%
Alternate Investment Funds	2,10,739	1.87%
Hindu Undivided Families (HUF)	1,83,736	1.63%
NRI	42,184	0.37%
Firm	4230	0.04%
Trusts	51175	0.45%
Total	1,12,93,700	100.00%

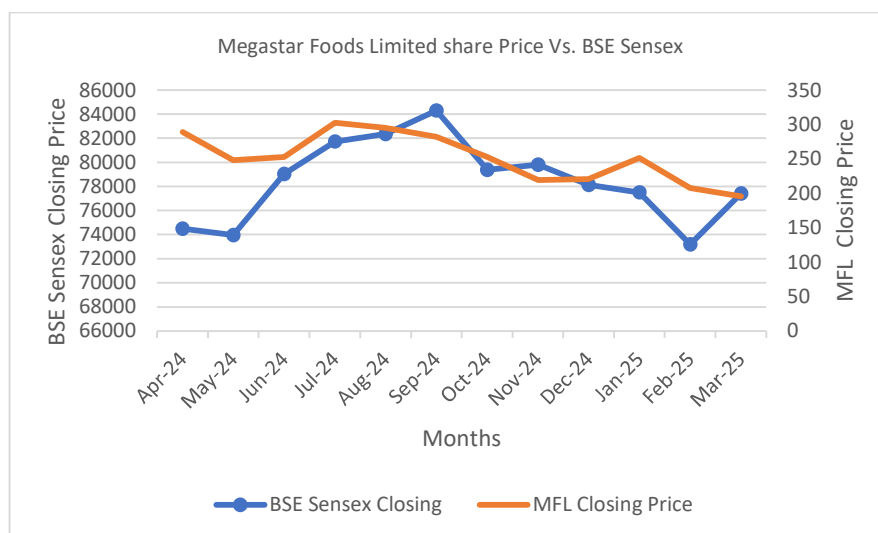
21. MARKET PRICE DATA

Monthly High and Low quotes and volume of shares traded on BSE Limited (BSE) and NSE Limited: -

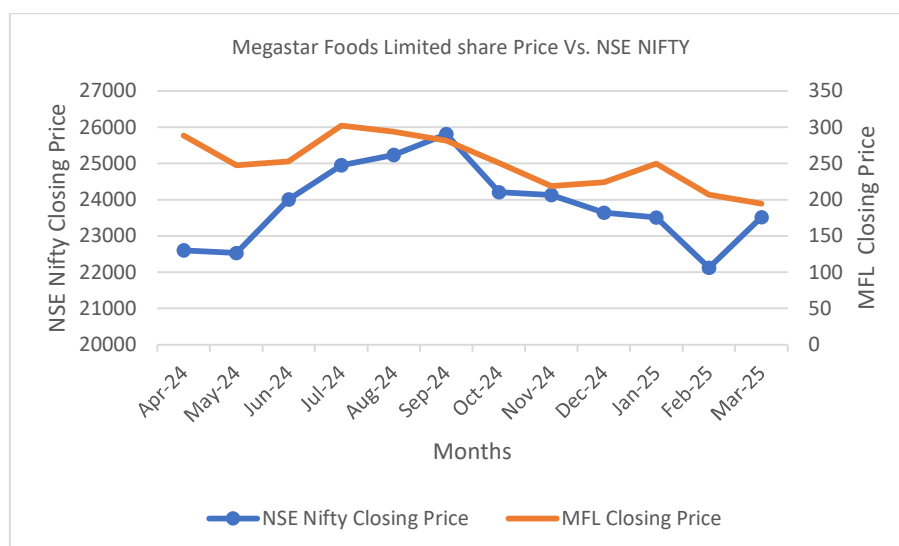
Month	BSE Limited		NSE Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2024	308	263.1	296	282.95
May, 2024	299.25	243.9	253.85	245
June, 2024	274.8	215.05	257.15	241.82
July, 2024	374.6	247	312.3	301.15
August, 2024	320.8	280.9	302	292.5
September, 2024	329.7	265.05	300.7	277
October, 2024	286.95	225	230	218
November, 2024	262.15	218.6	226.24	216
December, 2024	249.9	218	254.95	247.01
January, 2025	310	225.15	254.95	247.01
February, 2025	295	205	218.7	205.6
March, 2025	245	178.05	210.4	191.75

22. STOCK PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES: -

Megastar Foods Limited share Price vs. BSE Sensex



Megastar Foods Limited share Price vs. NSE Nifty



23. OUTSTANDING ADR'S/GDRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments.

24. RECONCILIATION OF SHARE CAPITAL AUDIT

Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary, FCS Number 5901, CP Number 5870, Practicing Company Secretary, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the Reconciliation of Total Issued and Listed Capital with that of total share capital admitted/ held in Dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof as required pursuant to Circular No. D&CC/FITTC/CIR-16/2002 31 December 2002 issued by the SEBI and Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 (as amended) is submitted to the Stock Exchanges on quarterly basis and is also placed before the Stakeholders

Relationship Committee members and Board of Directors of the Company for noting, comments and advise.

25. DETAILS OF DEMAT/ UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

26. CERTIFICATE PURSUANT TO THE REGULATION 34 AND SCHEDULE V (C)(10)(I) OF SEBI LISTING REGULATIONS READ WITH SECTION 164 OF COMPANIES ACT, 2013 REGARDING QUALIFICATION/DISQUALIFICATION TO ACT AS DIRECTOR

The Company has received the certificate from Mr. Kanwaljit Singh Thanewal, FCS Number 5901, CP Number 5870, Practicing Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority. The certificate is enclosed with this report.

27. CERTIFICATE PURSUANT TO THE REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF REGULATION 46(2) OF SEBI LISTING REGULATIONS.

The Company has received the certificate from Mr. Kanwaljit Singh Thanewal, FCS Number 5901, CP Number 5870, Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations. The same is attached and forming part of this Report.

28. AUDITORS' REMUNERATION

The Company had appointed M/s. Nitin Mahajan & Associates, Chartered Accountants as the Statutory Auditors. The particulars of payment to Statutory Auditors by the Company during the financial year 2024-25 are as below:

Particulars	Amount (Rupees in Rs. Lacs)
Statutory audit (including fees for limited reviews)	9.31
Tax Audit	-
Certification Fees	0.24
Total	9.55

During the year, there were no such recommendations of the audit committee which were not accepted by the Board of Directors.

29. RATINGS

During the period under the review, the Company has been assigned Credit Ratings from CARE Ratings.

Credit Agency	Rating	Rated Instrument	Amount (Rs Crores)	Rating	Rating Action
CARE Limited	Ratings	Long term Bank Facilities	58	CARE BB+; Stable	Assigned
CARE Limited	Ratings	Long Term / Short Term Bank Facilities	183	CARE BB+; Stable / CARE A4+	Assigned

30. NON-MANDATORY REQUIREMENTS

In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements as per Regulation 27(1) of SEBI Listing Regulations:

i) Audit Qualification

During the financial year under review, there is no audit qualification in the company's financial statements. The company continues to adopt best practices to ensure regime of financial statements with unmodified opinion.

ii) Reporting of Internal Auditor

The Internal Auditors directly reports to the Audit Committee.

iii) Separate post of Chairman and CEO

The company has not appointed a CEO. The position of Chairman and Managing Director of the company is held by the same individual.

iv) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed – Not Applicable

v) The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted – Not Applicable

vi) Disclosure of certain types of agreements binding listed entities: - There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations

31. COMPLIANCE OFFICER

Deepali Chhabra, Company Secretary
Plot No. 807, Industrial Area,
Phase-II, Chandigarh -160102
Phone: +91 172- 5005024
M.no: 9876115748
E-mail: cs@megastarfoods.com
CIN: L15311CH2011PLC033393

32. REGISTERED OFFICE & ADDRESS FOR CORRESPONDENCE

REGISTERED OFFICE:

Plot No. 807, Industrial Area,
Phase-II, Chandigarh -160102
Phone: +91 172 2653807, 5005024
E-mail: cs@megastarfoods.com
Website: www.megastarfoods.com
CIN: L15311CH2011PLC033393

PLANT LOCATIONS:

- Kurali-Ropar Road, Village Solkhian, Distt. Rupnagar, Punjab

STOCK EXCHANGES	
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400001, Phones: 91-22-22721233/4, 91-22-66545695, Fax: 91-22-22721919 Email: corp.comm@bseindia.com Website: www.bseindia.com	National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Tel No: (022) 26598100 – 8114; Fax No: (022) 26598120 Website: www.nseindia.com
DEPOSITORIES	
Central Depository Services (India) Limited (CDSL) Marathon Futurex, A-Wing, 25 th Floor N.M. Joshi Marg, Lower Parel, Mumbai 400013 Telephone: 1800-21-09911 E-mail: helpdesk@cdslindia.com Website: www.cdslindia.com	National Securities Depository Limited (NSDL) Trade World, A Wing, 4 th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400013 Telephone: 1800-222-990 E-mail: info@nsdl.co.in Website: www.nsdl.co.in
REGISTRAR & SHARE TRANSFER AGENT	
Skyline Financials Services Private Limited D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, Tel No.: +91 11 64732681-88 Fax No.: +91 11 26812682; Email: info@skylinerta.com	

Date: 06.08.2025
Place: Chandigarh

For and on behalf of
MEGASTAR FOODS LIMITED

SD/-
VIKAS GOEL
Chairman & Managing Director
DIN: 05122585

SD/-
VIKAS GUPTA
Whole Time Director
DIN: 05123386

CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We confirm that:

- A. We have reviewed the Financial Statements and the Cash Flow Statements for the year ended March 31, 2025 and 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 affair and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transaction 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 for evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and 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:
- i) Significant changes, if any, in internal control over financial reporting during the year
 - ii) Significant changes, if any, in accounting policies made during the year and the same has been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

SD/-
(VIKAS GOEL)
CHAIRMAN & MANAGING DIRECTOR

SD/-
(MANISHA GUPTA)
CHIEF FINANCIAL OFFICER

Place: Chandigarh
Date: 23.05.2025

**DECLARATION BY THE MANAGING DIRECTOR & CEO UNDER REGULATION
26 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015**

I, Vikas Goel, Chairman cum Managing Director of **Megastar Foods Limited** hereby confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with Company's Code of Conduct for the Financial Year ended March 31, 2025 in accordance with Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date: 23.05.2025

Place: Chandigarh

SD/-

Vikas Goel

Chairman & Managing Director

DIN: 05122585



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of
Megastar Foods Limited,
Plot No. 807, Industrial Area,
Phase II, Chandigarh 160102.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Megastar Foods Limited having CIN: L15311CH2011PLC033393 and having registered office at Plot No. 807, Industrial Area, Phase II, Chandigarh (hereinafter referred to as 'the Company'), produced before us 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 31st March, 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 the Director	DIN	Date of appointment in the company
1.	Mr. Vikas Goel	05122585	28.11.2011
2.	Mr. Vikas Gupta	05123386	28.11.2011
3.	Mr. Mudit Goyal	08099543	31.03.2018
4.	Mr. Prabhat Kumar	08099531	04.04.2018
5.	Mrs. Savita Bansal	08099629	04.04.2018
6.	Mr. Rajiv Kathuria	10060062	03.04.2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

Place: Chandigarh
Date : 08.07.2025

UDIN: F005901G000731769

KANWALJIT SINGH THANEWAL
M. NO. 5901
C.P. NO. 5870
Peer review Cert. No. 2319/2022

CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members of
Megastar Foods Limited**

We have examined the compliance of the conditions of Corporate Governance by **Megastar Foods Limited (“the Company”)** for the Financial Year ended 31st March, 2025, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as mentioned in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable *except that during the financial year there was a delay of two days in submission of the Annual Secretarial Compliance Report with the Stock exchanges for the FY 2023-24 as per Regulation 24A of SEBI LODR regulations. The SOP fines imposed by the Stock Exchanges for the same has been duly paid by the company.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity

nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Date: 08.07.2025

Place: Chandigarh

UDIN: F005901G000731824

Kanwaljit Singh Thanewal
Company Secretary
M. No. 5901
C.P. No. 5870
Peer Review Cert No. 2319/2022

NITIN MAHAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS
#5, IIND FLOOR, SECTOR 27A,
CHANDIGARH



Mob. No.: 9815518888
Peer Review Certificate No. 015332
E-mail: sec27nma1@hotmail.com

INDEPENDENT AUDITOR'S REPORT

To the members of Megastar Foods Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of MEGASTAR FOODS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year ended on 31st March, 2025, and notes to the financial statements, including a summary of significant accounting policies 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, as amended ("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 the 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, its profit including other comprehensive profit, its cash flows and the changes in equity 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 Companies Act, 2013. 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 independent requirement that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone financial statements.

Key Audit Matters

Key audit matter are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion in these matters.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the management discussion and analysis, Boards report including annexure to Boards Report, Corporate Governance and Shareholders information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Responsibility of Management 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 IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgements 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 these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of Standalone Financial Statement

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1 As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The company has no branch office and hence the company is not required to conduct audit under section 143(8) of the Act;
 - (d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (e) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - (f) During our audit we did not come across any financial transaction or matters which might have an adverse effect on the functioning of the company.
 - (g) On the basis of the written representations received from Directors as on 31st March, 2025 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2025 from being appointed as a Director in terms of Section 164(2) of the Act.
 - (h) We do not have any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
 - (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.
 - (j) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provision of Section 197 of the Act read with Schedule V of the Act.
 - (k) 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 derivatives contracts for which there were any material foreseeable losses;
- iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 29.17 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the “Ultimate Beneficiaries”.
(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 29.17 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement;
- v. The company has not proposed any dividend under Section 123 of Companies Act, 2013.
- vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit & Auditors) Rules, 2014 (Revised 2024 edition) issued by the Institute of Chartered Accountants of India, which included Test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention. Further, our examination of the audit trail was in the context of an audit of financial statements carried out only to the extent required by Rule 11(g). We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor we have carried out any standalone audit of the audit trail.

- 2 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 Companies Act, 2013 we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBO9489
Place: Chandigarh
Dated: 23.05.2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of MEGASTAR 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.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and effective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBO9489
Place: Chandigarh
Dated: 23.05.2025

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Reports on Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Companies Act, 2013 ('the Act') of Megastar Foods Limited ('the Company')

(i) In respect of the company's Property, Plant & Equipment and intangible assets:

(a) A. The company is in the process of updating its fixed asset register to include comprehensive details such as identification numbers, locations, and quantitative particulars of Property, Plant and Equipment. Based on the information and explanations provided to us, and subject to the ongoing process, the company has generally maintained proper records showing full particulars of its fixed assets.

B. The company does not own any intangible assets therefore reporting under clause i(a)(B) is not applicable.

(b) As explained to us, the Property, Plant and Equipment of the Company have been physically verified by the management at reasonable intervals. According to the information and explanation given to us by the management, no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the company.

(d) The Company has not revalued its property, plant and equipment during the year ended March 31, 2025.

(e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verification.

(b) During the year, the company has been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are generally in agreement with the books of account of the Company, the differences, if any are either not material or minor in nature.

(iii) During the year, the company had granted unsecured loan to its wholly owned subsidiary M/s Megapacific Ventures Pvt. Ltd. as covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The company has extended loan of Rs. 277 lakhs to its wholly owned subsidiary M/s Megapacific Ventures Pvt. Ltd. @ 12% p.a. and is received back along with interest before the end of financial year 31st March, 2025.

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year, prima facie, not prejudicial to the Company's interest.

(c) The schedule of repayment of principal and payment of interest has been stipulated for the loans granted to subsidiary and the repayment/receipts are regular.

(d) There are no amounts of loans granted to subsidiary company, which are overdue for more than ninety days.

(e) There are no amount of loan outstanding as at year end.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secure or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(iv) In our opinion and 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 grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3 (v) of the Order are not applicable to the Company.

(vi) As informed to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.

(vii) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, Cess and other statutory dues which have not been deposited on account of any dispute.

(viii) According to the records of the company examined by us and as per the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any financial institution or banks or lender.

(b) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the company examined by us and as per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of subsidiary company.

(f) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiary company. Hence, the requirement to report on clause (ix) (f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us, during the year there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company needs strengthening internal audit system to commensurate with the size and the nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) 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. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not conducted any Non-Banking Financial or Housing Finance activities without

obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us and based on our examination of the records of the company, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBO9489
Place: Chandigarh
Dated: 23.05.2025

MEGASTAR FOODS LIMITED					
CIN: L15311CH2011PLC033393					
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2025					
	PARTICULARS		Note No.	AS AT 31ST MARCH, 2025	INR in Lakhs AS AT 31ST MARCH, 2024
	ASSETS				
A	NON-CURRENT ASSETS				
i	Property, Plant and Equipment		3	14,961.79	3,985.69
ii	Capital Work-in-Progress		3A	-	6,488.38
iii	Financial Assets				
	(a) Investments		4	250.00	250.00
	(b) Others		5	79.59	44.12
iv	Deferred Tax Assets (Net)			-	-
v	Other Non-Current Assets			-	-
				15,291.38	10,768.19
B	CURRENT ASSETS				
i	Inventories		6	3,867.22	1,691.09
ii	Financial Assets				
	(a) Investments			-	-
	(b) Trade Receivables		7	4,131.16	2,711.90
	(c) Cash & Cash Equivalents		8	15.86	26.37
	(d) Bank Balance other than (c) above		8	104.99	0.05
	(e) Loans			-	-
	(f) Others		5	-	1.37
iii	Current Tax Assets (Net)		9	62.52	17.48
iv	Other Current Assets		10	80.52	276.42
				8,262.27	4,724.68
C	Assets held-for-sale / Assets included in disposal group(s) held-for-sale			-	-
	TOTAL ASSETS			23,553.65	15,492.87
	EQUITY AND LIABILITIES				
D	EQUITY				
i	Equity Share capital		11	1,129.37	1,129.37
ii	Other Equity		12	8,176.48	8,023.49
				9,305.85	9,152.86
E	LIABILITIES				
I	Non-Current Liabilities				
i	Financial Liabilities				
	(a) Borrowings		13	6,301.28	3,864.93
ii	Provisions		14	85.57	67.00
iii	Deferred Tax Liabilities (Net)		15	322.27	174.10
iv	Other Non-Current Liabilities		16	32.80	37.94

				6,741.92	4,143.97
II	Current Liabilities				
i	Financial Liabilities				
	(a) Borrowings	13		6,865.68	1,820.44
	(b) Trade payables	17			
	(A) Total outstanding dues of Small Enterprises and Micro enterprises			32.09	24.03
	(B) Total outstanding dues of creditors other than small enterprises and micro enterprises.			366.24	217.38
	(c) Other Financial Liabilities	18		143.57	84.64
ii	Other Current Liabilities	16		79.78	35.56
iii	Provisions	14		18.52	13.99
iv	Current Tax Liabilities (Net)			-	-
				7,505.88	2,196.04
F	Liabilities classified as held for sale / Liabilities included in disposal group held-for-sale			-	-
	TOTAL EQUITY & LIABILITIES			23,553.65	15,492.87
	Significant Accounting Policies	1-2		The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the financial Statements.	
	Notes on Financial Statements	29			

