



Ingraining a Healthy Future.

YOUR FOOD. OUR PASSION.

Nourishing and nurturing for a better you.

ANNUAL REPORT 2021-2022





Your favourite Basmati Rice is now the

World's No. 1* Basmati Rice

AGED TO
PERFECTION



*As per secondary market research report, MAT June 2022



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REPORTING PERIOD AND SCOPE

This report covers financial and non-financial information and activities of KRBL Limited ('the Company' or 'KRBL') during the period 01 April 2021 to 31 March 2022.

MATERIALITY

We cover key material aspects that have been identified through our ongoing stakeholder engagement and are addressed by various programmes or action points set by the key management personnels.

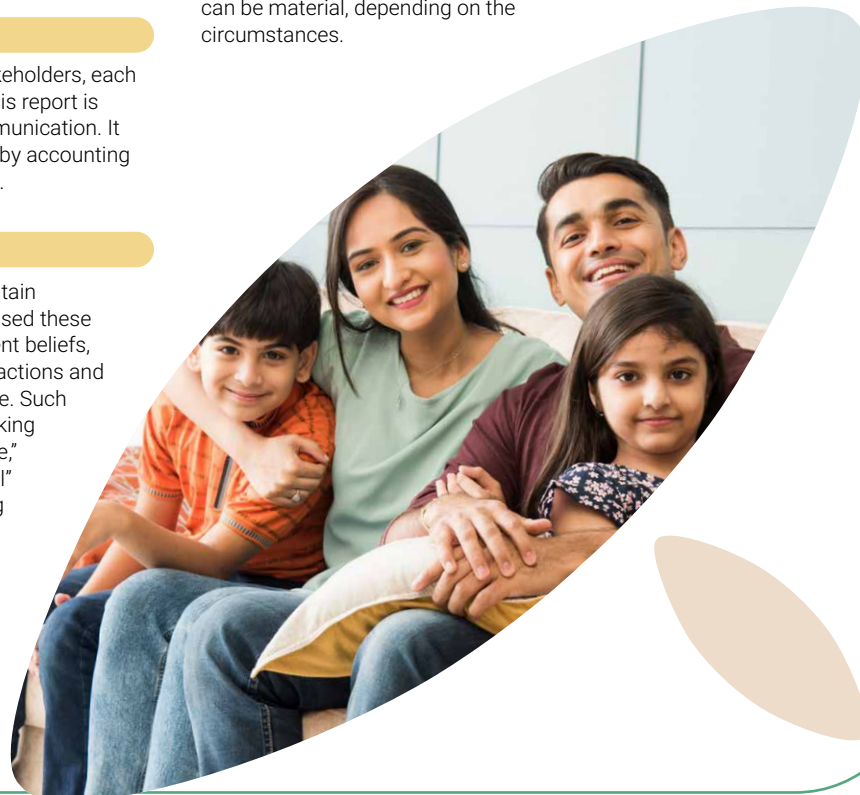
RESPONSIVENESS

Our reporting addresses a gamut of stakeholders, each having their own needs and interests. This report is one element of our interaction and communication. It reflects how we manage our operations by accounting and responding to stakeholder concerns.

FORWARD LOOKING STATEMENT

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

good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases usually vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman & Managing Director
Mr. Anil Kumar Mittal

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

Whole Time Director
Ms. Priyanka Mittal

Independent Non-Executive Directors
Mr. Ashwani Dua
Mr. Devendra Kumar Agarwal
Ms. Priyanka Sardana
Mr. Shyam Arora
Mr. Vinod Ahuja

CHIEF FINANCIAL OFFICER

Mr. Ashish Jain

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Raman Sapra

BOARD COMMITTEES

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

Stakeholders Relationship Committee
Mr. Ashwani Dua – Chairman
Mr. Shyam Arora – Member
Mr. Vinod Ahuja – Member

Nomination and Remuneration Committee
Mr. Ashwani Dua – Chairman
Mr. Shyam Arora – Member
Mr. Vinod Ahuja – Member
Ms. Priyanka Sardana – Member

Corporate Social Responsibility Committee
Mr. Anil Kumar Mittal – Chairman

Mr. Anoop Kumar Gupta – Member
Mr. Ashwani Dua – Member
Ms. Priyanka Mittal – Member
Mr. Vinod Ahuja – Member

Risk Management Committee
Mr. Arun Kumar Gupta – Chairman
Mr. Anoop Kumar Gupta – Member
Mr. Ashwani Dua – Member
Mr. Ashish Jain – Member