As per our report of even date attached

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

For & on behalf of the Board
MEGASTAR FOODS LIMITED

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBO9489

VIKAS GOEL
Chairman cum Managing
Director
DIN: 05122585

VIKAS GUPTA
Whole-time Director
DIN: 05123386

Place: Chandigarh
Dated: 23.05.2025

MANISHA GUPTA
Chief Financial Officer

DEEPALI CHHABRA
Company Secretary
M. No: A61299

MEGASTAR FOODS LIMITED				
CIN: L15311CH2011PLC033393				
STATEMENT OF STANDALONE PROFIT & LOSS FOR THE YEAR ENDED 1ST APRIL 2024 TO 31ST MARCH 2025				
				INR in Lakhs
PARTICULARS	Note No.	For the year ended on 31st March 2025	For the year ended on 31st March, 2024	
Income:				
I Revenue from operations	19	35,011.74	25,405.82	
II Other income	20	24.51	216.04	
III. Total Income		35,036.25	25,621.86	
Expenses:				
Cost of materials consumed	21	23,798.57	15,428.43	
Purchases of Stock-in Trade	22	6,673.00	6,934.29	
Changes in inventories	23	(262.88)	(12.06)	
Employee Benefits Expense	24	994.82	717.77	
Financial Cost	25	1,147.18	408.37	
Depreciation & Amortization Expense	26	535.54	257.28	
Other Expenses	27	1,626.54	1,085.38	
Total Expenses		34,512.77	24,819.46	
Profit/(Loss) before exceptional and tax (III-IV)		523.48	802.41	
Exceptional Items		-	-	
V. Profit/(Loss) Before tax		523.48	802.41	
VI Tax Expense:				
Current Tax		-	174.66	
Deferred Tax Expense/(Income)		145.92	11.41	
VII Profit/(Loss) for the year		377.56	616.33	
VIII Other comprehensive income/(loss)				
(a)Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement gains/(losses) on defined benefit plans		8.91	(1.07)	
Income tax effect		(2.24)	0.27	
(b)Other comprehensive income that will be reclassified to profit or loss in subsequent periods:				
items that will be reclassified to profit or loss in subsequent periods:		-	-	
Income tax effect		-	-	
Other comprehensive income/(loss) for the year, net of tax		6.67	(0.80)	

	Total comprehensive income for the year, net of tax		384.23	615.53
VIII	Earnings per equity share (Nominal Value of Share INR 10 per share)	28		
	(a) Basic earning per share (in absolute figures)		3.34	6.03
	(b) Diluted earning per share (in absolute figures)		3.34	6.03
	Significant Accounting Policies	1-2	The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the financial Statements.	
	Notes on Financial Statements	29		

As per our report of even date attached

For Nitin Mahajan & Associates

Chartered Accountants

FRN - 019837N

For & on behalf of the Board

MEGASTAR FOODS LIMITED

CA VISHAL SHARMA

M No. 503245

Partner

UDIN: 25503245BMGYBO9489

VIKAS GOEL

Chairman cum Managing Director

DIN: 05122585

VIKAS GUPTA

Whole-time Director

DIN: 05123386

MANISHA GUPTA

Chief Financial Officer

DEEPALI CHHABRA

Company Secretary

M. No: A61299

Place : Chandigarh

Dated : 23.05.2025

MEGASTAR FOODS LIMITED				
CIN: L15311CH2011PLC033393				
Standalone Statement of Cash Flows for the year ended 31st March, 2025				
				INR in Lakhs
	Particulars		For the year ended on 31st March 2025	For the year ended on 31st March, 2024
A	Cash flow from operating activities:			
	Profit/(Loss) before tax		523.48	802.41
	Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation and Amortisation Expense		535.54	257.28
	Interest Income		(12.54)	(23.76)
	(Profit)/loss on sale of assets/written off (net)		-	-
	Finance costs		1,147.18	408.37
	Deemed Income		(5.14)	(6.53)
	Operating profit before working capital adjustments		2,188.52	1,437.77
	Working Capital adjustments:			
	(Increase)/Decrease in Trade and other receivables & prepayments		(1,235.03)	(524.20)
	(Increase)/Decrease in Inventories		(2,176.13)	652.79
	Increase/(Decrease) in Trade and other payables and provisions		292.08	(39.57)
	Cash generated from operations		(930.56)	1,526.79
	Tax (paid)/refund		(32.00)	(170.00)
	Net cash flows from operating activities		(962.56)	1,356.79
B	Cash flow from investing activities:			
	Purchase of Property, Plant and Equipment		(5,023.26)	(5,179.46)
	Proceeds from disposal of PPE		-	-
	Long term Advances & Deposits		(35.46)	(7.10)
	Interest received		12.54	23.76
	Net cash used in investing activities		(5,046.18)	(5,162.80)
C	Cash flow from financing activities:			
	Proceeds from issue of capital including security premium		(231.23)	3,972.50
	Government grant received		-	42.53
	Receipts (Repayment) of Long-Term Borrowings		2,436.34	1,309.18
	Receipts (Repayment) of Short-Term Borrowings		5,045.24	(1,406.25)
	Interest paid		(1,147.18)	(408.37)
	Net cash used in financing activities		6,103.17	3,509.59

D	Net change in cash and cash equivalents (A+B+C)		94.43	(296.42)
E-1	Cash and cash equivalents at the beginning of the year		26.42	322.84
E-2	Cash and cash equivalents at the year end		120.85	26.42
(i) Components of cash and cash equivalents at each balance sheet date:			As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents at the end of the year [Refer note 8]				
(A) Balances with Banks				
-On Current Accounts			11.29	22.81
-Others			104.99	0.05
(B) Cash on hand			4.57	3.56
			Total	120.85
				26.42

(ii) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 Cash Flow Statements specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

As per our report of even date attached

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

For & on behalf of the Board
MEGASTAR FOODS LIMITED

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBO9489
Place: Chandigarh
Dated: 23.05.2025

VIKAS GOEL
Chairman cum Managing
Director
DIN: 05122585

VIKAS GUPTA
Whole-time Director
DIN: 05123386

MANISHA GUPTA
Chief Financial Officer

DEEPALI CHHABRA
Company Secretary
M. No: A61299

MEGASTAR FOODS LIMITED					
CIN: L15311CH2011PLC033393					
Standalone Statement of Change in equity for the year ended March 31, 2025					
A. Equity Share Capital:					
(1) At March 31, 2025				INR in Lakhs	
Equity shares of INR 10 each issued, subscribed and fully paid					
	Balance as at 01/04/2024	Changes in Equity Share Capital Due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31/03/2025
No. in lakhs	112.94	-	-	-	112.94
INR in lakhs	1,129.37	-	-	-	1,129.37
(2) At March 31, 2024					
Equity shares of INR 10 each issued, subscribed and fully paid					
	Balance as at 01/04/2023	Changes in Equity Share Capital Due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31/03/2024
No. in lakhs	100.037	-	-	12.90	112.94
INR in lakhs	1,000.37	-	-	129.00	1,129.37
B. Other Equity				INR in Lakhs	
(1) At March 31, 2025					
Particulars	Reserves and Surplus			Total	
	Securities Premium	Retained Earning	Other Reserve Sh. Ganesh Ji Maharaj		
Balance at the beginning of the current reporting period	4,378.10	3,645.36	0.02	8,023.49	
Change in accounting policy or prior period errors				-	
Restated balance at the beginning of the current reporting period	4,378.10	3,645.36	0.02	8,023.49	
Total Comprehensive Income for the current year	-	384.23	-	384.23	
Dividends	-	-	-	-	
Transfer to retained earnings	-	-	-	-	
Share capital issued at premium during the year	-	-	-	-	

Any other change (share issue expenses)	(231.23)	-	-	(231.23)	
Balance at the end of the current reporting period	4,146.87	4,029.59	0.02	8,176.48	
(2) At March 31, 2024					
Balance at the beginning of the current reporting period	534.60	3,029.84	0.02	3,564.46	
Change in accounting policy or prior period errors	-	-	-	-	
Restated balance at the beginning of the current reporting period	534.60	3,029.84	0.02	3,564.46	
Total Comprehensive Income for the current year	-	615.53	-	615.53	
Dividends	-	-	-	-	
Transfer to retained earnings	-	-	-	-	
Share capital issued at premium during the year	4,076.40	-	-	4,076.40	
Any other change (share issue expenses)	(232.90)	-	-	(232.90)	
Balance at the end of the previous reporting period	4,378.10	3,645.36	0.02	8,023.49	

As per our report of even date attached
For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

For & on behalf of the Board
MEGASTAR FOODS LIMITED

CA VISHAL SHARMA
M No. 503245

Partner
UDIN: 25503245BMGYBO9489
Place: Chandigarh
Dated: 23.05.2025

VIKAS GOEL
Chairman cum Managing
Director
DIN: 05122585

VIKAS GUPTA
Whole-time Director
DIN: 05123386

MANISHA GUPTA
Chief Financial Officer

DEEPALI CHHABRA
Company Secretary
M. No: A61299

MEGASTAR FOODS LIMITED

CIN: L15311CH2011PLC033393

Notes Forming Part of Financial Statements for the year ended March 31, 2025

1. Corporate Information

Megastar Foods Limited (the Company) is a public limited company and is incorporated under the provisions of the Companies Act, 1956. The Company's shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The registered office of the company is located at Plot No. 807, Industrial Area, Phase II, Chandigarh and plant at Village Solkhian, District Rupnagar, Punjab. The company has a wholly owned subsidiary (100%) namely Megapacific Ventures Pvt. Ltd.

The Company is primarily engaged in the manufacturing of food-based products such as wheat flour and allied flour products like refined flour (Maida), Semolina (suji), Bran etc.

The financial statements were authorized for issue in accordance with a resolution by the Board of Directors of the Company on 23.05.2025

2. Significant Accounting Policies

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- a. Plan assets under defined benefit plans.
- b. Certain financial assets and liabilities.

The financial information are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except where otherwise indicated.

(ii) Use of estimates and judgments

The preparation of the Company's 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 results in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. 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 beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

b. Defined benefit plans

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates.

c. Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Useful lives of PPE:

The Company reviews the useful life of PPE at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.2 Summary of Significant Accounting Policies:

2.2.1 Property, Plant & Equipment (PPE): -

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprise of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of GST credit availed wherever applicable. Cost includes borrowing cost for long term construction projects if recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

In respect of others assets, depreciation is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Sr. No.	Nature of asset	Useful Life (years)
1	Building & Solar Plant	30 years
2	Plant & Machinery (including lab equipments)	10-15 years
3	Furniture & Fixtures & Electrical Installations	10 years
4	Vehicles	8-10 years
5	Office equipments	5 years
6	Computer & Software	3 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

2.2.2 Current versus Non-Current Classification

The Company presents 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 realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

2.2.3 Inventories:

Inventories (other than by-products) are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials/ Stores & Spares: cost includes cost of purchase and other costs incurred in bringing the inventories/ qualifying inventory to their present location and conditions required to manufacture the desired end product. Cost is determined on first in, first out basis.

Finished goods: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

By -products i.e. Refraction are valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.2.4 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 period in which the employees render the related service are recognized in respect of employee's service up to the end of reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

(b) Other Long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured based on the actuarial valuation using projected unit credit method at the year end. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the term of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

(c) Post-employment obligations:

The Company operates the following post-employment schemes:

- (1) defined benefit plans such as gratuity; and
- (2) defined contribution plans such as provident fund and ESI.

Gratuity Obligations:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The amount of the actuarial valuation of the gratuity of employees at the year-end is provided for as liability in the books.

Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss

- i. Service cost comprising current service cost, past service cost, gain & loss on curtailments and non-routine settlements.

ii. Net interest expenses or income

2.2.5 Taxes

Current Income Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 (as amended) and Income Computation and Disclosure Standards (ICDS) enacted in India by using the tax rates and tax laws that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction relating to OCI & Equity either in OCI (Other Comprehensive Income) 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.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction related to OCI & Equity either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax including Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Goods & Service Tax (GST) on acquisition of assets or on incurring expenses:

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or other current liabilities in the balance sheet.

2.2.6 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:

The Company classified its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)
- Those measured at amortized cost

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a Business model test : The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), and

- b Cash flow characteristics test : Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Company estimates the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI (Fair value through Other Comprehensive Income), is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity instruments measured at Cost

Equity instruments / Investments in subsidiaries are accounted at cost in accordance with Ind AS 27 - Separate Financial Statements.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

Impairment of financial assets:

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in statement of profit and loss.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss of its 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. The ECL loss allowance (or reversal) during the year is recognised in the statement of profit and loss.

Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

(b) Financial Liabilities:

Initial recognition and measurement:

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company's financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits and other payables.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below

Trade Payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 0-180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

Financial Liabilities at fair value through profit & 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. Financial liabilities are classified as held for trading if they are incurred for the purpose of

repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognised in OCI. These gains/ losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans & Borrowings:

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization 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 amortization is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.2.7 Cash & Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks; cash in hand, other short term deposits with original maturities of three months or less which are subject to an insignificant risk of changes in value.

2.2.8 Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when

the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the best estimate.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.2.9 Revenue Recognition:

The Company earns revenue primarily from sales of wheat products.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts.

Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue (“contract liability”) is recognised when there is a billing in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Interest income:

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Use of significant judgments in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

2.2.10 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if

fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company, as a lessee, recognises a right-of-use of asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Company as a Lessor

Lease income from operating lease where the Company is a lessor is recognized in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

2.2.11 Fair Value Measurement

The Company 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:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (a) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (b) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (c) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments measured at fair value.

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Company's external valuers which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

The management in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.2.12 Borrowing Costs:

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition of qualifying assets, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rate applicable to relevant general borrowing of the Company during the year. Capitalisation of borrowing cost is suspended and charged to profit and loss during the extended periods when the active development on the qualifying project is interrupted. 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 arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the borrowing costs. The qualifying assets also includes inventories where other cost are included, for conditions required to manufacture the desired end product.

2.2.13 Impairment of Non-Financial Assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company basis its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady

or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

After impairment depreciation is provided on the revised carrying amount of the asset over its remaining economic life.

An assessment is made in respect of assets at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.2.14 Foreign Currency Transactions:

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit and loss.

2.2.15 Government Grants:

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. However if any export obligation is attached to the grant related to an asset, it is recognized as income on the basis of accomplishment of the export obligation.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

2.2.16 Intangible Assets:

(a) Purchased Intangible assets are measured at cost as at the date of acquisition, less accumulated amortization and impairment losses if any. For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/system integration services and any directly attributable expenses, wherever applicable for bringing the asset to its working condition for the intended use.

(b) Amortization methods, estimated useful lives and residual value Intangible assets are amortized on a straight-line basis (without keeping any residual value) over its estimated useful lives of five years from the date they are available for use. The estimated useful lives, residual values and amortization method are reviewed at the end of each financial year and are given effect to, wherever appropriate.

(c) The cost and related accumulated amortization are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

2.2.17 Investment in Subsidiary

The Company's investments in its subsidiary is accounted for at cost.

2.2.18 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

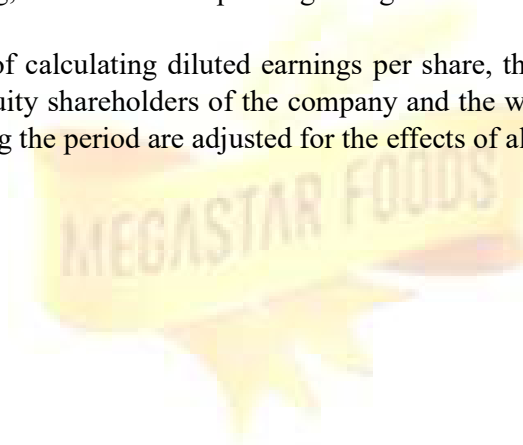
Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell. This condition is regarded as met only when the sale is probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately from other assets in the balance sheet. The non-current assets after being classified as held for sale are not depreciated or amortized.

2.2.19 Earnings per share

Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of company (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of 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 period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



MEGASTAR FOODS LIMITED										
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Note 3: Property, Plant and equipment (PPE)								INR in lakhs		
Particulars	Freehold Land	Building	Plant & Machinery	Vehicles	Furniture & Fixtures & Electrical Installations	Computers & Softwares	Office equipments	Total	Advances for Capital goods	Capital Work-on-progress
Year ended 31 March 2024										
Deemed cost as at 1 April 2023	902.13	1,614.72	1,731.93	682.51	45.28	45.18	26.80	5,048.55	-	1,567.25
Additions	-	32.77	171.69	24.13	10.53	6.83	12.38	258.33	-	5,019.95
Disposals	-	-	-	-	-	-	-	-		98.82
Total cost as on 31 March 2024	902.13	1,647.48	1,903.62	706.64	55.81	52.01	39.19	5,306.88	-	6,488.38
Depreciation										
As at April 1, 2023	-	83.17	540.83	370.70	24.74	32.93	11.56	1,063.91	-	-
Depreciation charged during the year	-	59.46	110.69	71.57	4.28	6.38	4.89	257.28	-	-
Disposals	-	-	-	-	-	-	-	-		-
Closing accumulated depreciation as at 31 March 2024	-	142.63	651.52	442.27	29.02	39.31	16.45	1,321.19	-	-
WDV as at March 31, 2024	902.13	1,504.85	1,252.10	264.37	26.79	12.70	22.74	3,985.69	-	6,488.38
Year ended 31 March 2025										
Cost as at 1 April 2024	902.13	1,647.48	1,903.62	706.64	55.81	52.01	39.19	5,306.88	-	6,488.38
Additions	-	3,783.18	7,231.54	251.53	110.43	12.74	60.12	11,449.53	62.11	4,528.27
Disposals	-	-	-	-	-	-	-	-	-	11,016.65
Total cost as on 31 March 2025	902.13	5,430.66	9,135.16	958.17	166.24	64.75	99.30	16,756.41	62.11	-
Depreciation										
As at April 1, 2024	-	142.63	651.52	442.27	29.02	39.31	16.45	1,321.19	-	-
Depreciation charged during the year	-	107.73	314.42	84.21	9.12	7.55	12.51	535.54	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2025	-	250.36	965.94	526.48	38.14	46.86	28.95	1,856.73	-	-
WDV as at March 31, 2025	902.13	5,180.30	8,169.22	431.68	128.10	17.89	70.35	14,899.68	62.11	-

Net Book Value										
At March 31, 2025	902.13	5,180.30	8,169.22	431.68	128.10	17.89	70.35	14,899.68	62.11	-
At March 31, 2024	902.13	1,504.85	1,252.10	264.37	26.79	12.70	22.74	3,985.69	-	6,488.38
Borrowing cost are capitalized on PPE & on Asset under construction (CWIP). Financial Year March 31, 2025 - Rs 272.84 Lakhs March 31, 2024 - Rs. 272.91 lakhs ,										
The CWIP includes advances paid for purchase of capital goods from suppliers. Also, Construction is on time and cost incurred is within the budgeted limits.										
Charge on PPE - Land & Building are subject to first charge to secure bank loans pari passu. Respective vehicles are also subject to charge to secure the loans availed to acquire the same.										