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

STATUTORY AUDITORS

M/s. Walker Chandio & Co LLP
Chartered Accountants
21st Floor DLF Square, Jacaranda Marg, DLF
Phase II, Gurgaon – 122 002

SECRETARIAL AUDITORS

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

INTERNAL AUDITORS

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

COST AUDITORS

M/s. HMVN & Associates
Cost Accountants
1011, Pearls Best Heights-II, C-9,
Netaji Subhash Place, Pitampura,
Delhi – 110 034

REGISTRAR & SHARE TRANSFER AGENT

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

REGISTERED OFFICE

5190, Lahori Gate, Delhi – 110 006

CORPORATE OFFICE

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

BANKERS

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

WORKS

Gautam Budh Nagar Unit
9th Milestone, Post Dujana,
Bulandshahar Road,
Distt. Gautam Budh Nagar,
Uttar Pradesh – 203 207

Dhuri Unit
Village Bhasaur (Dhuri),
Distt. Sangrur,
Punjab – 148 024

Alipur Unit
29/15-29/16, Village Jindpur,
G.T. Karnal Road & Plot 258-260,
Extended Lal Dora
Both at Alipur, Delhi – 110 036

Barota Unit
Village Akbarpur Barota,
Distt. Sonapat, Haryana – 131 104



YOUR FOOD. OUR PASSION.

Over the last two years, most of us have faced challenges in ways that we haven't encountered ever before. As an organisation, we also faced the same.

But it also meant a big learning for us, in terms of understanding and managing crisis and also navigating our ways through the challenges.

WE LEARNT THAT OFTEN THE SIMPLEST THINGS LEAVE THE BIGGEST MARK.

We aim at delivering sustainable growth by staying true to our core commitment of providing safe and nutritious food. Because for us at KRBL, food is not only our business but our passion and mission.

Further nourishing and nurturing the different aspects of our business would help us to stay relevant and reliable to our customers even tomorrow.

With the strength and credibility of a global brand and the trust of more than a billion customers, we intend to stride into the future with a heightened focus on delivering on our purpose, to enrich lives through the nutritional wonder of nature.

Be it through product innovation, or expanding the ecosystem, our aim is to win hearts by nourishing and nurturing our customers.

We win with nutrition, through a continuous supply of quality rice products that are rich in both taste and the essential elements of nourishment. Nourishment is also passed on through tastier and healthier food choices, high-quality

and sustainably produced rice foods, in line with the evolving tastes.

We value the real nourishment of rice for our consumers. Today, the demand for more nutritious food and the desire to live healthier lifestyles are greater than ever.

Through our deep industry knowledge, focused research and development, long-term relation with the farmer community, passion for innovation and leading expertise in basmati rice, we intend to deliver products that make food on the plate of our customers healthier, nutritious, and tastier.

By retaining the essential qualities, purity, nutritional values of rice and by procuring it directly from the farmers, we create quality products which have adorned the plates of customers across different income groups and generations. The rice and agro products manufactured and supplied by us are healthy, safe and comes with a high nutritive value.

We have regularly invested in research and development to produce better quality basmati rice seeds and work closely with our farmers to ensure product quality and health quotient. When the farmlands and the farmers are in perfect health, the consumers benefit even more.

Finally, emphasising on our core purpose of 'Nourishing and Nurturing' we have placed greater focus on sustainable farming practices, thereby reducing our carbon footprint and safeguarding the planet's well-being.

Today, every day, across the world, millions of people enjoy delicious and healthier food prepared with our different product offerings.

NOURISHING AND NURTURING FOR A BETTER YOU.



BUILDING FROM STRENGTH

NUMBERS THAT DEFINE US

An enviable legacy of more than a century

India Gate, World's number One Basmati Rice

World's largest rice milling plant spread across 200 acres

World's largest milling capacity of 195 MT/hour

One of world's largest rice processing capacity of 191 MT/hour

India's largest & only integrated manufacturer and exporter of Basmati rice

India's largest contact farming network coverage for rice

Two state-of-the-art manufacturing units and four technologically advanced packing units strategically located across India

One of India's largest rice and paddy storing capacity, 1mn MT+

2,300+ strong and dedicated workforce giving the Company people edge

We serve the dietary needs of millions spread across 90+ countries, with a wide product range



A LEGACY OF EVOLUTION UNDERSTANDING KRBL LIMITED



Living up to the expectations of its customers, patrons, employees, communities and all other stakeholders, while staying true to the vision and endeavour, this story is an embodiment of an Indian company which has transformed the Indian Basmati rice industry with a legacy of more than a century.

Recognised today as one of the doyens of the Indian basmati rice industry, our founders were not just businessmen but also social reformers who nurtured and nourished the Indian basmati rice industry to its current state. With the passion for innovation and excellence, KRBL today is the leader in the global basmati rice industry with its iconic brand 'India Gate'. Thanks to this legacy, KRBL today provides employment to thousands of people in India and abroad, and positively impacts the lives of millions of people in India and around the world. KRBL is India's oldest and largest fully integrated rice manufacturing company, operating predominantly

in manufacturing and marketing of branded rice products in India and across the globe. With a vision to transform the Indian basmati rice industry, remunerating farmers with fair prices and providing fresh and healthy rice products to consumers across the globe, KRBL was founded in 1889.

For over 130 years, KRBL has nurtured a legacy of excellence and innovation. Thus, today, KRBL is proud to own an enviable and wide offering basket in the agri-FMCG segment, which has delighted and nourished customers across geographies.

Underpinning our leadership position are our solid business fundamentals, which include India's largest state-of-the-art integrated manufacturing, a comprehensive product portfolio, strong brand positioning with iconic brands, robust distribution network, and an experienced management.

Vision

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

Mission

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

PERFORMANCE HIGHLIGHTS

₹4,211
crores
Turnover

15 %
PBT Margin

₹460
crores
PAT (after
comprehensive income)

11 %
PAT Margin

28 %
Gross Profit Margin

₹(302)
crores Net Debt (lowest ever)

17 %
EBIDTA Margin

₹19.52
Earnings per
Share (EPS)

₹3.50
Dividend per Share

WE ARE NOURISHED AND NURTURED BY OUR CORE VALUES

WE ARE DEFINED BY OUR VALUES

It resonates with our legacy and gives us the strength to move forward with a purpose. It helps us nourish and nurture our farmers with higher returns and customers with a better and innovative offering.

Whether it's by supporting healthy living, building thriving communities or caring for our planet, we live our core values, every day and in everything we do.

GREAT FOOD

We create great food and build brands that our customers and consumers love and trust.

We aim to create a sustainable future by making basmati rice affordable and accessible for the masses.

We help people make healthier and tastier choices when millions across the globe consume their staple diet and lead more balanced lifestyles.



GREATER ASPIRATIONS



We have great aspirations to go beyond our business today.



We invest in technology, our brands, innovative products and new markets.



We focus on innovation and excellence, continue perfecting the basmati grain and emphasise on nourishing and nurturing our customers with improved offerings to drive growth.

GREATER GOOD



We strive for a greater good by combining our success with a positive and lasting impact on others.



We intend to continue playing our role for the greater good with more vigour, thereby, helping businesses grow, people prosper, and our farmer community thrive.



We intend to provide nutritious meals to the people in need in our local communities.



We care for our planet and help protect its natural resources for the benefit of future generations.



We help build thriving communities where we operate, and support people to achieve their potential.



GREAT PEOPLE



We ensure our people will continue to grow with the Company.



We give them the responsibility to work together and achieve great outcomes.



We treat our people like our family by caring for their well-being and growth.