Note 3A: Non current assets: Capital in Progress		
Particulars	As at 31.03.2025	As at 31.03.2024
Balance as at the beginning of the year	6,488.38	1,567.25
Add: Addition during the year	4,528.27	4,921.13
Less: Capitalisation/disposal during the year	11,016.65	-
Balance as at the end of the year	-	6,488.38

Capital Work In Progress (Including Ageing Schedule)					
CWIP as on 31.03.2025	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2024
Project in Progress	4,528.27	6,488.38	-	-	11,016.65
Project Temporarily Suspended	-	-	-	-	-
Total	4,528.27	6,488.38	-	-	11,016.65

CWIP as on 31.03.2024	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2023
Project in Progress	4,921.13	1,567.25	-	-	6,488.38
Project Temporarily Suspended	-	-	-	-	-
Total	4,921.13	1,567.25	-	-	6,488.38

MEGASTAR FOODS LIMITED

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Notes forming part of the Standalone Financial Statements

INR in Lakhs			
4. Investment	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024	
(Unsecured, considered good)			
Investment in Equity instruments (Carried at cost)			
Unquoted			
Investment in wholly owned subsidiary			
- Megapacific Ventures Pvt. Ltd.	250.00	250.00	
(25,00,000 shares of INR 10/- each, fully paid up)			
Total	250.00	250.00	

5. Other Financial Assets	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024	
(Unsecured, considered good, unless otherwise stated)			
(a) Security Deposits	79.59	44.12	
(b) Bank deposits with more than 12 months maturity	-	-	
(c) Tax Recoverable of earlier years	-	1.37	
(d) Others: (TDS/TCS Recoverable from parties)	-	-	
Total	79.59	45.50	
Current	-	1.37	
Non-Current	79.59	44.12	

6. Inventories	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024	
(a) Raw Materials (at Cost)	3,172.25	1,343.92	
(b) Finished Goods (at lower of cost and net realisable value)	370.34	158.25	
(c) Stores and spares (at Cost)	36.95	4.76	
(d) Packing Material (At Cost)	201.58	148.84	
(e) Stock-in-Transit (at lower of cost and net realisable value)	86.11	35.32	
Total	3,867.22	1,691.09	

	7. Trade Receivables	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
	(a) Trade Receivables- Considered Good Secured	-	-
	(b) Trade Receivables- Considered Good Unsecured	4,131.16	2,711.90
	(c) Trade Receivables which have significant increase in credit risk	-	-
	(d) Trade Receivables- Credit impaired	-	-
	Total	4,131.16	2,711.90

Trade receivables ageing schedule						
Particulars	Outstanding for following periods from date of invoice	FY 24-25				
	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,056.03	3.56	4.92	19.79	46.86	4,131.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	4,056.03	3.56	4.92	19.79	46.86	4,131.16
Particulars	Outstanding for following periods from date of invoice	FY 23-24				
	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2,627.60	16.43	20.22	30.89	16.76	2,711.90
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-

(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	2,627.60	16.43	20.22	30.89	16.76	2,711.90

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

8. Cash and cash equivalent		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
(A) Balances with Banks			
(I) Bank balances held as margin money or as security against:			
(i) Guarantees	-	-	-
(ii) Letters of Credit	-	-	-
(iii) Other commitments	-	-	-
(II) On Current Accounts	11.29	22.81	
(B) Cash & Imprest on hand	4.57	3.56	
(C) Others - Fixed Deposits (Bank Deposits due to mature after 3 months of original maturity but within 12 months of the reporting date)	104.99	0.05	
Total	120.85	26.42	
Cash & Cash Equivalents	15.86	26.37	
Bank Balance other than above	104.99	0.05	

9. Current Tax Assets (Net)		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Advance Tax	32.00	170.00	
Tax deducted/collected at source	30.52	22.14	
Less: Provision for current tax	-	(174.66)	
Total	62.52	17.48	

10. Other Assets		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
(Unsecured, considered good)			
(a) Staff Advances	18.08	4.56	
(b) Advances for raw material & expenses	19.94	238.80	
(c) Interest and other Receivable	-	-	

	(d) Prepaid Expenses	42.50	33.06
	Total	80.52	276.42
	Current	80.52	276.42
	Non-Current	-	-
	11. Share Capital		
	Authorised Share Capital		
	Equity Share Capital		
		No. of shares in Lakhs	INR in Lakhs
	At April 1, 2023	150.00	1,500.00
	Increase/(decrease) during the year	-	
	At March 31, 2024	150.00	1,500.00
	Increase/(decrease) during the year	-	-
	At March 31, 2025	150.00	1,500.00

Terms/ rights attached to equity shares	
The Equity Shares of the Company, having par value of Rs. 10.00 per share, rank pari passu in all respects including voting rights and entitlement of dividend. 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.	

Issued & Subscribed Share Capital		
Equity Shares	No. of shares in Lakhs	INR in Lakhs
At April 1, 2023	100.04	1,000.37
Issued during the year	12.90	129.00
At March 31, 2024	112.94	1,129.37
Issued during the year	-	-
At March 31, 2025	112.94	1,129.37

(A) Reconciliation of the number of shares outstanding:				
Equity Shares of INR 10 each	AS AT 31ST MARCH, 2025		AS AT 31ST MARCH, 2024	
	No. of shares in Lakhs	INR in Lakhs	No. of shares in Lakhs	INR in Lakhs
Opening balance	112.94	1,129.37	100.04	1,000.37
Add: Issue of shares during the year (refer note below)	-	-	12.90	129.00
Closing balance	112.94	1,129.37	112.94	1,129.37
(B) Details of shareholders holding more than 5% shares in the Company				
Equity Shares of INR 10 each	AS AT 31ST MARCH, 2025		AS AT 31ST MARCH, 2024	
	No. of shares in Lakhs	% holding in the class	No. of shares in Lakhs	% holding in the class

Name of the shareholder				
1. Vikas Goel	25.93	22.96%	25.93	22.96%
2. Vikas Gupta	22.20	19.66%	22.20	19.66%
3. Pankaj Goel	11.21	9.93%	11.21	9.93%
4. Beeline consultancy services private limited	7.50	6.64%		

(C) Details of shareholding of promoters			
Name of the promoter shareholder	AS AT 31ST MARCH, 2025		
	No. of shares in Lakhs	% holding in the class	% Changes during the year
1. Vikas Goel	25.93	22.96%	0.00%
2. Vikas Gupta	22.20	19.66%	0.00%
3. Pankaj Goel	11.21	9.93%	0.00%
4. Satpal Gupta	3.03	2.68%	0.00%
5. Shivani Gupta	2.62	2.32%	0.00%
6. Indira Rani	2.42	2.14%	0.00%
7. Mudit Goyal	2.02	1.78%	0.00%

Name of the promoter shareholder	AS AT 31ST MARCH, 2024		
	No. of shares in Lakhs	% holding in the class	% Changes during the year
1. Vikas Goel	25.93	22.96%	-2.36%
2. Vikas Gupta	22.20	19.66%	-2.13%
3. Pankaj Goel	11.21	9.93%	-1.28%
4. Satpal Gupta	3.03	2.68%	-0.35%
5. Shivani Gupta	2.62	2.32%	-0.30%
6. Indira Rani	2.42	2.14%	-0.28%
7. Mudit Goyal	2.02	1.78%	-0.23%

12. Other Equity	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
a. Securities Premium	4,146.87	4,378.10
b. Other Reserve Sh. Ganesh Ji Maharaj	0.02	0.02
c. Retained Earnings	4,029.59	3,645.36
	8,176.48	8,023.49
Reserves and Surplus	4,029.59	3,645.36
Other Reserve	4,146.89	4,378.12
a. Securities Premium	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Opening Balance	4,378.10	534.60
Additions during the year (12,90,000 shares issued @ INR 326 (face value INR 10)		4,076.40
Less: expenses on issue	231.23	232.90

Closing Balance	4,146.87	4,378.10
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b. Other Reserve Sh. Ganesh Ji Maharaj	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Opening Balance	0.02	0.02
Appropriations during the year	-	-
Closing Balance	0.02	0.02

c. Retained Earnings	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Opening balance	3,645.36	3,029.84
Net profit for the period	377.56	616.33
<i>Appropriation from:</i>		
<i>Other Adjustment - Income Tax Adjustment of previous year</i>	-	-
Items of OCI recognised directly in retained earnings		
Re-measurement gains/(losses) on defined benefits plan (net of tax)	6.67	(0.80)
Closing balance	4,029.59	3,645.36

13. Borrowings	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
13 (i) Non-Current Borrowings		
Term Loan from Banks/NBFC & Financial Institution		
Secured [Refer Note 1 & 2 below]		
(i) Term loans from Banks	6,521.14	4,965.27
(ii) Vehicle loans From Banks	253.09	70.61
(iii) Vehicle loans from NBFC/Others	-	-

Total Secured Term Loans	6,774.23	5,035.88
Less: Current maturities of Secured Loans	1,472.94	1,170.95
Long Term maturities of Term Loan (A)	5,301.28	3,864.93
Unsecured loans		
- From Directors	1,000.00	-
Total Unsecured loans	1,000.00	-
Less: Current maturities of Unsecured Loan	-	-
Long Term maturities of Term Loan (A)	1,000.00	-
Total borrowings (A+B)	6,301.28	3,864.93

1. (a) Terms of Repayments and Rate of interest of all loans:

	Name of Lender	Rate of Interest	Periodicity	Outstanding Amount (INR)	No. of Installments Outstanding	EMI/Installments (INR in lakhs)
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				in Lakhs)		
	HDFC GECL Loan -1	9.25%	Nov 2020 to Oct 2024	-	-	-
	HDFC GECL Loan -2	9.25%	May 2022 to May 2027	574.66	26	24.44
	HDFC Term Loan-1 (87316682)	7.79%	Feb 2023 to Mar 2029	801.65	48	19.77
	HDFC Term Loan-2 (87317179)	7.79%	Feb 2023 to Aug 2028	707.36	41	19.94
	HDFC Term Loan-3 (89365812)	8.04%	Feb 2024 to Nov 2031	1,472.83	80	23.90
	HDFC Term Loan-4 (801260715)	9.00%	Apr 2025 to Mar 2033	1,300.00	96	19.05
	HDFC Truck Loan 1 (84844118)	8.11%	Nov 2020 to Oct 2025	4.43	7	0.65
	HDFC Truck Loan 2 (86312240)	6.75%	Mar 2022 to Feb 2026	9.38	11	0.88
	HDFC Truck Loan 3 (88320700)	8.55%	Aug 2023 to Jul 2027	13.13	28	0.52
	HDFC Truck Loan 4 (800376305)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96
	HDFC Truck Loan 5 (800376385)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96
	HDFC Truck Loan 6 (800376353)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96
	HDFC Truck Loan 7 (800376340)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96
	HDFC Truck Loan 8 (800376435)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96
	UBI Car Loan	9.90%	Jul 2020 to Sept 2027	16.08	30	0.61
	Citi Bank Loan-1 (221170001)	8.22%	Apr 2022 to Apr 2027	70.42	25	2.82
	Citi Bank Loan-2 (222370001)	8.01%	Aug 2022 to Aug 2027	119.35	29	4.12
	Citi Bank Loan-3 (222730001)	8.84%	Oct 2022 to Sept 2027	67.50	30	2.25
	Citi Bank Loan-4 (223330001)	8.83%	Dec 2022 to Nov 2027	35.20	32	1.10
	Citi Bank Loan-5 (230310001)	8.34%	Feb 2023 to Jan 2028	85.00	34	2.50

	Citi Bank Loan-6 (232920001)	8.41%	Nov 2023 to Oct 2028	226.47	43	5.27
	Citi Bank Loan-7 (233600001)	8.56%	Jan 2024 to Dec 2028	648.30	45	14.41
	Citi Bank Loan-8 (240790001)	8.46%	Apr 2024 to Mar 2029	412.40	48	8.59

2. (a) The first term loan from HDFC Bank Ltd. of Rs. 989.56 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal gurantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 63 months having an EMI of Rs. 19.77 lakhs beginning 07.02.2024 & carrying ROI of 8.04%

(b) The second term loan from HDFC Bank Ltd. of Rs. 1000 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal gurantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 64 months with starting EMI of Rs. 15.12 lakhs till 07.08.2023, EMI of Rs. 18.14 lakhs till 07.10.2023 and current EMI of Rs. 19.94 lakhs w.e.f. 07.11.2023 & carrying ROI of 8.04%

(c) The third term loan from HDFC Bank Ltd. of Rs. 1500 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal gurantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 96 months having an EMI of Rs. 23.90 lakhs w.e.f. 07.02.2025 & carrying ROI of 8.29%

(c) The fourth term loan from HDFC Bank Ltd. of Rs. 1300 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal gurantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 96 months having an EMI of Rs. 19.05 lakhs w.e.f. 07.04.2025 & carrying ROI of 9.00%

(d) The first GECL loan from HDFC Bank Ltd. of Rs. 539 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal gurantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 48 months having an EMI of Rs. 16.95 lakhs w.e.f. 07.11.2021 & carrying ROI of 9.25%. The loan has been repaid fully on 07.10.2024

(e) The second GECL loan from HDFC Bank Ltd. of Rs. 785.00 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal gurantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 60 months having an EMI of Rs. 24.44 lakhs w.e.f. 07.05.2024 & carrying ROI of 9.00%

(f) The term loans from Citi Bank were taken against a security at first paripassu charge on Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta along with personal gurantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. ROI ,terms of loan and repayment are stated above.

(g) Commercial Vehicle loans from banks are secured by hypothecation of vehicles financed and terms of loan and repayments are stated above.

(h) Car loan from UBI bank is secured by hypothecation of car financed along with personal guarantee of Mr. Vikas Goel. Terms of loan and repayments are stated above.

(i) Unsecured Loan from directors are received by the company for the period of 2 years at interest of 9%.

Detail of default	
(a) Period of default	- -
(b) Amount of default	- -

13 (ii) Current borrowings	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
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(A) Loans repayable on demand from Banks		
Secured		
HDFC Bank [Refer Note 3(i) below]	2,346.76	649.49
Citi Bank [Refer Note 3(ii) below]	3,045.98	
	5,392.74	649.49
(B) Current maturities of Term Loans		
Current maturities of term loans from Banks	1,407.18	1,143.85
Current maturities of vehicle loans from Banks	65.76	27.09
Current maturities of vehicle loans from NBFCs/Others	-	-
	1,472.94	1,170.95

(C) Short term loans		
Unsecured loans- Loans from directors	-	-
Total Current borrowings	6,865.68	1,820.44

3(i) Working Capital facilities including WCDL loans from HDFC Bank Ltd. are secured by Hypothecation of Stock, debtors, fixed deposits of company and extension of charges on block fixed assets on pari passu charges basis. These loans are further secured by collateral security of Industrial property & Residential bungalow along with personal guarantee of the Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. Interest rate is 3 months T-bill+2.40% and present 3 months T-bill rate is 6.50%.

3(ii) Working Capital facilities including WCDL loans from Citi Bank are secured by Hypothecation of Stock, debtors of company on first pari pasu basis and extension of charges on block fixed assets on pari passu basis. These loans are further secured by collateral security of Industrial property & Residential bungalow along with personal guarantee of the Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. Interest rate is 3 months T-bill+2.40% and present 3 months T-bill rate is 6.50%.

14. Provisions	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Provision for employee benefit:	104.09	80.99
Total	104.09	80.99
Current	18.52	13.99
Non-Current	85.57	67.00

15. Deferred Tax Assets/Liabilities (Net)	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Deferred Tax (Asset)/Liability	322.26	174.10
Total	322.26	174.10

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2024:	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Accounting profit before income tax	523.48	802.41
Tax Liability		
Tax Rate (In absolute figures including surcharge and cess)	25.168%	25.168%
At India's statutory income tax rate	131.75	201.95

Adjustments in respect of current income tax of previous years	-	-
Adjustments in respect of Statutory Dues (Net)	-	-
Depreciation (Net)	(173.04)	(35.12)
Non-deductible expenses for tax purposes:		
Employee Benefits (Net)	9.78	3.75
Other Non-Deductible Expenses (Net)	9.94	4.08
Current year unabsorbed tax losses/(Unabsorbed Business Loss Adjusted)	21.57	-

Income tax expenses charged to the statement of Profit & Loss A/c		-	174.66
Reconciliation of deferred tax (asset)/liabilities (net):		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Opening balance as of 1 April		174.10	162.96
Tax (income)/expense during the period recognised in profit or loss		145.92	11.41
Tax (income)/expense during the period recognised in OCI		2.24	(0.27)
Closing balance as at 31 March-Deferred tax (asset)/liability		322.26	174.10
Deferred tax relates to the following:	Balance Sheet	Profit & Loss	
	March 31, 2025	March 31, 2024	March 31, 2025
Depreciation for tax purposes	(367.79)	(193.97)	173.82
MAT credit utilisation	-	-	-
Tax during the period recognised in OCI	(2.24)	0.27	2.51
Deferred Tax Expense/(Income)	-	-	176.33
Net Deferred Tax Assets/(Liabilities)	(370.03)	(193.70)	-

16. Other Liabilities	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Govt. Grant received	37.94	43.08
Interest accrued but not due	74.57	30.35
Advances from customers	0.06	0.06
Total	112.58	73.50
Current	79.78	35.56
Non-Current	32.79	37.94

17. Trade Payables	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Trade Payables - Micro & Small Enterprises	32.09	24.03
Trade Payables - Others	366.24	217.38
Trade Payables - Micro & Small enterprises (Disputed)	-	-

Trade Payables - Others (Disputed)					-	-
Total					398.34	241.41
Trade payables Ageing Schedule						
	Particulars	Outstanding for following periods from the date of invoice				FY 23-24
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME		32.09	-	-	-	32.09
(ii) Others		366.24	-	-	-	366.24
(iii) Disputed Dues -MSME		-	-	-	-	-
(iii) Disputed Dues -Others		-	-	-	-	-
Total		398.34	-	-	-	398.34
	Particulars	Outstanding for following periods from the date of invoice				FY 22-23
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
	(i) MSME	24.03	-	-	-	24.03
	(ii) Others	217.38	-	-	-	217.38
	(iii) Disputed Dues -MSME	-	-	-	-	-
	(iii) Disputed Dues -Others	-	-	-	-	-
	Total	241.41	-	-	-	241.41

18. Other Current financial liabilities	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Statutory dues	38.25	25.92
Other payables	105.32	58.72
Total	143.57	84.64
Current	143.57	84.64
Non-Current	-	-
19. Revenue from Operations	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
(a) Sale of products		
- Domestic Sales	35,011.21	25,385.43
- Export Sales	-	16.76
Total	35,011.21	25,402.19
(b) Sale of services	-	-
(c) Other operating revenues:	0.53	3.62
Total	35,011.75	25,405.82

20. Other Income	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
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<i>Other non-operating income</i>		
(a) Interest Income:	12.54	23.76
(b) Other non-operating income	11.96	192.29
Total	24.51	216.04

21. Cost of Material	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Inventory at the beginning of the year		
- Raw Material	1,343.92	2,051.15
- Packing Material	148.84	107.16
Add: Purchases		
- Raw Material	25,165.85	14,359.67
- Packing Material	513.79	403.20
Add: Freight inward		
Add: Grinding charges		
Add: Packing Charges		
Add: Other costs		
	27,172.39	16,921.18
Less: Inventory at the end of the year		
- Raw Material	3,172.25	1,343.92
- Packing Material	201.58	148.84
Total Cost of Material	23,798.57	15,428.43
22. Purchase of Traded Finished Goods	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Purchases of Finished Goods	6,673.00	6,934.29
Total	6,673.00	6,934.29

23. Change in inventories of finished goods	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Inventory at the beginning of the year	158.25	66.40
Opening Stock in transit	35.32	115.11
Less: Inventory at the end of the year	370.34	158.25
Closing Stock in Transit	86.11	35.32
(Increase)/Decrease in inventories of finished goods	(262.87)	(12.06)

24. Employee Benefits Expense	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Salaries, wages and bonus	866.43	635.50
Contribution to provident and other funds	62.97	31.26
Gratuity	15.53	12.46

Staff welfare expense	49.90	38.55
Total	994.83	717.77

25. Finance Costs	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
(a) Interest:		
<i>Interest on Term & Vehicle Loans</i>	250.64	75.73
<i>Interest on Working Capital Loans</i>	822.50	303.19
(b) Other borrowing cost		
<i>Bank charges</i>	74.04	29.46
Total	1,147.18	408.37

26. Depreciation and amortisation expense	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Depreciation and amortisation of property, plant and equipment [Refer Note No. 3]	535.54	257.28
	535.54	257.28

27. Other Expenses	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Consumption of stores & spares	23.46	52.98
Power and Fuel	512.26	245.76
Rent	111.15	5.27
Rates and taxes	39.00	7.11
Insurance	44.04	44.58
<i>Repair & Maintenance</i>	-	-
- Plant & Machinery	77.54	97.66
- Building	15.61	20.66
- Others	15.97	12.47
Vehicle running & maintenance	356.48	271.15
Donations	4.29	4.30
Advertisement & sales promotion	9.56	16.96
Other selling expenses	81.48	63.78
Other expenses (farming)	6.72	
Travelling & Conveyance	67.18	80.61
Legal and professional Charges	55.74	50.14
Directors' sitting fees	0.74	0.95
Payment to auditors	9.56	8.98
Internal Audit fee	2.28	2.66
CSR Expenses	18.90	17.50
Bad debts written off	-	-

Miscellaneous expenses	173.52	81.85
Short & excess	1.07	0.00
Total	1,626.54	1,085.38

Payment to Auditors	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
	INR in lakhs	INR in lakhs
(a) Auditor:		
- Audit fee, Tax Audit fee and Limited Review	9.32	7.75
- Certification fees	0.24	1.23
(b) For taxation matters	-	-
(c) For company law matters	-	-
(d) For other services	-	-
Total	9.56	8.98

28. Earnings per Equity Share	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Net attributable profit to Equity Shareholders	377.56	616.33
Shares outstanding at the start of year	112.94	100.04
Shares issued during the year	-	12.90
Share holding period for new shares (in months) (Issued on 31-01-2024)	-	2.00
Weighted Average Number of Equity Shares	112.94	102.19
Basic and Diluted Earnings Per Share	3.34	6.03
Face Value per Share	10.00	10.00

29. Notes to the Financial Statements for the year ended March 31, 2025:

29.1 Contingent Liabilities, Commitments and Contingencies (to the extent not provided for)

Particulars	31-03-2025	31-03-2024
(A) Contingent liabilities:		
(a) Claims against the Company not acknowledged as debt	997.04	1,336.88
Bank Guarantees	NIL	NIL
(B) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	1,539.82
Advance paid against above	62.11	1,110.82

29.2 Related Party Transactions:

Name of the related parties and description of relationship: -

Particulars	Name
Key Managerial Personnel (KMPs)	Mr. Vikas Goel, Chairman and Managing Director
	Mr. Vikas Gupta, Whole Time Director
	Mr. Mudit Goyal, Whole Time Director
	Ms. Manisha Gupta, Chief Financial Officer
	Ms. Deepali Chhabra, Company Secretary
Independent Directors	Mr. Prabhat Kumar, Ms. Savita Bansal, Mr. Rajiv Kathuria
Subsidiary	M/s Megapacific Ventures Pvt. Ltd. (Wholly owned subsidiary)
Close member of KMPs	Mr. Satpal Gupta, Mr. Madan Lal Aggarwal, Mrs. Indira Rani, Ms. Shivani Gupta, Mrs. Savita Goyal, Mr. Pankaj Goel, Mr. Amit Goel, Mrs. Snehal Goel, Mrs. Anuradha Aggarwal
Related Entities	Ganesh Flour Mills, Kulwant Rai Ram Kishan, Madan Lal Aggarwal (HUF), Shree Ganesh Grain Products, Ganesh Agro Mills, Tahliwal, Una; Vapco Packaging Industries Private Limited, Vapco Industries, Vapco Industries Punjab, Ram Kishan Rice & General Mills, Roller Flour Mills Federation of India, Baisakhi Mal Ram Kishan, Megagreen Foods LLP

Name	Nature of Transaction	Amount (INR in lakhs)	
		31-03-2025	31-03-2024
Vikas Goel	Salary Paid (including perks)	93.40	81.40
	Salary Balance Due	4.95	3.95
	Loan received	500.00	-
	Loan repaid	-	-
	Loan Balance due	500.00	-
Vikas Gupta	Salary Paid (including perks)	93.40	81.40
	Balance Due	5.25	0.80
	Loan received	500.00	-
	Loan repaid	-	-
	Loan Balance due	500.00	-
Mudit Goel	Salary Paid (including perks)	78.40	57.40
	Balance Due	9.80	3.25
Rajiv Kathuria	Sitting Fees Paid	0.21	0.28
Prabhat Kumar	Sitting Fees Paid	0.28	0.28
Savita Bansal	Sitting Fees Paid	0.14	0.28
Manisha Gupta	Salary Paid	14.31	20.61
Deepali Chhabra	Salary Paid	6.85	1.86
Dhiraj Kheriwal	Salary Paid	-	2.14
Sapna	Salary Paid	-	1.79
Savita Goyal	Salary Paid		12.00
	Balance Due		0.83
Shivani Gupta	Salary Paid		12.00
	Balance Due		0.43

Roller Flour mill Federation of India	Membership fees	3.02	0.11
Satpal Gupta	Salary Paid	9.00	9.00
	Balance Due	0.70	0.70
Ganesh Flour Mills	Purchases	2,858.45	2,131.80
	Sales	-	-
	Balance Due	-	-
Kulwant Rai Ram Kishan	Rent Paid	0.60	0.60
	Balance Due	-	-
Vapco Industries - Lalru	Purchases	16.74	13.19
	Balance Due	-	-
Vapco Packing Industries Pvt Ltd.- Lalru	Sales	-	15.96
	Balance Due	-	-
Shree Ganesh Grain Products	Sales	47.16	42.52
	Balance Due	-	-
Director's Travelling reimbursements	Travelling Expenses	34.53	58.35
Megapacific Ventures Pvt. Ltd.	Loan given	277.00	2,005.00
	Loan received back	277.00	2,005.00
	Interest received	3.70	20.35
	Reimbursement of expenses	0.20	0.83
	Balance Due	-	-

The company has not granted any loans to promoters, director, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person during the year under consideration.

All transactions are in Ordinary Course of Business and on Arm's Length Basis.

Terms and conditions of transactions with related parties:-

The sales to and purchases from related parties, if any 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 and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: Nil, March 31, 2024: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

29.3 Deferred Tax:

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

29.4 Corporate Social Responsibility:

During the year, the amount spent on corporate social responsibility activities amounted to INR 18.90 Lakhs (31 March 2024: 17.50 lakhs) in accordance with Section 135 of the Act, 2013. The following amounts were actually spent during the current and previous year.

Particulars	31-Mar-25	31-Mar-24
(i) Amount required to be spent by the company during the year	18.90	17.40
(ii) Amount of expenditure incurred	18.90	17.50
(iii) Shortfall at the end of the year	NIL	NIL
(iv) Nature of CSR activities	For purchase of Dialysis machine for Free dialysis centre and for mini marathon/ awareness	Expenses on Eradicating Hunger, Promotion of Education to Poor and Needy Children

29.5 Security premium:

As per sub-section 2 of Section 52 of The Companies Act, 2013 the securities premium account may be applied by the company in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company. During the FY 2023-24, Company issued 12,90,000 shares @ Rs. 326 each (including premium of Rs. 316 per share). Total expenses incurred on issue of new shares amounting to Rs. 464.13 lakhs which were written off from security premium account as and when the bills were received. Following table shows the expenses written off from the security premium account on issue of new shares.

(INR in lakhs)				
Financial Year	Opening Security premium balance	From new issue	Towards issue expenses	Closing balance
2023-24	534.60	4,076.40	232.90	4,378.10
2024-25	4,378.10	-	231.23	4,146.87

29.6 Earning per Share:

As per IND AS 33, Basic earnings per share shall be calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period. Following is the calculation of weighted average number of ordinary shares outstanding at the end of year:

(INR in lakhs)		
Particulars	2024-25	2023-24
Net profit to equity shareholders	377.56	616.33
Shares outstanding at start of the year	112.937	100.037
Shares issued during the year	-	12.900
Share holding period for new shares (issued on 31-01-2024) (In months)	-	2.00
Weighted average number of shares	112.94	102.19

Basic and Diluted Earnings Per Share	3.34	6.03
Face Value per Share	10.00	10.00

29.7 Employee Benefits:

The Company has a defined benefit gratuity plan. Under Gratuity Plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The level of benefits provided depends on the member's length of service and salary at retirement age.

Description of Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

- i) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- ii) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- iii) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- iv) Investment Risk – The plan is unfunded hence the greatest risk to the beneficiary is that there are insufficient funds available to provide the promised benefits. This may be due to (a) The insufficient funds set aside, i.e. underfunding; (b) The insolvency of the Employer; (c) The holding of investments which are not matched to the liabilities; or (d) a combination of these events.

A. Defined Contribution Plan

Contribution to defined contribution plan, recognized as expense for the year is as under:

Particulars	2024-25	2023-24
Employer's contribution towards Provident Fund	29.81	21.07
Employer's contribution towards ESI	6.56	5.27

B. Defined Benefit Plan

General description of the plan:

Gratuity	Leave Encashment
Unfunded	Unfunded

C. Method of valuation: Projected unit Credit Method

D. Reconciliation of opening and closing balance of defined benefit obligation:

(INR in lakhs)		
Item	Gratuity	Leave Encashment

	2025	2024	2025	2024
Net opening liability/(asset)	56.73	43.86	24.26	22.55
Expenses as recognized in P&L account	15.53	12.46	23.33	2.44
Remeasurements	(8.91)	1.07	-	-
Contributions/benefits paid	(3.98)	(0.66)	(2.87)	(0.73)
Net closing liability(asset)	59.37	56.73	44.72	24.26

E. Amount recognized in the balance sheet:

(INR in lakhs)				
Particulars	Gratuity		Leave Encashment	
	2025	2024	2025	2024
Present value of DBO/LTEB	59.37	56.73	44.72	24.26
FV of plan assets	-	-	-	-
Net Liability/(Asset) recognized in Balance Sheet	59.37	56.73	44.72	24.26

F. Expense Recognized in Profit or Loss Statement:

(INR in lakhs)				
Particulars	Gratuity		Leave Encashment	
	2025	2024	2025	2024
Current Service Cost	11.45	9.23	10.35	4.79
Interest Cost	4.08	3.23	1.74	1.66
Actuarial (Gain)/Loss of obligations	-	-	11.24	-4.02
Actuarial (Gain)/Loss of plan assets	-	-	-	-
Benefits paid directly by the employer	-	-	-	-
Expected Return on plan assets	-	-	-	-
Net Interest Cost	-	-	-	-
Past Service Cost – Vested	-	-	-	-
Past Service Cost – Non Vested	-	-	-	-
Total Expense Recognized in Profit or Loss Statement	15.53	12.46	23.33	2.44

G. Amount Recognized in Other Comprehensive Income:

(INR in lakhs)				
Particulars	Gratuity		Leave Encashment	
	2025	2024	2025	2024
Actuarial (Gain)/Loss on obligations– Due to change in Financial Assumptions	1.62	0.40	-	-

Actuarial (Gain)/Loss on obligations – Due to change in demographic Assumptions	-	-	-	-
Actuarial (Gain)/Loss – Due to experience variance	(10.53)	0.67	-	-
Return on plan assets other than amounts included in net interest cost	-	-	-	-
Re-measurement arising from change in asset ceiling	-	-	-	-
Net(Income)/Expense for the period recognized in Other Comprehensive Income	(8.91)	1.07	-	-

H. Changes in the present value of obligations

(INR in lakhs)				
Particulars	Gratuity		Leave Encashment	
	2025	2024	2025	2024
Opening present value of DBO/LTEB	56.73	43.86	24.26	22.55
Service cost	11.45	9.23	10.35	4.79
Interest Cost	4.08	3.23	1.74	1.66
Benefits paid directly by the employer	-3.98	(0.66)	-2.87	-0.73
Actuarial (Gain)/ Loss on obligations-Due to change in Financial Assumptions	1.62	0.40	1.41	0.20
Actuarial (Gain)/Loss on obligations – Due to change in demographic Assumptions	-	-		-
Actuarial (Gain)/ Loss on obligations-Due to experience variance	(10.53)	0.67	9.83	(4.21)
Closing present value of DBO/LTEB	59.37	56.73	44.72	24.26

I. Valuation Assumptions:

	2025	2024
Discount Rate	6.54%	7.36%
Rate of increase in Compensation levels	6.00%	6.00%
Rate of Return on Plan Assets	N.A.	N.A.
Average future service (in Years)	26.94 Years	24.09 Years
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14

Average weighted duration of liabilities

Sensitivity Analysis – Gratuity

(INR in lakhs)

Change in Valuation Assumption	Gratuity – PV of liability obligations for the year ended 2025	Gratuity – PV of liability obligations for the year ended 2024
Increase Discount Rate by 0.50%	58.11	55.58

Decrease Discount Rate by 0.50%	60.68	57.94
Increase Salary Inflation by 1.00%	61.74	59.02
Decrease Salary Inflation by 1.00%	57.00	54.44
Increase Withdrawal Rate by 5.00%	58.34	56.33
Decrease Withdrawal Rate by 5.00%	60.31	56.84

Sensitivity Analysis – Leave Encashment

Sensitivity Analysis – Leave Encashment		(INR in lakhs)
Change in Valuation Assumption	Leave – PV of liability obligations for the year ended 2025	Leave – PV of liability obligations for the year ended 2024
Increase Discount Rate by 0.50%	43.63	23.70
Decrease Discount Rate by 0.50%	45.88	24.86
Increase Salary Inflation by 1.00%	47.06	25.47
Decrease Salary Inflation by 1.00%	42.58	23.14
Increase Withdrawal Rate by 5.00%	45.06	24.62
Decrease Withdrawal Rate by 5.00%	44.15	23.68

29.8 Segment Information:

The Company is currently engaged in the manufacture and sale of wheat products, which is considered a single business segment. Due to the unavailability of separate information for manufacturing and trading-related sales and expenses, these activities are accounted for as one segment.

29.9

INR in lakhs		
Particulars	31-Mar-25	31-Mar-24
Value of Imports calculated on CIF basis in respect of Raw Material	-	-
Capital & revenue Expenses in foreign exchange	285.58	748.86
Foreign currency exposure not hedged by derivative or forward contract as on last day of the year	-	-
Earnings in foreign exchange	-	30.03

29.10 Fair Value of Financial Instruments

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

The management assessed that trade receivables, cash and cash equivalents, other bank balances, loans and advances to related parties, interest receivable, trade payables, capital creditors, other current financial assets and liabilities are considered to be the same as their fair values.

The fair value of the financial assets and liabilities is 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 following methods and assumptions were used to estimate the fair values:

(INR in lakhs)

Category	Note No.	Carrying Value	Fair Value		
		31-03-2025	31-03-2024	31-03-2025	31-03-2024
Financial assets at amortized cost					
Investments	4	250.00	250.00	250.00	250.00
Trade Receivables	7	4,131.16	2,711.90	4,131.16	2,711.90
Cash & Cash Equivalents	8	15.86	26.37	15.86	26.37
Bank Balance	8	104.99	0.05	104.99	0.05
Other Financial Assets	5	79.59	45.50	79.59	45.50
Total		4,581.60	3,033.82	4,581.60	3,033.82
Financial liabilities at amortized cost					
Borrowings	13	13,166.96	5,685.37	13,166.96	5,685.37
Trade Payable	17	398.34	241.41	398.34	241.41
Other Financial Liabilities	18	143.57	84.64	143.57	84.64
Total		13,708.87	6,011.42	13,708.87	6,011.42

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

- (i) Quantitative disclosure of fair value measurement hierarchy for financial assets

(INR in lakhs)

Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Investments (refer note no.4)				
31-03-2025	250.00	-	250.00	-
31-03-2024	250.00	-	250.00	-
Loans and security deposits (refer note no. 5)				
31-03-2025	79.59	-	79.59	-

31-03-2024	45.50	-	45.50	-
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(ii) Quantitative disclosure of fair value measurement hierarchy for financial liabilities

(INR in lakhs)

Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Non-Current borrowings including current maturities (refer note no 13)				
31-03-2025	7774.23	-	7,774.23	-
31-03-2024	5035.88	-	5,035.88	-
Current borrowings (refer note no 13)				
31-03-2025	5392.74	-	5,392.74	-
31-03-2024	649.49	-	649.49	-

29.11 Financial risk management objectives and policies

The Company has instituted an overall risk management programme which also focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. Financial risk management is carried out by Finance department under policies approved by the Board of Directors from time to time. The Finance department, evaluates and hedges financial risks in close co-operation with the various stakeholders. The Board of Directors approves written principles for overall financial risk management, as well as written policies covering specific areas, such as credit risk, use of derivative financial instruments and non-derivative financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk. These risks are managed pro-actively by the Senior Management of the Company, duly supported by various Groups and Committees.

(a) 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 employs prudent liquidity risk management practices which inter alia means maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Company while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment. Longer term cash flow forecasts are updated from time to time and reviewed by the Senior management of the Company.

The table below represents the maturity profile of Company's financial liabilities at the end March 31, 2024 and March 31, 2023 based on contractual undiscounted payments:-

	(INR in lakhs)
--	----------------

31-Mar-25	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	6,865.68	5,704.10	597.18	13,166.96
Non-Interest bearing borrowings:				
Trade and Other payable (refer note no. 17)	398.34	-	-	398.34
Other financial liabilities (refer Note no. 18)	143.57	-	-	143.57
Total	7,407.58	5,704.10	597.18	13,708.87
% to Total	54.03%	41.61%	4.36%	
31-Mar-24	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	1,820.44	3,844.50	20.43	5,685.37
Non-Interest bearing borrowings:				
Trade and Other payable (refer note no. 17)	241.41	-	-	241.41
Other financial liabilities (refer Note no. 18)	84.64	-	-	84.64
Total	2,146.49	3,844.50	20.43	6,011.42
% to Total	35.71%	63.95%	0.34%	

Reconciliation of Interest bearing borrowings

(INR in lakhs)			
	Schedule No.	31-03-2025	31-03-2024
Non-Current borrowings	13	6,301.28	3,864.93
Short-term borrowings	13	6,865.68	1,820.44
Total		13,166.96	5,685.37

(b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks, foreign exchange transactions and other financial assets.

(i) Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control management team assess the credit quality of the customer, taking into account its financial position, past experience and other factors. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on group/ category basis. The calculation is based on exchange losses, historical data and available facts as on date of

evaluation. Trade receivables comprise a customer base including FMCG companies, dealers and retail customers. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department team in accordance with the Company's policy. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

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 risks comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of at March 31, 2025 and March 31, 2024.

(c) 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, expense or capital expenditure is denominated in foreign currency). The company is not exposed to material foreign currency risk.

(d) Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligation at floating interest rates which is not material.

(e) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of raw material and therefore requires a continues supply. The Company operations may impact due to changes in prices of those raw materials.

Commodity price sensitivity of Raw material

(INR in lakhs)

Nature	Change in year-end price	Effect on profit before tax
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For the year ended March 31, 2025	5%	-1,166.88
For the year ended March 31, 2025	-5%	1,166.88
For the year ended March 31, 2024	5%	-753.35
For the year ended March 31, 2024	-5%	753.35

29.12 Capital Management

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, security premium and all other equity reserves. The primary objective of the Company's capital management is that it maintain an efficient capital structure and maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net interest bearing debt divided by total capital attributable to shareholders. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, other bank balances which are free.