Thanks to our values

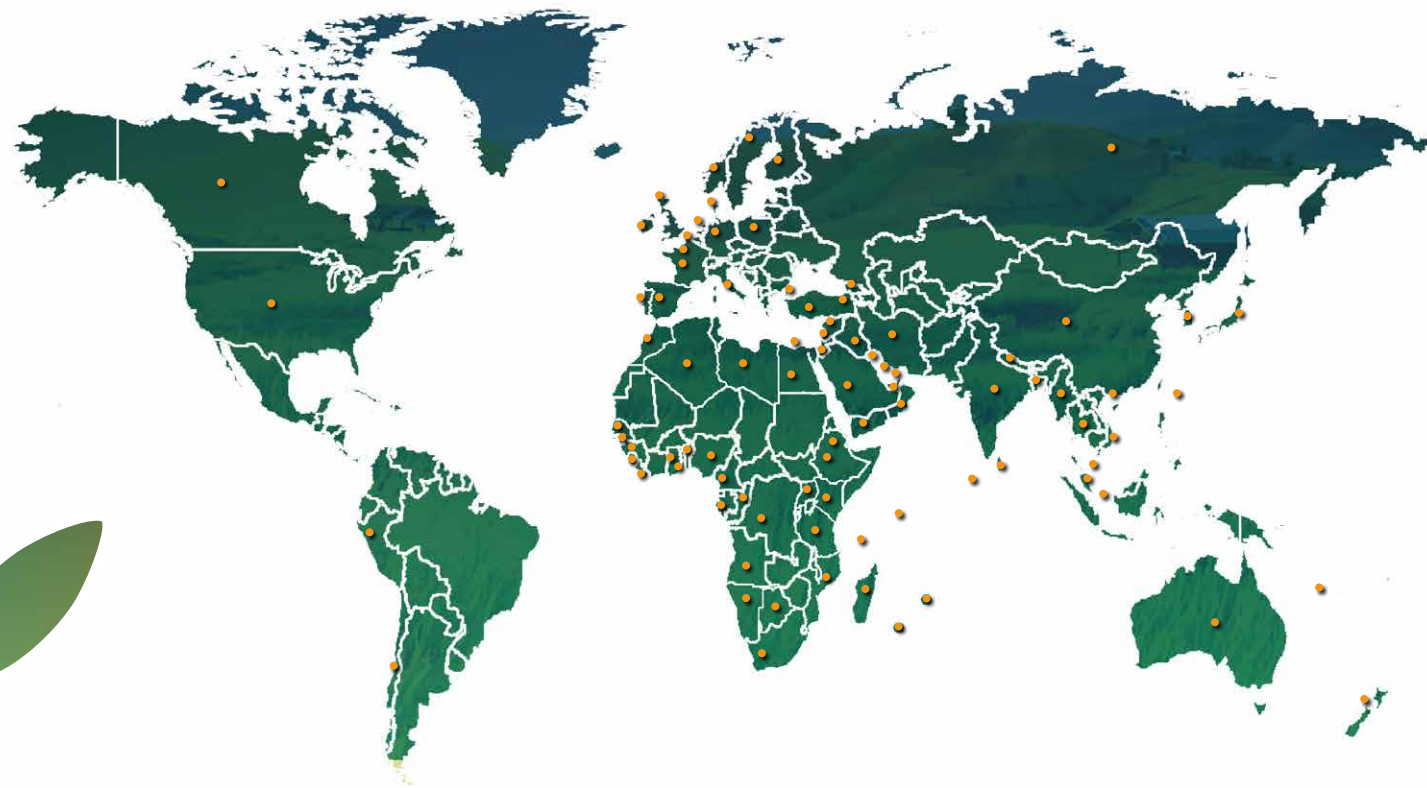
We're proud to own and manufacture some of the most iconic basmati rice brands in India and abroad, which have become staples in households across countries.

THROUGH OUR GROWING PRESENCE

With our corporate office in Noida, UP and registered office in Delhi, we strive to deliver quality products to customers across global markets.

We serve millions of consumers every day, in restaurants, homes and outlets in over 90 countries across 6 continents.

We have product presence across the length and breadth of India through our deep rooted network of 500+ distributors and 3 lacs+ retail outlets operating in more the 750 cities.



PRESENCE IN MORE THAN 90 COUNTRIES

THROUGH OUR PORTFOLIO

We have a diversified product basket that caters to the ever-evolving needs and preferences of our consumers. Our products are a reflection of our relentless focus on innovation and quality, enabling us to enjoy superior brand recall and expand our consumer wallet share.

BASMATI RICE



NON-BASMATI RICE



HEALTH FOOD SEGMENT



CHAIRMAN'S MESSAGE

Dear shareholders,

I want to write to you about the deep-rooted transformation underway at KRBL, and to put a better context into this, allow me to dwell a little on the past. As I write this letter, I cannot help but recall how KRBL Limited was created with a vision to empower our customers with a bouquet of nutritious and healthy agro-products. Building our brand over a century, KRBL has lived up to its vision of strengthening India's Basmati rice value chain to emerge as India's largest exporter of Basmati rice and a globally renowned Basmati rice brand synonymous with quality.

KRBL and its brands, India Gate and Unity have become synonymous with quality and healthy Basmati rice because we had a vision when we started out - a higher calling that guided us to put our customers and their food at the center of our work.