(INR in lakhs)		
	31-03-2025	31-03-2024
Borrowings	13,166.96	5,685.37
Other financial liabilities	-	-
Less: Cash and Cash equivalents	(15.86)	(26.37)
Less: Other bank balances	(104.99)	(0.05)
Net Debt	13,046.12	5,658.95
Equity share capital	1,129.37	1,129.37
Other equity	8,176.48	8,023.49
Total Equity	9,305.85	9,152.86
Gearing ratio (Times)	1.40	0.62

29.13 Based on and to the extent of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

(INR in lakhs)		
Particulars	31-03-2025	31-03-2024
Principal amount due to suppliers under MSMED Act, as at the end of the year	32.09	24.03
Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (under Section 16)	-	-

Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

29.14 Lease payments under an operating lease should be recognised as an expense in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit. Future minimum lease payments under non-cancellable operating lease:-

	(INR in Lakhs)		
	<i>Upto 1 year</i>	<i>1 to 5 Years</i>	<i>More than 5 Years</i>
Rent as per agreement	5.65	-	-

29.15 The company was in an expansion phase of its Unit-2 where Silo Building & Machinery, Mill building & machinery, Warehouses & Solar Plant were constructed. These assets are capitalized once the assets are ready for use as intended by the management and are initially recorded at cost directly attributable for bringing the asset into its intended use. Being the qualifying asset, the borrowing costs were recognised as per IND AS-23. Depreciation was calculated based on their date of put to use.

Particulars	Amount	Put to use date
Silo Building & Machinery	14,29,20,629	01.04.2024
Mill Building & Machinery	84,74,04,224	18.11.2024
Solar Plant	94,38,138	18.11.2024

29.16 RATIO ANALYSIS

S.NO	PARTICULARS	FORMULA	2025	2024	Changes %	Explanation
1	CURRENT RATIO (Times)	CURRENT ASSETS	1.37	4.61	-70.29	For significant increase in current liabilities
		CURRENT LIABILITIES				
	CURRENT ASSETS		8,262.27	4,724.68		
	CURRENT LIABILITIES		6,032.93	1,025.09		
2	DEBT-EQUITY RATIO (times)	LONG TERM DEBTS	0.84	0.55	51.84	For increase in long term debts
		SHAREHOLDER'S EQUITY				
	LONG TERM DEBT		7,774.23	5,035.88		
	SHAREHOLDER'S EQUITY		9,305.85	9,152.86		

3	DEBT SERVICE COVERAGE RATIO (Times)	PAT+INTEREST ON LT DEBTS +DEPRECIATION	0.81	1.36	-40.06	for increase in debt to serve
		INTEREST ON LT DEBT +PRINCIPAL PAID/TO BE SERVED DURING THE YEAR				
	EARNINGS AVAILABLE FOR DEBT SERVICE		1,374.10	1,108.72		
	TOTAL DEBT SERVICE		1,691.08	817.92		
4	RETURN ON EQUITY RATIO (%)	PROFIT AFTER TAX	4.09	8.99	-54.47	For reduction in earnings and increase in equity
		AVG. EQUITY SHAREHOLDER'S FUND				
	PROFIT AFTER TAX		377.56	616.33		
	AVERAGE SHAREHOLDER'S EQUITY		9,229.36	6,858.84		
5	INVENTORY TURNOVER RATIO (Times)	COST OF GOODS SOLD	11.78	11.73	0.48	NA
		AVERAGE INVENTORY				
	COST OF GOODS SOLD		32,748.53	23,659.17		
	AVERAGE INVENTORY		2,779.15	2,017.48		
6	TRADE RECEIVABLES TURNOVER RATIO (Times)	SALES	10.23	9.94	2.91	NA
		AVERAGE TRADE RECEIVABLE				
	SALES		35,011.74	25,405.82		
	AVERAGE TRADE RECEIVABLE		3,421.53	2,554.94		
7	TRADE PAYABLES TURNOVER RATIO (Times)	TOTAL PURCHASE	101.14	80.71	25.31	For significant increase in net purchases.
		AVERAGE TRADE PAYABLE				
	TOTAL PURCHASE		32,352.63	21,697.16		
	AVERAGE TRADE PAYABLE		319.88	268.82		
8	NET CAPITAL TURNOVER RATIO (Times)	TOTAL SALES	11.81	8.96	31.75	For increase in sales and decrease in average net working capital
		NET WORKING CAPITAL				
	TOTAL SALES		35,011.74	25,405.82		
	AVERAGE NET WORKING CAPITAL		2,964.46	2,834.02		
9	NET PROFIT RATIO (%)	PAT	1.08	2.43	-55.55	For reduction in earnings
		NET SALES				

	NET PROFIT		377.56	616.33		
	NET SALES		35,011.74	25,405.82		
10	RETURN ON CAPITAL EMPLOYED (%)	EBIT	10.41	9.11	14.33	NA
		FIXED ASSETS+CURRENT ASSETS-CURRENT LIABILITIES				
	EBIT		1,670.66	1,210.78		
	CAPITAL EMPLOYED		16,047.77	13,296.83		
11	RETURN ON INVESTMENT	EBIT	N.A.	N.A.	N.A.	N.A.
		AVERAGE INVESTMENTS				
	INCOME GENERATED FROM INVESTMENTS		-	-		
	AVERAGE INVESTMENTS		250.00	250.00		

29.17 Other statutory information

- I. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- II. The Company does not have any transactions with companies struck off.
- III. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- IV. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- V. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- VI. 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.
- VII. 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 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) (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- VIII. The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

29.18 In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

29.19 Previous year figures have been recasted/regrouped/rearranged wherever necessary to make them comparable with that of current year.

As per our report of even date attached

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

For & on behalf of the Board
MEGASTAR FOODS LIMITED

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBO9489
Place: Chandigarh
Dated: 23.05.2025

VIKAS GOEL
Chairman cum Managing
Director
DIN: 05122585

VIKAS GUPTA
Whole-time Director
DIN: 05123386

MANISHA GUPTA
Chief Financial Officer

DEEPALI CHHABRA
Company Secretary
M. No: A61299

NITIN MAHAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS
#5, IIND FLOOR, SECTOR 27A,
CHANDIGARH



Mob. No.: 9815518888
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INDEPENDENT AUDITOR'S REPORT
To the members of Megastar Foods Limited
Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of MEGASTAR FOODS LIMITED ("the Company"), its subsidiary (the Parent Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31 2025, the Consolidated Statement of Profit and Loss, including Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies 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, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("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 the 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, its profit including other comprehensive profit, its cash flows and the changes in equity for the year ended on that date.

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 Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

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 financial 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.

Other Information

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Consolidated Financial Statements

The Parent 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 consolidated 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 IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgements 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 these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The respective 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 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 Directors of the Parent Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of 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 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Parent Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the 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 of which we are the independent auditors and whose financial information we have audited, 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.

We communicate with those charged with governance of the Parent 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 financial 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.

Other matters

The consolidated annual financial results include the audited financial statements of one wholly owned subsidiary i.e. MegaPacific Ventures Private Limited, whose financial statements reflects total asset of Rs. 312.04 lakhs as at 31 March 2025, total revenue of Rs. 1092.02 lakhs, total net profit of Rs. 1.71 lakhs, and cash inflow of Rs. 101.25 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by its independent auditor's. The independent auditor's report on financial statements of this entity have been furnished to us by the management and our statement in so far it relates to the amounts and disclosures included in respect to the subsidiary is based solely on the reports of such auditor.

Report on Other Legal and Regulatory Requirements

- 1 As required by Section 143(3) of the Act, 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 consolidation of the financial statements have been kept so far as it appears from our examination of those books;
 - (c) The company has no branch office and hence the company is not required to conduct audit under section 143(8) of the Act;
 - (d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - (e) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (f) During our audit we did not come across any financial transaction or matters which might have an adverse effect on the functioning of the company.
- (g) On the basis of the written representations received from the directors of the Parent Company and its subsidiary as on March 31, 2025 taken on record by the respective Board of Directors of the Parent Company and its subsidiary, none of the directors of the Group's companies is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (h) We do not have any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
- (i) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Parent Company and its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report.
- (j) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Parent Company and its subsidiary company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- (k) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigations which would impact its financial position;
 - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which required to be transferred by the Group to the Investor Education and Protection Fund.
 - iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 29.17 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the "Ultimate Beneficiaries".
 - (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 29.17 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement;

v. The company has not proposed any dividend under Section 123 of Companies Act, 2013.

vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit & Auditors) Rules, 2014 (Revised 2024 edition) issued by the Institute of Chartered Accountants of India, which included Test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention. Further, our examination of the audit trail was in the context of an audit of financial statements carried out only to the extent required by Rule 11(g). We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor we have carried out any standalone audit of the audit trail.

2

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies(Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanation given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBP7850
Place: Chandigarh
Dated: 23.05.2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Consolidated Financial Statements of the Parent Company and its subsidiary (the Parent Company and its subsidiary together referred to as “the Group”), which are companies incorporated in India, as of March 31, 2025, in conjunction with our audit of the Consolidated Financial Statements of the parent company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the ‘Guidance Note’) issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent Company’s internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 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 internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to 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 controls 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.

Opinion

In our opinion, the Parent Company and its subsidiary companies, which are companies incorporated in India, have maintained in all material respects, 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 control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBP7850
Place: Chandigarh
Dated: 23.05.2025

MEGASTAR FOODS LIMITED				
CIN: L15311CH2011PLC033393				
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2025				
				INR in lakhs
PARTICULARS		Note No.	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
ASSETS				
A NON-CURRENT ASSETS				
i	Property, Plant and Equipment	3	14,961.93	3,985.95
ii	Capital Work-in-Progress	3A	-	6,488.38
ii	Financial Assets			
i	(a) Investments		-	-
	(b) Loans	4	-	150.00
	(c) Others	5	79.59	44.12
iv	Deferred Tax Assets (Net)		-	-
v	Other Non-Current Assets		-	-
			15,041.52	10,668.45
B CURRENT ASSETS				
i	Inventories	6	3,867.22	1,691.09
ii	Financial Assets			
	(a) Investments		-	-
	(b) Trade Receivables	7	4,131.16	2,712.80
	(c) Cash & Cash Equivalents	8	275.02	184.28
	(d) Bank Balance other than (c) above	8	104.99	0.05
	(e) Loans		-	-
	(f) Others	5	-	1.37
ii	Current Tax Assets (Net)	9	63.03	15.38
i				
iv	Other Current Assets	10	132.75	279.57
			8,574.17	4,884.54
C	Assets held-for-sale / Assets included in disposal group(s) held-for-sale		-	-
	TOTAL ASSETS		23,615.69	15,552.99
EQUITY AND LIABILITIES				
D EQUITY				
i	Equity Share capital	11	1,129.37	1,129.37
ii	Other Equity	12	8,237.80	8,083.19
	Equity attributable to Shareholders of the Company		9,367.17	9,212.56
ii	Non-controlling interests		-	-
i				
	Total Equity (D)		9,367.17	9,212.56
E LIABILITIES				
I Non-Current Liabilities				
i	Financial Liabilities			

	(a) Borrowings	13	6,301.28	3,864.93
ii	Provisions	14	85.57	67.00
ii i	Deferred Tax Liabilities (Net)	15	322.27	174.12
iv	Other Non-Current Liabilities	16	32.80	37.94
			6,741.92	4,143.99
II	Current Liabilities			
i	Financial Liabilities			
	(a) Borrowings	13	6,865.68	1,820.44
	(b) Trade payables	17		
	(A) Total outstanding dues of Small Enterprises and Micro enterprises		32.09	24.03
	(B) Total outstanding dues of creditors other than small enterprises and micro enterprises.		366.24	217.38
	(c) Other Financial Liabilities	18	144.27	85.04
ii	Other Current Liabilities	16	79.80	35.56
ii i	Provisions	14	18.52	13.99
iv	Current Tax Liabilities (Net)		-	-
			7,506.60	2,196.44
F	Liabilities classified as held for sale / Liabilities included in disposal group held-for-sale		-	-
	TOTAL EQUITY & LIABILITIES		23,615.69	15,552.99
	Significant Accounting Policies	1-2	The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the financial Statements.	
	Notes on Financial Statements	29		

As per our report of even date attached

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

For & on behalf of the Board
MEGASTAR FOODS LIMITED

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBP7850

VIKAS GOEL
Chairman cum Managing
Director
DIN: 05122585

VIKAS GUPTA
Whole-time Director
DIN: 05123386

Place: Chandigarh
Dated: 23.05.2025

MANISHA GUPTA
Chief Financial Officer

DEEPALI CHHABRA
Company Secretary
M. No: A61299

MEGASTAR FOODS LIMITED				
CIN: L15311CH2011PLC033393				
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE PERIOD 1ST APRIL 2024 TO 31ST MARCH, 2025				
				INR in lakhs
PARTICULARS	Note No.	For the year ended on 31st March 2025	For the year ended on 31st March, 2024	
Income:				
I	Revenue from operations	19	36,100.92	27,493.21
II	Other income	20	23.66	203.97
III.	Total Income		36,124.58	27,697.19
IV.	Expenses:			
	Cost of materials consumed	21	23,798.57	15,428.43
	Purchases of Stock-in Trade	22	7,729.58	8,942.76
	Changes in inventories	23	(262.87)	(12.06)
	Employee Benefits Expense	24	994.83	717.77
	Financial Cost	25	1,167.25	428.91
	Depreciation & Amortization Expense	26	535.66	257.41
	Other Expenses	27	1,635.73	1,112.33
	Total Expenses		35,598.75	26,875.54
V	Profit/(loss) before share of profit/(loss) of an associate / a joint venture and exceptional items (III-IV)		525.83	821.65
VI	Share of profit/(loss) of an associate / a joint venture		-	-
VII	Profit/(loss) before exceptional items and tax (V + VI)		525.83	821.65
VIII	Exceptional Items		-	-
IX	Profit/(loss) before tax(VII+VIII)		525.83	821.65
X	Tax Expense:			
	Current Tax		0.65	179.60
	Deferred Tax Expense/(Income)		145.91	9.80
XI	Profit (Loss) for the period from continuing operations (IX -X)		379.27	632.25
XII	Profit/(loss) from discontinued operations		-	-
XIII	Tax expense of discontinued operations		-	-
XIV	Profit/(loss) from Discontinued operations (after tax) (XII -XIII)		-	-
XV	Profit/(loss) for the period (XI +XIV)		379.27	632.25
XVI	Other comprehensive income/(loss)			-
	<i>(a)Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
	Re-measurement gains/(losses) on defined benefit plans		8.91	(1.07)
	Income tax effect		(2.24)	0.27

	(b) Other comprehensive income that will be reclassified to profit or loss in subsequent periods:			
	items that will be reclassified to profit or loss in subsequent periods:		-	-
	Income tax effect		-	-
	Other comprehensive income/(loss) for the year, net of tax		6.67	(0.80)
XVII	Total Comprehensive Income for the period (XVII+XVIII) / (Comprising Profit (Loss) and Other Comprehensive Income for the period) Attributable to:			
	Owners of the parent		385.94	631.45
	Non-controlling interests		-	-
	Of the Total Comprehensive Income above, Profit for the year attributable to:			
	Owners of the parent		379.27	632.25
	Non-controlling interests		-	-
	Of the Total Comprehensive Income above, Other comprehensive income attributable to:			
	Owners of the parent		6.67	(0.80)
	Non-controlling interests		-	-
XVIII	Earnings per equity share (Nominal Value of Share INR 10 per share)	28		
	(a) Basic earning per share (in absolute figures)		3.36	6.19
	(b) Diluted earning per share (in absolute figures)		3.36	6.19
	Significant Accounting Policies	1-2	The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the financial Statements.	
	Notes on Financial Statements	29		

As per our report of even date attached

For Nitin Mahajan & Associates

Chartered Accountants

FRN - 019837N

CA VISHAL SHARMA

M No. 503245

Partner

UDIN: 25503245BMGYBP7850

Place: Chandigarh

Dated: 23.05.2025

For & on behalf of the Board

MEGASTAR FOODS LIMITED

VIKAS GOEL

Chairman cum Managing Director

DIN: 05122585

MANISHA GUPTA

Chief Financial Officer

VIKAS GUPTA

Whole-time Director

DIN: 05123386

DEEPAI CHHABRA

Company Secretary

M. No: A61299

MEGASTAR FOODS LIMITED				
CIN: L15311CH2011PLC033393				
Consolidated Statement of Cash Flows for the year ended 31st March, 2025				
	Particulars		For the year ended on 31st March 2025	INR in lakhs For the year ended on 31st March, 2024
A	Cash flow from operating activities:			
	Profit/(Loss) before tax		525.83	821.65
	Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation and Amortisation Expense		535.66	257.41
	Interest Income		(11.69)	(11.48)
	(Profit)/loss on sale of assets/written off (net)		-	-
	Finance costs		1,167.26	428.91
	Deemed Income		(5.14)	(6.53)
	Operating profit before working capital adjustments		2,211.92	1,489.96
	Working Capital adjustments:			
	(Increase)/Decrease in Trade and other receivables & prepayments		(1,286.48)	(284.95)
	(Increase)/Decrease in Inventories		(2,176.13)	652.79
	Increase/(Decrease) in Trade and other payables and provisions		292.40	(64.74)
	Cash generated from operations		(958.29)	1,793.07
	Tax (paid)/refund		(32.10)	(170.00)
	Net cash flows from operating activities		(990.39)	1,623.07
B	Cash flow from investing activities:			
	Purchase of Property, Plant and Equipment		(5,023.26)	(5,179.46)
	Proceeds from disposal of PPE		-	-
	Long term Advances & Deposits		114.54	(157.10)
	Interest received		11.69	11.48
	Net cash used in investing activities		(4,897.03)	(5,325.08)
C	Cash flow from financing activities:			
	Proceeds from issue of capital inc security premium		(231.23)	3,972.50
	Government grant received		0.00	42.53
	Receipts (Repayment) of Long Term Borrowings		2,436.35	1,309.18
	Receipts (Repayment) of Short Term Borrowings		5,045.24	(1,406.25)
	Interest paid		(1,167.26)	(428.91)
	Net cash used in financing activities		6,083.10	3,489.05
D	Net change in cash and cash equivalents (A+B+C)		195.68	(212.96)
E-1	Cash and cash equivalents at the beginning of the year		184.33	397.29

E-2	Cash and cash equivalents at the year end	380.01	184.33
Cash and cash equivalent		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
		INR Lakhs	INR Lakhs
(A) Balances with Banks			
-Other Balances		-	-
-On Current Accounts		270.18	180.45
(B) Cash on hand		4.84	3.83
(C) Others - Fixed Deposits <i>(Bank Deposits due to mature after 3 months of original maturity but within 12 months of the reporting date)</i>		104.99	0.05
Total		380.01	184.33

As per our report of even date attached

For Nitin Mahajan & Associates

Chartered Accountants

FRN - 019837N

For & on behalf of the Board

MEGASTAR FOODS LIMITED

CA VISHAL SHARMA

M No. 503245

Partner

UDIN: 25503245BMGYBP7850

VIKAS GOEL

Chairman cum Managing Director

DIN: 05122585

VIKAS GUPTA

Whole-time Director

DIN: 05123386

MANISHA GUPTA

Chief Financial Officer

DEEPAI CHHABRA

Company Secretary

M. No: A61299

Place: Chandigarh

Dated: 23.05.2025



MEGASTAR FOODS LIMITED					
CONSOLIDATED BALANCE SHEET AS AT 31.03.2025					
Consolidated Statement of Change in equity for the year ended March 31, 2025					
INR in lakhs					
A. Equity Share Capital:					
(1) At March 31, 2025					
Equity shares of INR 10 each issued, subscribed and fully paid					
	Balance as at 01/04/2024	Changes in Equity Share Capital Due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31/03/2025
No.	112.94	-	-	-	112.94
INR	1,129.37	-	-	-	1,129.37
(2) At March 31, 2024					
Equity shares of INR 10 each issued, subscribed and fully paid					
	Balance as at 01/04/2023	Changes in Equity Share Capital Due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31/03/2024
No.	100.04	-	-	12.90	112.94
INR	1,000.37	-	-	129.00	1,129.37
b. Other Equity					
(1) At March 31, 2025					
Particulars	Attributable to shareholders of the Company			Non- controlling Interests (NCI)	Total
	Reserves and Surplus				
	Securities Premium	Retained Earning	Other Reserve Sh. Ganesh Ji Maharaj		
Balance at the beginning of the current reporting period	4,378.10	3,705.07	0.02	-	8,083.19
Change in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	4,378.10	3,705.07	0.02	-	8,083.19
Total Comprehensive Income for the current year	-	385.94	-	-	385.94
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Share capital issued at premium during the year	-	-	-	-	-

Any other change (share issue expenses)	(231.23)	(0.09)	-	-	(231.32)
Balance at the end of the current reporting period	4,146.87	4,090.91	0.02	-	8,237.80
(2) At March 31, 2024					
Balance at the beginning of the current reporting period	534.60	3,073.62	0.02	-	3,608.23
Change in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	534.60	3,073.62	0.02	-	3,608.23
Total Comprehensive Income for the current year	-	631.45	-	-	631.45
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Share capital issued at premium during the year	4,076.40	-	-	-	4,076.40
Any other change (share issue expenses)	(232.90)	-	-	-	(232.90)
Balance at the end of the previous reporting period	4,378.10	3,705.07	0.02	-	8,083.19

As per our report of even date attached

For Nitin Mahajan & Associates
Chartered Accountants
FRN - 019837N

CA VISHAL SHARMA
M No. 503245
Partner
UDIN: 25503245BMGYBP7850

Place: Chandigarh
Dated: 23.05.2025

For & on behalf of the Board
MEGASTAR FOODS LIMITED

VIKAS GOEL
Chairman cum Managing Director
DIN: 05122585

MANISHA GUPTA
Chief Financial Officer

VIKAS GUPTA
Whole-time Director
DIN: 05123386

DEEPALI CHHABRA
Company Secretary
M. No: A61299

MEGASTAR FOODS LIMITED

CIN: L15311CH2011PLC033393

Notes Forming Part of Consolidated Financial Statements for the year ended March 31, 2025

1 Corporate Information

Megastar Foods Limited (the Company) is a public limited company and is incorporated under the provisions of the Companies Act, 1956. The Company's shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The registered office of the company is located at Plot No. 807, Industrial Area, Phase II, Chandigarh and plant at Village Solkhian, District Rupnagar, Punjab. The company has a wholly owned subsidiary (100%) namely Megapacific Ventures Pvt. Ltd.

The Company is primarily engaged in the manufacturing of food-based products such as wheat flour and allied flour products like refined flour (maida), Semolina (suji), Bran etc.

The financial statements were authorized for issue in accordance with a resolution by the Board of Directors of the Company on 23.05.2025

2 Significant Accounting Policies

2.1 Basis of Principles of Consolidation

- (i) The consolidated financial statements of Megastar Foods Limited and its subsidiary (hereinafter referred to as "the Group") have been prepared in accordance with the applicable accounting standard relating to preparation of consolidated financial statements.
- (ii) The consolidated financial statements comprise the audited financial statements of following entities:
 - Megastar Foods Limited, a company incorporated in India ("holding company")
 - Megapacific Ventures Private Limited, a wholly owned subsidiary company, incorporated in India
- (iii) The financial statements of the holding company and its subsidiary are consolidated on a line by line basis adding together the book values of like items of assets, liabilities, incomes and expenses. The effects of inter-company transactions are eliminated in consolidation.
- (iv) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of profit and loss, being the profit or loss on disposal of investment in subsidiary.
- (v) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

2.2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- a. Plan assets under defined benefit plans
- b. Certain financial assets and liabilities.

The financial information are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except where otherwise indicated.

(ii) Use of estimates and judgments

The preparation of the Company's 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 results in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. 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 beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

b. Defined benefit plans

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates.

c. Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Useful lives of PPE:

The Company reviews the useful life of PPE at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3

Summary of Significant Accounting Policies:

2.3.1

Property, Plant & Equipment (PPE):

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprise of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of GST credit availed wherever applicable. Cost includes borrowing cost for long term construction projects if recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

In respect of others assets, depreciation is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Sr. No.	Nature of asset	Useful Life (years)
1	Building & Solar Plant	30 years
2	Plant & Machinery (including lab equipments)	10-15 years
3	Furniture & Fixtures & Electrical Installations	10 years
4	Vehicles	8-10 years
5	Office equipments	5 years
6	Computer & Software	3 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

2.3.2 **Current versus Non Current Classification**

The Company presents 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 realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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.

The Company classifies all other liabilities as non-current.

Deferred tax assets and Liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3.3 **Inventories:**

Inventories (other than by-products) are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials/ Stores & Spares: cost includes cost of purchase and other costs incurred in bringing the inventories/ qualifying inventory to their present location and conditions required to manufacture the desired end product. Cost is determined on first in, first out basis.

Finished goods: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

By-products i.e. Refraction are valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.3.4

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 period in which the employees render the related service are recognized in respect of employee's service up to the end of reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

(b) Other Long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured based on the actuarial valuation using projected unit credit method at the year end. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the term of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

(c) Post-employment obligations:

The Company operates the following post-employment schemes:

- (1) defined benefit plans such as gratuity; and
- (2) defined contribution plans such as provident fund and ESI.

Gratuity Obligations:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The amount of the actuarial valuation of the gratuity of employees at the year-end is provided for as liability in the books.

Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss

i. Service cost comprising current service cost, past service cost, gain & loss on curtailments and non-routine settlements.

ii. Net interest expenses or income

2.3.5

Taxes:

Current Income Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 (as amended) and Income Computation and Disclosure Standards (ICDS) enacted in India by using the tax rates and tax laws that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction relating to OCI & Equity either in OCI (Other Comprehensive Income) 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.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction related to OCI & Equity either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax including Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Goods & Service Tax (GST) on acquisition of assets or on incurring expenses:

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
 - When receivables and payables are stated with the amount of tax included
- The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or other current liabilities in the balance sheet.

2.3.6

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:

The Company classified its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)

- Those measured at amortized cost

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a** Business model test : The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), and
- b** Cash flow characteristics test : Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Company estimates the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI (Fair value through Other Comprehensive Income), is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

Impairment of financial assets:

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in statement of profit and loss.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss of its 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. The ECL loss allowance (or reversal) during the year is recognised in the statement of profit and loss.

Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

(b) Financial Liabilities:

Initial recognition and measurement:

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company's financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits and other payables.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Trade Payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 0-180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

Financial Liabilities at fair value through profit & 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. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognised in OCI. These gains/ losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans & Borrowings:

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization 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 amortization is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.3.7 Cash & Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks; cash in hand, other short term deposits with original maturities of three months or less which are subject to an insignificant risk of changes in value.

2.3.8 Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the best estimate.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.3.9 Revenue Recognition:

The Company earns revenue primarily from sales of wheat products.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts.

Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue (“contract liability”) is recognised when there is a billing in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Interest income:

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Use of significant judgments in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

2.2.10

Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangement entered into prior to April 1, 2020, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

The Company, as a lessee, recognises a right-of-use of asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Company as a Lessor

Lease income from operating lease where the Company is a lessor is recognized in income or a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

2.3.11

Fair Value Measurement

The Company 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:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (a) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (b) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (c) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments measured at fair value.

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Company's external valuers which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

The management in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.2.12

Borrowing Costs:

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition of qualifying assets, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rate applicable to relevant general borrowing of the Company during the year. Capitalisation of borrowing cost is suspended and charged to profit and loss during the extended periods when the active development on the qualifying project is interrupted. 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 arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the borrowing costs. The qualifying assets also includes inventories where other cost are included, for conditions required to manufacture the desired end product.

2.3.13

Impairment of Non Financial Assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company basis its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

After impairment depreciation is provided on the revised carrying amount of the asset over its remaining economic life.

An assessment is made in respect of assets at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.3.14 Foreign Currency Transactions:

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit and loss.

2.2.15 Government Grants:

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. However if any export obligation is attached to the grant related to an asset, it is recognized as income on the basis of accomplishment of the export obligation.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

2.3.16 Intangible Assets:

- (a) Purchased Intangible assets are measured at cost as at the date of acquisition, less accumulated amortization and impairment losses if any. For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/system integration services and any directly attributable expenses, wherever applicable for bringing the asset to its working condition for the intended use.
- (b) Amortization methods, estimated useful lives and residual value Intangible assets are amortized on a straight-line basis (without keeping any residual value) over its estimated useful lives of five years from the date they are available for use. The estimated useful lives, residual values and amortization method are reviewed at the end of each financial year and are given effect to, wherever appropriate.
- (c) The cost and related accumulated amortization are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

2.3.17 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell. This condition is regarded as met only when the sale is probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately from other assets in the balance sheet. The non current assets after being classified as held for sale are not depreciated or amortized.

2.3.18

Earnings per share

Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of company (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of 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 period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

MEGASTAR FOODS LIMITED										
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Note 3: Property, Plant and equipment (PPE)								INR in lakhs		
Particulars	Freehold Land	Building	Plant & Machinery	Vehicles	Furniture & Fixtures & Electrical Installations	Computers & Software	Office equipments	Total	Advances for Capital goods	Capital Work-on-progress
Year ended 31 March 2024										
Deemed cost as at 1 April 2023	902.13	1,614.72	1,731.93	682.51	45.28	45.57	26.80	5,048.94	-	1,567.25
Additions	-	32.77	171.69	24.13	10.53	6.83	12.38	258.33	-	5,019.95
Disposals	-	-	-	-	-	-	-	-	-	98.82
Total cost as on 31 March 2024	902.13	1,647.48	1,903.62	706.64	55.81	52.40	39.19	5,307.27	-	6,488.38
Depreciation										
As at April 1, 2023	-	83.17	540.83	370.70	24.74	32.94	11.56	1,063.92	-	-
Depreciation charged during the year	-	59.46	110.69	71.57	4.28	6.51	4.89	257.41	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31	-	142.63	651.52	442.27	29.02	39.44	16.45	1,321.33	-	-

March 2024										
WDV as at March 31, 2024	902.13	1,504.85	1,252.10	264.37	26.79	12.96	22.74	3,985.95	-	6,488.38
Year ended 31 March 2025										
Cost as at 1 April 2024	902.13	1,647.48	1,903.62	706.64	55.81	52.40	39.19	5,307.27	-	6,488.38
Additions	-	3,783.18	7,231.54	251.53	110.43	12.74	60.12	11,449.53	62.11	4,528.27
Disposals	-	-	-	-	-	-	-	-	-	11,016.65
Total cost as on 31 March 2025	902.13	5,430.66	9,135.16	958.17	166.24	65.14	99.30	16,756.80	62.11	-
Depreciation										
As at April 1, 2024	-	142.63	651.52	442.27	29.02	39.44	16.45	1,321.33	-	-
Depreciation charged during the year	-	107.73	314.42	84.21	9.12	7.68	12.51	535.66	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2025	-	250.36	965.94	526.48	38.14	47.12	28.95	1,856.99	-	-
WDV as at March 31, 2025	902.13	5,180.30	8,169.22	431.68	128.10	18.02	70.35	14,899.81	62.11	-
Net Book Value										
At March 31, 2025	902.13	5,180.30	8,169.22	431.68	128.10	18.02	70.35	14,899.81	62.11	-
At March 31, 2024	902.13	1,504.85	1,252.10	264.37	26.79	12.96	22.74	3,985.95	-	6,488.38

Borrowing cost are capitalized on PPE & on Asset under construction (CWIP). Financial Year March 31, 2025 - Rs 272.84 Lakhs
March 31, 2024 - Rs. 272.91 lakhs ,

The CWIP includes advances paid for purchase of capital goods from suppliers. Also, Construction is on time and cost incurred is within the budgeted limits.

Charge on PPE - Land & Building are subject to first charge to secure bank loans pari passu. Respective vehicles are also subject to charge to secure the loans availed to acquire the same.

Note 3A: Non current assets: Capital in Progress		
Particulars	As at 31.03.2025	As at 31.03.2024
Balance as at the beginning of the year	6,488.38	1,567.25
Add: Addition during the year	4,528.27	4,921.13

Less: Capitalisation/ disposal during the year	11,016.65	-
Balance as at the end of the year	-	6,488.38

Capital Work In Progress (Including Ageing Schedule)					
CWIP as on 31.03.2025	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2024
Project in Progress	4,528.27	6,488.38	-	-	11,016.65
Project Temporarily Suspended	-	-	-	-	-
Total	4,528.27	6,488.38	-	-	11,016.65

CWIP as on 31.03.2024	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2023
Project in Progress	4,921.13	1,567.25	-	-	6,488.38
Project Temporarily Suspended	-	-	-	-	-
Total	4,921.13	1,567.25	-	-	6,488.38

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Notes forming part of the Consolidated Financial Statements

INR in lakhs		
4. Loans	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
(Unsecured, considered good)		
Other Advances		
- N K Commodities [Refer note below]	-	150.00
Total	-	150.00
Current	-	-
Non-Current	-	150.00

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	
Promoter, Directors, KMPs	-	-
Related Parties	-	-

Note:- The loan of Rs. 150.00 lakhs was provided to NK Commodities to be used regular business operations and utilised for principal business activities @12% rate of interest for 1 year.

5. Other Financial Assets	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
(Unsecured, considered good, unless otherwise stated)		
(a) Security Deposits	79.59	44.12
(b) Bank deposits with more than 12 months maturity	-	-
(c) Tax Recoverable of earlier years	-	1.37
(d) Others : (TDS/TCS Recoverable from parties)	-	-
Total	79.59	45.50
Current	-	1.37
Non-Current	79.59	44.12

6. Inventories	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
(a) Raw Materials (at Cost)	3,172.25	1,343.92
(b) Finished Goods (at lower of cost and net realisable value)	370.34	158.25
(c) Stores and spares (at Cost)	36.95	4.76
(d) Packing Material (At Cost)	201.58	148.84
(e) Stock-in-Transit (at lower of cost and net realisable value)	86.11	35.32
Total	3,867.22	1,691.09

7. Trade Receivables	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
(Unsecured, considered good)		
Trade receivables	4,131.16	2,712.80
Total	4,131.16	2,712.80

Particulars	Outstanding for following periods from date of invoice					FY 24-25
	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,056.03	3.56	4.92	19.79	46.86	4,131.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-

(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	4,056.03	3.56	4.92	19.79	46.86	4,131.16
Particulars	Outstanding for following periods from date of invoice					FY 23-24
	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2,627.60	16.43	21.11	30.89	16.76	2,712.80
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	2,627.60	16.43	21.11	30.89	16.76	2,712.80

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

8. Cash and cash equivalent	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
(A) Balances with Banks		
<i>(I) Bank balances held as margin money or as security against:</i>		
(i) Guarantees	-	-
(ii) Letters of Credit	-	-
(iii) Other commitments	-	-
(II) On Current Accounts	270.18	180.45
(B) Cash & Imprest on hand	4.84	3.83
(C) Others - Fixed Deposits <i>(Bank Deposits due to mature after 3 months of original maturity but within 12 months of the reporting date)</i>	104.99	0.05
Total	380.01	184.33
Cash & Cash Equivalents	275.02	184.28
Bank Balance other than above	104.99	0.05

9. Current Tax Assets (Net)	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Advance Tax	32.00	170.00
Tax deducted/collected at source	31.68	24.98
Less: Provision for current tax	(0.65)	(179.60)
Total	63.03	15.38

10. Other Assets	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
(Unsecured, considered good)		
(a) Staff Advances	18.08	4.56
(b) Advances for raw material & expenses	71.69	238.80
(c) Interest and other Receivable	-	-
(d) Balance with revenue authorities	0.48	0.48
(e) Prepaid Expenses	42.50	35.74
Total	132.76	279.57
Current	132.76	279.57
Non-Current	-	-

11. Share Capital		
Authorised Share Capital		
Equity Share Capital	No. in lakhs	INR in lakhs
At April 1, 2023	150.00	1,500.00
Increase/(decrease) during the year	-	-
At March 31, 2024	150.00	1,500.00
Increase/(decrease) during the year	-	-
At March 31, 2025	150.00	1,500.00
Terms/ rights attached to equity shares		
The Equity Shares of the Company, having par value of Rs. 10.00 per share, rank pari passu in all respects including voting rights and entitlement of dividend. 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.		
Issued & Subscribed Share Capital		
Equity Shares	No. in Lakhs	INR Lakhs
At April 1, 2023	100.04	1,000.37
Issued during the year	12.90	129.00
At March 31, 2024	112.94	1,129.37
Issued during the year	-	-
At March 31, 2025	112.94	1,129.37

(A) Reconciliation of the number of shares outstanding:					
Equity Shares of INR 10 each		At March 31, 2025		At March 31, 2024	
		No. in lakhs	INR in lakhs	No. in lakhs	INR in lakhs
Opening balance		112.94	1,129.37	100.04	1,000.37
Add: Issue of shares during the year (refer note below)		-	-	12.90	129.00
Closing balance		112.94	1,129.37	112.94	1,129.37

(B) Details of shareholders holding more than 5% shares in the Company					
Equity Shares of INR 10 each		At March 31, 2025		At March 31, 2024	
		No. in lakhs	% holding in the class	No. in lakhs	% holding in the class
Name of the shareholder					
1. Vikas Goel		25.93	22.96%	25.93	22.96%
2. Vikas Gupta		22.20	19.66%	22.20	19.66%
3. Pankaj Goyal		11.21	9.93%	11.21	9.93%
4. Beeline consultancy services private limited		7.50	6.64%	-	0.00%

(C) Details of shareholding of promoters			
Name of the promoter shareholder	AS AT 31ST MARCH, 2025		
	No. of shares	% holding in the class	% Changes during the year
1. Vikas Goel	25.93	22.96%	0.00%
2. Vikas Gupta	22.20	19.66%	0.00%
3. Pankaj Goel	11.21	9.93%	0.00%
3. Satpal Gupta	3.03	2.68%	0.00%
4. Shivani Gupta	2.62	2.32%	0.00%
6. Indira Rani	2.42	2.14%	0.00%
7. Mudit Goyal	2.02	1.78%	0.00%
Name of the promoter shareholder	AS AT 31ST MARCH, 2024		
	No. of shares	% holding in the class	% Changes during the year
1. Vikas Goel	25.93	22.96%	-2.36%
2. Vikas Gupta	22.20	19.66%	-2.13%
3. Pankaj Goel	11.21	9.93%	-1.28%

3. Satpal Gupta	3.03	2.68%	-0.35%
4. Shivani Gupta	2.62	2.32%	-0.30%
6. Indira Rani	2.42	2.14%	-0.28%
7. Mudit Goyal	2.02	1.78%	-0.23%

12. Other Equity	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
a. Securities Premium	4,146.87	4,378.10
b. Other Reserve Sh. Ganesh Ji Maharaj	0.02	0.02
c. Retained Earnings	4,090.91	3,705.07
	8,237.80	8,083.19
Reserves and Surplus	4,090.91	3,705.07
Other Reserve	4,146.89	4,378.12

a. Securities Premium	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Opening Balance	4,378.10	534.60
Additions during the year (12,90,000 shares issued @ INR 326 (face value INR 10))	-	4,076.40
Less: expenses on issue	231.23	232.90
Closing Balance	4,146.87	4,378.10

b. Other Reserve Sh. Ganesh Ji Maharaj	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Opening Balance	0.02	0.02
Appropriations during the year	-	-
Less: written back during the year		
Closing Balance	0.02	0.02

c. Retained Earnings		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Opening balance		3,705.07	3,073.62
Net profit for the period		379.27	632.25
Appropriation from :		-	-
Other Adjustment - Income Tax Adjustment of previous year		(0.09)	-
Items of OCI recognised directly in retained earnings		-	-