Built on the foundation of passion and care, as I look back at the last few years at KRBL, I marvel at the changes we have undertaken to transform ourselves to match the changing times. FY22 was another such year, a year of some critical changes and achievements. Another demanding year brought out the best in our people, who played a critical role in helping KRBL move forwards towards its transformation path, while also delivering a strong financial performance. As a business entity, we have transformed from just another rice product manufacturer to an agro-product manufacturer with a keen eye on customer well-being and health. This is the new ideology at KRBL, that runs deep within our culture. During the year under review, we continued to work towards embedding this credo as a practice across the organisation and reinforce it, and building deeper engagement for the organisational values amongst all stakeholders.

FY22 in retrospect

With the advent of the financial year, the nation witnessed the ravaging impact of the second wave of Covid-19. India's economy and health infrastructure reeled under the severe impact of the virus. It took a series of inspired and coordinated endeavours from the Government of India to reboot the nation. As a responsible corporate entity, we tried to play our part in this fight at the same time ensuring a steady supply of rice and rice products across the length and breadth of the nation.

From the business perspective, it was another challenging year with the global pandemic, disruption to global supply chains and rapidly increasing inflation, all presenting hurdles to progress. We made big demands from our people again this year and it is to their huge credit that they not only helped us sail through the turbulent times but also helped us make commendable progress towards our transformation journey while enabling us to deliver commendable financial performance.

On the performance front, it was kind of mixed year. On the domestic side, we made commendable progress and reported strong growth. KRBL recorded the highest-ever domestic sales in FY22, wherein revenue increased by 32% to close the year at ₹2,759 crores. Backed by our three-pronged approach – enhancement of distribution network, increasing brand penetration and augmenting the portfolio, our brands did exceptionally well in FY22. Shifts in consumer patterns towards more packaged consumption and rising prices towards the end of the fiscal gave us some headwind. KRBL continues to lead the branded basmati rice segment in India with an annual volume market share of 32.5% in general trade and 41.9% in the modern trade.



“Your food is our passion. This purpose has proved to be a powerful motivator for our people and acted as our guide through these uncertain times.”



On the export front, our overall exports remained marginally lower in FY22 at ₹1,451 crores, as compared to ₹1,897 crores in the previous year. This was largely on account of the challenges faced in the international markets, resulting in lower sales in some of the key markets. The year was also marked by a sharp increase in international ocean freight rates, a consequence of Covid – 19 pandemic and disruptions in international supply chain.

On a consolidated basis, we reported a total income of ₹4,253 crores during the year as against ₹4,015 crores in FY21 – an increase of 5.9%. However, our margins were impacted marginally due to the raising material costs, energy and fuel costs. But, despite the challenges, the company's liquidity position continued to be strong. As of 31 March 2022, the company had a net debt of ₹(302) crores, thanks to strong internal accruals and prudent working capital management during the year.

Customer focus

The pandemic also has led to a change in consumer preferences with more inclination towards safe and nutrition rich products. This shift was evident in the growing demand for immune boosters and nutritional products in the market. To cater to these evolving demands, we forayed in the health food segment a few years back. But, during the year, we reinforced our health food segment with the introduction of new products that enrich our portfolio of wholesome value-added rice-based products. Our robust R&D capabilities backed by the longstanding relationship with farmers have been driving us towards developing nutrition rich and easy to pocket products for our consumers for a complete diet.

We also revved up our marketing strategy to promulgate the benefits of our newly added healthy products. Our targeted marketing approach employing the mix of traditional as well as digital has helped us create a strong brand value for the Company. The strategy has been designed in a way that it perfectly amalgamates best practices of both agri-product company at the backend and a FMCG company at the frontend. Our iconic brand 'India Gate' continued to gain traction in the market, while our other brands 'Unity' and 'Nur Jahan' continued to capture the heart of the people among the targeted group of consumers. Furthermore, we continued towards the evolution of our portfolio with the introduction of new value-added and ready-to-eat products, among others, keeping the consumers and their evolving needs at the core.

Unlocking opportunities

At strategic levels, we have been evaluating our systems and process to remove bottlenecks, strengthen our cost competitiveness and de-risk our business to realise better value for our consumers and business. As part of our plan, during the year, we undertook several process and system improvement initiatives with a focus on our cost rationalisation to enhance our sustainability and enhance cost saving. We also focused on adopting and implementing new technologies across our business functions, in line with our long-term growth strategy. We also worked towards strengthening our distribution model both in the international and domestic market. Further, we worked on revamping our supply chain management systems to suit the current situation and prepare for the new normal. As the supply chain emerged to be an area of concern, we focused on unlocking productivity upgrades and enhance cost efficiency. Our teams worked relentlessly to explore opportunities and transform processes to make them more technologically driven. Interventions in the supply chain, such as implementation of Hub and Spoke model in strategic geographies, is expected to help us reduce our lead times to market and will greatly enhance our presence.