Re-measurement gains/(losses) on defined benefits plan (net of tax)		6.67	(0.80)
Closing balance		4,090.91	3,705.07

13. Borrowings	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
13 (i) Non-Current Borrowings		
Term Loan From Banks/NBFC & Financial Institution		
Secured [Refer Note 1 & 2 below]		
(i) Term loans from Banks	6,521.14	4,965.27
(ii) Vehicle loans From Banks	253.09	70.61
(iii) Vehicle loans From NBFC/Others	-	-
Total Secured Term Loans	6,774.23	5,035.88
Less: Current maturities of Secured Loans	1,472.94	1,170.95
Long Term maturities of Term Loan (A)	5,301.28	3,864.93
Unsecured loans [Refer Note 2 below]		
- From Directors	1,000.00	-
Total Unsecured loans	1,000.00	-
Less: Current maturities of Unsecured Loan	-	-
Long Term maturities of Term Loan (A)	1,000.00	-
Total borrowings (A+B)	6,301.28	3,864.93

1. (a) Terms of Repayments and Rate of interest of all loans:

Name of Lender	Rate of Interest	Periodicity	Outstanding Amount (INR Lakhs)	No. of Instalments Outstanding	EMI/Instalments
HDFC GECL Loan -1	9.25%	Nov 2020 to Oct 2024	-	-	-
HDFC GECL Loan -2	9.25%	May 2022 to May 2027	574.66	26	24.44
HDFC Term Loan-1 (87316682)	7.79%	Feb 2023 to Mar 2029	801.65	48	19.77
HDFC Term Loan-2 (87317179)	7.79%	Feb 2023 to Aug 2028	707.36	41	19.94
HDFC Term Loan-3 (89365812)	8.04%	Feb 2024 to Nov 2031	1,472.83	80	23.90
HDFC Term Loan-4 (801260715)	9.00%	Apr 2025 to Mar 2033	1,300.00	96	19.05
HDFC Truck Loan 1 (84844118)	8.11%	Nov 2020 to Oct 2025	4.43	7	0.65
HDFC Truck Loan 2 (86312240)	6.75%	Mar 2022 to Feb 2026	9.38	11	0.88
HDFC Truck Loan 3 (88320700)	8.55%	Aug 2023 to Jul 2027	13.13	28	0.52
HDFC Truck Loan 4 (800376305)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96

HDFC Truck Loan 5 (800376385)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96
HDFC Truck Loan 6 (800376353)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96
HDFC Truck Loan 7 (800376340)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96
HDFC Truck Loan 8 (800376435)	9.01%	Sept 2024 to Aug 2029	42.01	53	0.96
UBI Car Loan	9.90%	Jul 2020 to Sept 2027	16.08	30	0.61
Citi Bank Loan-1 (221170001)	8.22%	Apr 2022 to Apr 2027	70.42	25	2.82
Citi Bank Loan-2 (222370001)	8.01%	Aug 2022 to Aug 2027	119.35	29	4.12
Citi Bank Loan-3 (222730001)	8.84%	Oct 2022 to Sept 2027	67.50	30	2.25
Citi Bank Loan-4 (223330001)	8.83%	Dec 2022 to Nov 2027	35.20	32	1.10
Citi Bank Loan-5 (230310001)	8.34%	Feb 2023 to Jan 2028	85.00	34	2.50
Citi Bank Loan-6 (232920001)	8.41%	Nov 2023 to Oct 2028	226.47	43	5.27
Citi Bank Loan-7 (233600001)	8.56%	Jan 2024 to Dec 2028	648.30	45	14.41
Citi Bank Loan-8 (240790001)	8.46%	Apr 2024 to Mar 2029	412.40	48	8.59

2. (a) The first term loan from HDFC Bank Ltd. of Rs. 989.56 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal guarantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 63 months having an EMI of Rs. 19.77 lakhs beginning 07.02.2024 & carrying ROI of 8.04%

(b) The second term loan from HDFC Bank Ltd. of Rs. 1000 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal guarantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 64 months with starting EMI of Rs. 15.12 lakhs till 07.08.2023, EMI of Rs. 18.14 lakhs till 07.10.2023 and current EMI of Rs. 19.94 lakhs w.e.f. 07.11.2023 & carrying ROI of 8.04%

(c) The third term loan from HDFC Bank Ltd. of Rs. 1500 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal guarantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 96 months having an EMI of Rs. 23.90 lakhs w.e.f. 07.02.2025 & carrying ROI of 8.29%

(c) The fourth term loan from HDFC Bank Ltd. of Rs. 1300 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal guarantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 96 months having an EMI of Rs. 19.05 lakhs w.e.f. 07.04.2025 & carrying ROI of 9.00%

(d) The first GECL loan from HDFC Bank Ltd. of Rs. 539 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal guarantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 48 months having an EMI of Rs. 16.95 lakhs w.e.f. 07.11.2021 & carrying ROI of 9.25%. The loan has been repaid fully on 07.10.2024

(e) The second GECL loan from HDFC Bank Ltd. of Rs. 785.00 lakhs was taken against Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta (equitable mortgage) along with personal guarantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. The loan was for the tenure of 60 months having an EMI of Rs. 24.44 lakhs w.e.f. 07.05.2024 & carrying ROI of 9.00%

(f) The term loans from Citi Bank were taken against a security at first paripassu charge on Industrial property used for commercial activity & Industrial estates with industrial activity & residential property of Vikas Gupta along with personal guarantee of Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. ROI ,terms of loan and repayment are stated above.

(g) Commercial Vehicle loans from banks are secured by hypothecation of vehicles financed and terms of loan and repayments are stated above.

(h) Car loan from UBI bank is secured by hypothecation of car financed along with personal guarantee of Mr. Vikas Goel. Terms of loan and repayments are stated above.

(i) Unsecured Loan from directors are received by the company for the period of 2 years at interest of 9%.

Detail of default					
(a) Period of default				-	-
(b) Amount of default				-	-
13 (ii) Current borrowings				AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
(A) Loans repayable on demand from Banks					
Secured					
HDFC Bank CC Limit [Refer Note 3(i) below]				2,346.76	649.49
Citi Bank CC Limit [Refer Note 3(ii) below]				3,045.98	-
				-	-
				5,392.74	649.49
(B) Current maturities of Term Loans					
Current maturities of term loans from Banks				1,407.18	1,143.85
Current maturities of vehicle loans from Banks				65.76	27.09
Current maturities of vehicle loans from NBFCs/Others				-	-
				1,472.94	1,170.95
(C) Short term loans					
Unsecured loans- Loans from directors				-	
Total Current borrowings				6,865.68	1,820.44

3(i) Working Capital facilities including WCDL loans from HDFC Bank Ltd. are secured by Hypothecation of Stock, debtors, fixed deposits of company and extension of charges on block fixed assets on pari passu charges basis. These loans are further secured by collateral security of Industrial property & Residential bunglow along with personal guarantee of the Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. Interest rate is 3 months T-bill+2.40% and present 3 months T-bill rate is 6.50%.

3(ii) Working Capital facilities including WCDL loans from Citi Bank are secured by Hypothecation of Stock, debtors of company on first pari pasu basis and extension of charges on block fixed assets on pari passu basis . These loans are further secured by collateral security of Industrial property & Residential bunglow along with personal guarantee of the Vikas Goel, Vikas Gupta, Mudit goel, Pankaj Goyal, Amit Goel, Madan lal, Satpal Gupta. Interest rate is 3 months T-bill+2.40% and present 3 months T-bill rate is 6.50%.

14. Provisions		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Provision for employee benefit		104.09	80.99
Total		104.09	80.99
Current		18.52	13.99

Non-Current		85.57	67.00
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15. Deferred Tax Assets/Liabilities (Net)				AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Deferred Tax (Asset)/Liability				322.27	174.12
Total				322.27	174.12
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2024:				AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Accounting profit before income tax				525.83	821.65
Tax Liability					
Tax Rate				25.168%	25.168%
At India's statutory income tax rate				132.34	206.79
Adjustments in respect of current income tax of previous years				-	-
Adjustments in respect of Statutory Dues (Net)				-	-
Depreciation (Net)				(173.02)	(35.12)
Non-deductible expenses for tax purposes:				-	-
Employee Benefits (Net)				9.78	3.75
Other Non Deductible Expenses (Net)				9.99	4.17
Current year unabsorbed tax losses/(Unabsorbed Business Loss Adjusted)				21.57	-
Income tax expenses charged to the statement of Profit & Loss A/c				0.65	179.60
Reconciliation of deferred tax (asset)/liabilities (net):				AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Opening balance as of 1 April				174.12	164.59
Tax (income)/expense during the period recognised in profit or loss				145.91	9.80
Tax (income)/expense during the period recognised in OCI				2.24	(0.27)
Closing balance as at 31 March-Deferred tax (asset)/liability				322.27	174.12
Deferred tax relates to the following:		Balance Sheet		Profit & Loss	
		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024	AS AT 31ST MARCH, 2024	AS AT 31ST MARCH, 2023
Depreciation for tax purposes		(367.79)	(193.97)	173.82	34.34
MAT credit utilisation		-	-	-	-
Tax during the period recognised in OCI		(2.24)	0.27	2.51	(3.59)
Asset held for sale		(0.01)	(0.02)	(0.01)	0.00

Unabsorbed business loss		-	-	-	(1.61)
Deferred Tax Expense/(Income)				176.32	29.13
Net Deferred Tax Assets/(Liabilities)		(370.04)	(193.72)		

16. Other Liabilities		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Govt. Grant received		37.94	43.08
Interest accrued but not due		74.57	30.35
Advances from customers		0.08	0.06
Total		112.59	73.50
Current		79.80	35.56
Non-Current		32.79	37.94

17. Trade Payables		AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Trade Payables - Micro & Small Enterprises		32.09	24.03
Trade Payables - Others		366.24	217.38
Trade Payables - Micro & Small enterprises (Disputed)		-	-
Trade Payables - Others (Disputed)		-	-
	Total	398.34	241.41

Trade payable ageing schedule:

Particulars	Outstanding for following periods from date of invoice				FY 23-24
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	32.09	-	-	-	32.09
(ii) Others	366.24	-	-	-	366.24
(iii) Disputed Dues -MSME	-	-	-	-	-
(iii) Disputed Dues -Others	-	-	-	-	-
Total	398.34	-	-	-	398.34
Particulars	Outstanding for following periods from date of invoice				FY 22-23
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	24.03	-	-	-	24.03
(ii) Others	217.38	-	-	-	217.38
(iii) Disputed Dues -MSME	-	-	-	-	-

(iii) Disputed Dues -Others	-	-	-	-	-
Total	241.41	-	-	-	241.41

18. Other Current financial liabilities	AS AT 31ST MARCH, 2025	AS AT 31ST MARCH, 2024
Statutory dues	38.41	25.96
Other payables	105.86	59.08
Total	144.27	85.04
Current	144.27	85.04
Non-Current	-	-

19. Revenue from Operations	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
(a) Sale of products		
- Domestic Sales	36,100.38	27,472.83
- Export Sales	-	16.76
Total	36,100.38	27,489.59
(b) Sale of services	-	-
(c) Other operating revenues:	0.53	3.62
Total	36,100.92	27,493.21
20. Other Income	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
<i>Other non-operating income</i>		
(a) Interest Income:	11.69	11.48
(b) Other non-operating income	11.96	192.50
Total	23.66	203.97

21. Cost of Material Consumed	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Inventory at the beginning of the year		
- Raw Material	1,343.92	2,051.15
- Packing Material	148.84	107.16
Add: Purchases	-	-
- Raw Material	25,165.85	14,359.67
- Packing Material	513.79	403.20
	27,172.39	16,921.18
Less: Inventory at the end of the year		
- Raw Material	3,172.25	1,343.92
- Packing Material	201.58	148.84
Total Cost of Material Consumed	23,798.57	15,428.43

22. Purchase of Finished Goods/ Stock in trade	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Purchases of Finished Goods	7,729.58	8,942.76
Total	7,729.58	8,942.76

23. Change in inventories of finished goods	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Inventory at the beginning of the year	158.25	66.40
Opening Stock in transit	35.32	115.11
Less: Inventory at the end of the year	370.34	158.25
Closing Stock in Transit	86.11	35.32
(Increase)/Decrease in inventories of finished goods	(262.87)	(12.06)

24. Employee Benefits Expense	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Salaries, wages and bonus	866.43	635.50
Contribution to provident and other funds	62.97	31.26
Gratuity	15.53	12.46
Staff welfare expense	49.90	38.55
Total	994.83	717.77

25. Finance Costs	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
(a) Interest:		
<i>Interest on Term & Vehicle Loans</i>	250.64	75.73
<i>Interest on Working Capital Loans</i>	839.27	318.39
(b) Other borrowing cost	-	-
<i>Bank charges</i>	77.34	34.79
Total	1,167.25	428.91

26. Depreciation and amortisation expense	For the year ended on 31st March 2025	For the year ended on 31st March, 2024

Depreciation and amortisation of property, plant and equipment [Refer Note No. 3]	535.66	257.41
	535.66	257.41

27. Other Expenses	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Consumption of stores & spares	23.46	52.98
Power and Fuel	512.26	245.76
Rent	117.12	26.65
Rates and taxes	39.48	8.40
Insurance	44.04	44.58
Repair & Maintenance	-	-
- Plant & Machinery	77.54	97.66
- Building	15.61	20.66
- Others	15.97	12.47
Vehicle running & maintenance	356.48	271.15
Donations	4.29	4.30
Advertisement & sales promotion	9.56	16.96
Other selling expenses	82.37	66.15
Other expenses (farming)	6.72	-
Travelling & Conveyance	67.63	81.32
Legal and professional Charges	56.07	50.77
Directors' sitting fees	0.74	0.95
Payment to auditors	10.50	9.49
Internal Audit fee	2.28	2.66
CSR Expenses	18.90	17.50
Bad debts written off	-	-
Miscellaneous expenses	173.63	81.91
Short & excess	1.07	0.00
	1,635.73	1,112.33

Payment to Auditors	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
(a) Auditor:		
- Audit fee, Tax Audit fee and Limited Review	10.23	8.26
- Certification fees	0.27	1.23
(b) For taxation matters	-	-
(c) For company law matters	-	-

(d) For other services	-	-
	10.50	9.49

28. Earnings per Equity Share	For the year ended on 31st March 2025	For the year ended on 31st March, 2024
Net attributable profit to Equity Shareholders	379.27	632.25
	-	-
Shares outstanding at the start of year	112.94	100.04
Shares issued during the year	-	12.90
Share holding period for new shares (in months) (Issued on 31-01-2024)	-	2.00
Weighted Average Number of Equity Shares	112.94	102.19
Basic and Diluted Earnings Per Share	3.36	6.19
Face Value per Share	10.00	10.00

29. Notes to the Financial Statements for the year ended March 31, 2025:

29.1 Contingent Liabilities, Commitments and Contingencies (to the extent not provided for)

	(INR in lakhs)	
Particulars	31-03-2025	31-03-2024
(A) Contingent liabilities:		
(a) Claims against the Company not acknowledged as debt	997.04	1,336.88
Bank Guarantees	NIL	NIL
(B) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	1,539.82
Advance paid against above	62.11	1,110.82

29.2 Related Party Transactions:

Name of the related parties and description of relationship: -

Particulars	Name
Key Managerial Personnel (KMPs)	Mr. Vikas Goel, Chairman and Managing Director
	Mr. Vikas Gupta, Whole Time Director
	Mr. Mudit Goyal, Whole Time Director
	Ms. Manisha Gupta, Chief Financial Officer
	Ms. Deepali Chhabra, Company Secretary
Independent Directors	Mr. Prabhat Kumar, Ms. Savita Bansal, Mr. Rajiv Kathuria
Subsidiary	M/s Megapacific Ventures Pvt. Ltd. (Wholly owned subsidiary)

Close member of KMPs	Mr. Satpal Gupta, Mr. Madan Lal Aggarwal, Mrs. Indira Rani, Ms. Shivani Gupta, Mrs. Savita Goyal, Mr. Pankaj Goel, Mr. Amit Goel, Mrs. Snehal Goel, Mrs. Anuradha Aggarwal		
Related Entities	Ganesh Flour Mills, Kulwant Rai Ram Kishan, Madan Lal Aggarwal (HUF), Shree Ganesh Grain Products, Ganesh Agro Mills, Tahliwal, Una; Vapco Packaging Industries Private Limited, Vapco Industries, Vapco Industries Punjab, Ram Kishan Rice & General Mills, Roller Flour Mills Federation of India, Baisakhi Mal Ram Kishan, Megagreen Foods LLP		
Name	Nature of Transaction	Amount (INR in lakhs)	
		31-03-2025	31-03-2024
Vikas Goel	Salary Paid (including perks)	93.40	81.40
	Salary Balance Due	4.95	3.95
	Loan received	500.00	-
	Loan repaid	-	-
	Loan Balance due	500.00	-
Vikas Gupta	Salary Paid (including perks)	93.40	81.40
	Balance Due	5.25	0.80
	Loan received	500.00	-
	Loan repaid	-	-
	Loan Balance due	500.00	-
Mudit Goel	Salary Paid (including perks)	78.40	57.40
	Balance Due	9.80	3.25
Rajiv Kathuria	Sitting Fees Paid	0.21	0.28
Prabhat Kumar	Sitting Fees Paid	0.28	0.28
Savita Bansal	Sitting Fees Paid	0.14	0.28
Manisha Gupta	Salary Paid	14.31	20.61
Deepali Chhabra	Salary Paid	6.85	1.86
Dhiraj Kheriwal	Salary Paid	-	2.14
Sapna	Salary Paid	-	1.79
Savita Goyal	Salary Paid		12.00
	Balance Due		0.83
Shivani Gupta	Salary Paid		12.00
	Balance Due		0.43
Roller Flour mill Federation of India	Membership fees	3.02	0.11
Satpal Gupta	Salary Paid	9.00	9.00
	Balance Due	0.70	0.70
Ganesh Flour Mills	Purchases	2,858.45	2,131.80
	Sales	-	-
	Balance Due	-	-

Kulwant Rai Ram Kishan	Rent Paid	0.60	0.60
	Balance Due	-	-
Vapco Industries - Lalru	Purchases	16.74	13.19
	Balance Due	-	-
Vapco Packing Industries Pvt Ltd.- Lalru	Sales	-	15.96
	Balance Due	-	-
Shree Ganesh Grain Products	Sales	47.16	42.52
	Balance Due	-	-
Director's Travelling reimbursements	Travelling Expenses	34.53	58.35
Megapacific Ventures Pvt. Ltd.	Loan given	277.00	2,005.00
	Loan received back	277.00	2,005.00
	Interest received	3.70	20.35
	Reimbursement of expenses	0.20	0.83
	Balance Due	-	-

The company has not granted any loans to promoters, director, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person during the year under consideration.

All transactions are in Ordinary Course of Business and on Arm's Length Basis

Terms and conditions of transactions with related parties

The sales to and purchases from related parties, if any 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 and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: Nil, March 31, 2024: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

29.3 Deferred Tax:

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

29.4 Corporate Social Responsibility:

During the year, the amount spent on corporate social responsibility activities amounted to INR 18.90 Lakhs (31 March 2024: 17.50 lakhs) in accordance with Section 135 of the Act, 2013. The following amounts were actually spent during the current and previous year:-

(INR in lakhs)		
Particulars	31-Mar-25	31-Mar-24
(i) Amount required to be spent by the company during the year	18.90	17.40
(ii) Amount of expenditure incurred	0.74	0.95
(iii) Shortfall at the end of the year	NIL	NIL
(iv) Nature of CSR activities	For purchase of Dialysis machine for Free dialysis centre and for mini marathon/ awareness	Expenses on Eradicating Hunger, Promotion of Education to Poor and Needy Children

29.5 Security premium:

As per sub-section 2 of Section 52 of The Companies Act, 2013 the securities premium account may be applied by the company in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company. During the FY 2023-24, Company issued 12,90,000 shares @ Rs. 326 each (including premium of Rs. 316 per share). Total expenses incurred on issue of new shares amounting to Rs. 464.13 lakhs which were written off from security premium account as and when the bills were received. Following table shows the expenses written off from the security premium account on issue of new shares.

(INR in lakhs)				
Financial Year	Opening Security premium balance	From new issue	Towards issue expenses	Closing balance
2023-24	534.60	4,076.40	(232.90)	4,378.10
2024-25	4,378.10	-	(231.23)	4,146.87

29.6 Earning per Share:

As per IND AS 33, Basic earnings per share shall be calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period. Following is the calculation of weighted average number of ordinary shares outstanding at the end of year:

(INR in lakhs)		
Particulars	2024-25	2023-24
Net profit to equity shareholders	379.27	632.25
Shares outstanding at start of the year	112.937	100.037
Shares issued during the year	-	12.900
Share holding period for new shares (issued on 31-01-2024) (In months)	-	2.00
Weighted average number of shares	112.94	102.19

Basic and Diluted Earnings Per Share	3.36	6.19
Face Value per Share	10.00	10.00

29.7 Employee Benefits:

The Company has a defined benefit gratuity plan. Under Gratuity Plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The level of benefits provided depends on the member's length of service and salary at retirement age.

Description of Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Investment Risk – The plan is unfunded hence the greatest risk to the beneficiary is that there are insufficient funds available to provide the promised benefits. This may be due to (a) The insufficient funds set aside, i.e. underfunding; (b) The insolvency of the Employer; (c) The holding of investments which are not matched to the liabilities; or (d) a combination of these events.

A. Defined Contribution Plan

Contribution to defined contribution plan, recognized as expense for the year is as under:

(INR in lakhs)		
Particulars	2024-25	2023-24
Employer's contribution towards Provident Fund	29.81	21.07
Employer's contribution towards ESI	6.56	5.27

B. Defined Benefit Plan

General description of the plan:			
Gratuity	Leave Encashment		
Unfunded	Unfunded		

C. Method of valuation: Projected unit Credit Method

D. Reconciliation of opening and closing balance of defined benefit obligation:

(INR in lakhs)		
Item	Gratuity	Leave Encashment

	2025	2024	2025	2024
Net opening liability/(asset)	56.73	43.86	24.26	22.55
Expenses as recognized in P&L account	15.53	12.46	23.33	2.44
Remeasurements	(8.91)	1.07	-	-
Contributions/benefits paid	(3.98)	(0.66)	(2.87)	(0.73)
Net closing liability(asset)	59.37	56.73	44.72	24.26

E. Amount recognized in the balance sheet:

(INR in lakhs)

Particulars	Gratuity		Leave Encashment	
	2025	2024	2025	2024
Present value of DBO/LTEB	59.37	56.73	44.72	24.26
FV of plan assets	-	-	-	-
Net Liability/(Asset) recognized in Balance Sheet	59.37	56.73	44.72	24.26

F. Expense Recognized in Profit or Loss Statement:

(INR in lakhs)

Particulars	Gratuity		Leave Encashment	
	2025	2024	2025	2024
Current Service Cost	11.45	9.23	10.35	4.79
Interest Cost	4.08	3.23	1.74	1.66
Actuarial (Gain)/Loss of obligations	-	-	11.24	(4.02)
Actuarial (Gain)/Loss of plan assets	-	-	-	-
Benefits paid directly by the employer	-	-	-	-
Expected Return on plan assets	-	-	-	-
Net Interest Cost	-	-	-	-
Past Service Cost – Vested	-	-	-	-
Past Service Cost – Non Vested	-	-	-	-
Total Expense Recognized in Profit or Loss Statement	15.53	12.46	23.33	2.44

G. Amount Recognized in Other Comprehensive Income:

(INR in lakhs)				
Particulars	Gratuity		Leave Encashment	
	2025	2024	2025	2024
Actuarial (Gain)/Loss on obligations– Due to change in Financial Assumptions	1.62	0.40	-	-
Actuarial (Gain)/Loss on obligations – Due to change in demographic Assumptions	-	-	-	-
Actuarial (Gain)/Loss – Due to experience variance	(10.53)	0.67	-	-
Return on plan assets other than amounts included in net interest cost	-	-	-	-
Re-measurement arising from change in asset ceiling	-	-	-	-
Net(Income)/Expense for the period recognized in Other Comprehensive Income	(8.91)	1.07	-	-

H. Changes in the present value of obligations

(INR in lakhs)				
Particulars	Gratuity		Leave Encashment	
	2025	2024	2025	2024
Opening present value of DBO/LTEB	56.73	43.86	24.26	22.55
Service cost	11.45	9.23	10.35	4.79
Interest Cost	4.08	3.23	1.74	1.66
Benefits paid directly by the employer	(3.98)	(0.66)	(2.87)	(0.73)
Actuarial (Gain)/ Loss on obligations-Due to change in Financial Assumptions	1.62	0.40	1.41	0.20
Actuarial (Gain)/Loss on obligations – Due to change in demographic Assumptions	-	-	-	-
Actuarial (Gain)/ Loss on obligations-Due to experience variance	(10.53)	0.67	9.83	(4.21)
Closing present value of DBO/LTEB	59.37	56.73	44.72	24.26

I. Valuation Assumptions:

	2025	2024
Discount Rate	6.54%	7.36%
Rate of increase in Compensation levels	6.00%	6.00%
Rate of Return on Plan Assets	N.A.	N.A.
Average future service (in Years)	26.94 Years	24.09 Years
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14

Average weighted duration of liabilities

Sensitivity Analysis – Gratuity

(In Lakhs)

Change in Valuation Assumption	Gratuity – PV of liability obligations for the year ended 2025	Gratuity – PV of liability obligations for the year ended 2024
Increase Discount Rate by 0.50%	58.11	55.58
Decrease Discount Rate by 0.50%	60.68	57.94
Increase Salary Inflation by 1.00%	61.74	59.02
Decrease Salary Inflation by 1.00%	57.00	54.44
Increase Withdrawal Rate by 5.00%	58.34	56.33
Decrease Withdrawal Rate by 5.00%	60.31	56.84

Sensitivity Analysis – Leave Encashment		(INR in lakhs)
Change in Valuation Assumption	Leave – PV of liability obligations for the year ended 2025	Leave – PV of liability obligations for the year ended 2024
Increase Discount Rate by 0.50%	43.63	23.70
Decrease Discount Rate by 0.50%	45.88	24.86
Increase Salary Inflation by 1.00%	47.06	25.47
Decrease Salary Inflation by 1.00%	42.58	23.14
Increase Withdrawal Rate by 5.00%	45.06	24.62
Decrease Withdrawal Rate by 5.00%	44.15	23.68

29.8 Segment Information:

The Company is currently engaged in the manufacture and sale of wheat products, which is considered a single business segment. Due to the unavailability of separate information for manufacturing and trading-related sales and expenses, these activities are accounted for as one segment.

29.9

INR in lakhs		
Particulars	31-Mar-25	31-Mar-24
Value of Imports calculated on CIF basis in respect of Raw Material	-	-
Capital & revenue Expenses in foreign exchange	285.58	748.86
Foreign currency exposure not hedged by derivative or forward contract as on last day of the year	-	-
Earnings in foreign exchange	-	30.03

29.10

Fair Value of Financial Instruments

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

The management assessed that trade receivables, cash and cash equivalents, other bank balances, loans and advances to related parties, interest receivable, trade payables, capital creditors, other current financial assets and liabilities are considered to be the same as their fair values.

The fair value of the financial assets and liabilities is 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 following methods and assumptions were used to estimate the fair values:

Category	Note No.	Carrying Value		Fair Value	
		31-03-2025	31-03-2024	31-03-2025	31-03-2024
Financial assets at amortized cost					
Loans	4	-	150.00	-	150.00
Trade Receivables	7	4,131.16	2,712.80	4,131.16	2,712.80
Cash & Cash Equivalents	8	275.02	184.28	275.02	184.28
Bank Balance	8	104.99	0.05	104.99	0.05
Other Financial Assets	5	79.59	44.12	79.59	44.12
Total		4,590.76	3,091.25	4,590.76	3,091.25
Financial liabilities at amortized cost					
Borrowings	13	13,166.96	5,685.37	13,166.96	5,685.37
Trade Payable	17	398.34	241.41	398.34	241.41
Other Financial Liabilities	18	144.27	85.04	144.27	85.04
Total		13,709.57	6,011.82	13,709.57	6,011.82

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs that have a significant effect on the-recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

- (i) Quantitative disclosure of fair value measurement hierarchy for financial assets

(INR in lakhs)				
Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Leave 3
Loans (refer note no. 5)				
31-03-2025	0.00	-	-	-
31-03-2024	150.00	-	150.00	-
Security deposits (refer note no. 5)				
31-03-2025	79.59	-	79.59	-
31-03-2024	44.12	-	44.12	-

(ii) Quantitative disclosure of fair value measurement hierarchy for financial liabilities

(INR in lakhs)				
Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Leave 3
Non-Current borrowings including current maturities (refer note no 13)				
31-03-2025	7774.23	-	7,774.23	-
31-03-2024	5035.88	-	5,035.88	-
Current borrowings (refer note no 13)				
31-03-2025	5392.74	-	5,392.74	-
31-03-2024	649.49	-	649.49	-

29.11 Financial risk management objectives and policies

The Company has instituted an overall risk management programme which also focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. Financial risk management is carried out by Finance department under policies approved by the Board of Directors from time to time. The Finance department, evaluates and hedges financial risks in close co-operation with the various stakeholders. The Board of Directors approves written principles for overall financial risk management, as well as written policies covering specific areas, such as credit risk, use of derivative financial instruments and non-derivative financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk. These risks are managed pro-actively by the Senior Management of the Company, duly supported by various Groups and Committees.

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 employs prudent liquidity risk management practices which inter alia means maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby

the collections are managed efficiently. The Company while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment. Longer term cash flow forecasts are updated from time to time and reviewed by the Senior management of the Company.

The table below represents the maturity profile of Company's financial liabilities at the end March 31, 2024 and March 31, 2023 based on contractual undiscounted payments:-

(INR in lakhs)				
31-Mar-25	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	6,865.68	5,704.10	597.18	13,166.96
Non-Interest bearing borrowings:	-	-	-	
Trade and Other payable (refer note no. 17)	398.34	-	-	398.34
Other financial liabilities (refer Note no. 18)	144.27	-	-	144.27
Total	7,408.28	5,704.10	597.18	13,709.57
% to Total	54.04%	41.61%	4.36%	
31-Mar-24	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	1,820.44	3,844.50	20.43	5,685.37
Non-Interest bearing borrowings:	-	-	-	
Trade and Other payable (refer note no. 17)	241.41	-	-	241.41
Other financial liabilities (refer Note no. 18)	85.04	-	-	85.04
Total	2,146.89	3,844.50	20.43	6,011.82
% to Total	35.71%	63.95%	0.34%	

Reconciliation of Interest bearing borrowings

(INR in lakhs)			
	Schedule No.	31-03-2025	31-03-2024
Non-Current borrowings (inc current maturities)	13	7,774.23	5,035.88
Short-term borrowings	13	5,392.74	649.49
Total		13,166.96	5,685.37

(b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks, foreign exchange transactions and other financial assets.

(i) Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control management team assess the credit quality of the customer, taking into account its financial position, past experience and other factors. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on group\category basis. The calculation is based on exchange losses, historical data and available facts as on date of evaluation. Trade receivables comprise a customer base including FMCG companies, dealers and retail customers. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(iii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department team in accordance with the Company's policy. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

(c) 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 risks comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of at March 31, 2025 and March 31, 2024.

(c) 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, expense or capital expenditure is denominated in foreign currency). The company is not exposed to material foreign currency risk.

(e) Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligation at floating interest rates which is not material.

(f) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of raw material and therefore requires a continuous supply. The Company operations may impact due to changes in prices of those raw materials.

Commodity price sensitivity of Raw material

(INR in lakhs)		
Nature	Change in year-end price	Effect on profit before tax
For the year ended March 31, 2025	5%	-1,166.88
For the year ended March 31, 2025	-5%	1,166.88
For the year ended March 31, 2024	5%	-753.35
For the year ended March 31, 2024	-5%	753.35

29.12

Capital Management

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, security premium and all other equity reserves. The primary objective of the Company's capital management is that it maintain an efficient capital structure and maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net interest bearing debt divided by total capital attributable to shareholders. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, other bank balances which are free.

(INR in lakhs)		
	31-03-2025	31-03-2024
Borrowings	13,166.96	5,685.37
Other financial liabilities	-	-
Less: Cash and Cash equivalents	(275.02)	(184.28)
Less: Other bank balances	(104.99)	(0.05)
Net Debt	12,786.96	5,501.04

Equity share capital	1,129.37	1,129.37
Other equity	8,237.80	8,083.19
Total Equity	9,367.17	9,212.56
Gearing ratio (Times)	1.37	0.60

29.13 Based on and to the extent of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

(INR in lakhs)		
Particulars	31-03-2025	31-03-2024
Principal amount due to suppliers under MSMED Act, as at the end of the year	32.09	24.03
Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (under Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

29.14 Lease payments under an operating lease should be recognised as an expense in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit. Future minimum lease payments under non-cancellable operating lease:-

	(INR in Lakhs)		
	<i>Upto 1 year</i>	<i>1 to 5 Years</i>	<i>More than 5 Years</i>
<i>Rent as per agreement</i>	5.81	-	-

29.15 The company was in an expansion phase of its Unit-2 where Silo Building & Machinery, Mill building & machinery, Warehouses & Solar Plant were constructed. These assets are capitalized once the assets are ready for use as intended by the management and are initially recorded at cost directly attributable for bringing the asset into its intended use. Being the qualifying asset, the borrowing costs were recognised as per IND AS-23. Depreciation was calculated based on their date of put to use.

Particulars	Amount	Put to use date
Silo Building & Machinery	14,29,20,629	01.04.2024
Mill Building & Machinery	84,74,04,224	18.11.2024
Solar Plant	94,38,138	18.11.2024

29.16 RATIO ANALYSIS

S.NO	PARTICULARS	FORMULA	2025	2024	Changes %	Explanation
1	CURRENT RATIO (Times)	CURRENT ASSETS CURRENT LIABILITIES	1.42	4.76	-70.17	For significant increase in current liabilities
	CURRENT ASSETS		8,574.17	4,884.54		
	CURRENT LIABILITIES		6,033.65	1,025.49		
2	DEBT-EQUITY RATIO (Times)	LONG TERM DEBTS SHAREHOLDER'S EQUITY	0.83	0.55	51.83	For significant increase in long term debt.
	LONG TERM DEBT		7,774.23	5,035.88		
	SHAREHOLDER'S EQUITY		9,367.17	9,212.56		
3	DEBT SERVICE COVERAGE RATIO (Times)	PAT+INTEREST ON LT DEBTS +DEPRECIATION INTEREST ON LT DEBT +PRINCIPAL PAID/TO BE SERVED DURING THE YEAR	0.81	1.38	-40.83	For increase in debt to serve
	EARNINGS AVAILABLE FOR DEBT SERVICE		1,375.93	1,124.76		
	TOTAL DEBT SERVICE		1,691.08	817.92		
4	RETURN ON EQUITY RATIO (%)	PROFIT AFTER TAX AVG. EQUITY SHAREHOLDER'S FUND	4.08	9.15	-55.38	For reduction in earnings and increase in equity
	PROFIT AFTER TAX		379.27	632.25		
	AVERAGE SHAREHOLDER'S EQUITY		9,289.86	6,910.58		
5	INVENTORY TURNOVER RATIO (Times)	COST OF GOODS SOLD AVERAGE INVENTORY	11.89	12.69	-6.34	NA
	COST OF GOODS SOLD		33,038.52	25,607.48		
	AVERAGE INVENTORY		2,779.15	2,017.48		

6	TRADE RECEIVABLES TURNOVER RATIO (Times)	SALES	10.55	10.29	2.51	NA
		AVERAGE TRADE RECEIVABLE				
	SALES		36,100.92	27,493.21		
	AVERAGE TRADE RECEIVABLE		3,421.98	2,671.41		
7	TRADE PAYABLES TURNOVER RATIO (Times)	TOTAL PURCHASE	104.44	84.91	23.01	NA
		AVERAGE TRADE PAYABLE				
	TOTAL PURCHASE		33,409.22	23,705.62		
	AVERAGE TRADE PAYABLE		319.88	279.19		
8	NET CAPITAL TURNOVER RATIO (Times)	TOTAL SALES	11.28	8.98	25.62	For increase in sales of the year
		AVERAGE WORKING CAPITAL				
	TOTAL SALES		36,100.92	27,493.21		
	AVERAGE NET WORKING CAPITAL		3,199.78	3,061.27		
9	NET PROFIT RATIO (%)	PAT	1.05	2.30	-54.32	For reduction in earnings of the year
		NET SALES				
	NET PROFIT		379.27	632.25		
	NET SALES		36,100.92	27,493.21		
10	RETURN ON CAPITAL EMPLOYED (%)	EBIT	10.51	9.36	12.25	NA
		FIXED ASSETS+CURRENT ASSETS-CURRENT LIABILITIES				
	EBIT		1,693.08	1,250.56		
	CAPITAL EMPLOYED		16,109.09	13,356.55		

29.17 Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

- (v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (vi) 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.
- (vii) 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 Group shall:
 - s (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,
- (viii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

29.18 In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

29.19 Previous year figures have been recasted/regrouped/rearranged wherever necessary to make them comparable with that of current year.

As per our report of even date attached

For Nitin Mahajan & Associates

Chartered Accountants

FRN - 019837N

CA VISHAL SHARMA

M No. 503245

Partner

UDIN: 25503245BMGYBP7850

For & on behalf of the Board

MEGASTAR FOODS LIMITED

VIKAS GOEL

Chairman cum Managing Director

DIN: 05122585

VIKAS GUPTA

Whole-time Director

DIN: 05123386

MANISHA GUPTA

Chief Financial Officer

DEEPALI CHHABRA

Company Secretary

M. No: A61299

Place: Chandigarh

Dated: 23.05.2025

MEGASTAR FOODS LIMITED

The financial information as required under Schedule III of the Companies Act, 2013 is given hereunder:

(INR In Lakhs)

Name of the entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	
Parent								
- Megastar Foods Ltd.	96.68%	9,055.85	99.55%	377.56	100.00%	6.67	99.56%	384.23
Subsidiary (Indian)								
- Megapacific Ventures Pvt. Ltd.	3.32%	311.31	0.45%	1.71	-	-	0.44%	1.71
Subsidiary (Foreign)	-	-	-	-	-	-	-	-
Total Before Minority Interests	100.00%	9,367.17	100.00%	379.27	100.00%	6.67	100.00%	385.94
Minority Interest in all subsidiaries/ Associates (Investment as per Equity Method)								
-Indian	-	-	-	-	-	-	-	-
-Foreign	-	-	-	-	-	-	-	-
Joint Venture (as per proportionate consolidation/ Investment as per Equity Method)								
-Indian	-	-	-	-	-	-	-	-
-Foreign	-	-	-	-	-	-	-	-