We worked on digitising and automation of our procurement, packing and logistics management system during the year. Further, we completed the development of our new Distributor Management System (DMS)

under Project Disha and successfully tested the new system. We plan to roll out the same in the domestic market in FY23. All these initiatives are in line with the Company's vision to emerge as more digitally enabled and data driven business entity. Currently, a number of these initiatives are at their integrating stage with our core systems. Thus, we expect to see the benefits of these initiatives in the coming years. The pandemic has continued to pose immense challenges for our people and the communities where we operate. But it has also taught us some lessons that we are keen to retain in the years ahead. As a proactive business entity, we are planning to operate more nimbly and flexibly backed by a greater use of technology across our different business functions.

Our priority is always to invest in our businesses, both organically and by acquisition, at an appropriate pace and wherever attractive returns on capital can be generated. Seeing opportunity in the agro products business, we ventured in the production value-added products such as rice bran oil and rice based ready-to-eat products in the last couple of years. To further augment our capabilities, we embarked on the setting up of new brownfield manufacturing and state-of-the-art warehousing and packaging units at Kandla, Bhopal, and Karnataka. We are at various stages of progress for all the three units and plan to commence the construction work soon. Funded majorly through internal accruals, we expect these units to be operation over the next couple of years and are likely to bolster our presence in the international and domestic markets in the value-added and non-basmati rice segment.

Foraying into newer geographies

In the year under review, we emphasised on growing our international presence, and I am happy to inform that we forayed into new geographies and strengthened our non-basmati product proposition by introducing them in these markets. Countries such as Bangladesh, China, Sri Lanka and Vietnam have emerged as new potential markets for the Indian players. China emerged as one of the largest markets for Indian non-basmati rice, and KRBL was one of the few companies with the requisite government approvals to export products to China. We entered the Chinese market with a bouquet of basmati and non-basmati rice products, and, thanks to our globally renowned brand image, have been able to garner a commendable market share in the region.

Growth focused

Turning to this year's results, what really stands out is the continued strong growth of our branded domestic business, which is the heart of the new KRBL. This reflects a sustained period of investment in capabilities and people, and in building a management team focused on growth. As well as delivering strong organic growth, I'm pleased with the steps we are taking to grow by brownfield expansions. The integration of the data insights into our day-to-day and critical business decisions is also likely to emerge as a critical enabler of growth. Further, focus on the value-added, ready-to-eat and non-basmati products is important as they expand our business and presence in the higher growth international markets, and add new products to our portfolio to support our customer solutions offering.

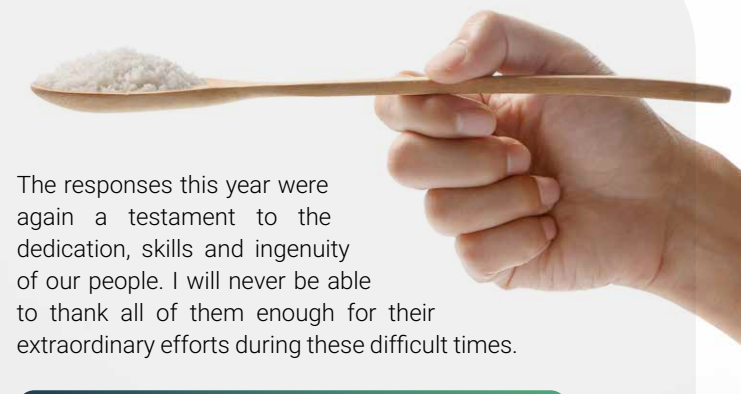
Building a purposeful business

Your food is our passion. This purpose has proved to be a powerful motivator for our people and acted as our guide through these uncertain times. It has been inspiring to see how all our people have come together to live by our purpose over the past year, whether through projects that support people's mental and physical health, working with local communities to feed people in need, or initiatives that protect and improve the environment in the areas where we operate. It was no surprise that, with such a dedicated and hardworking workforce, we would continue to ingrain a healthy future for our customers, stakeholders, and mother nature.

On the environment, energy, and water conservation, most of our plants have progressed to emerge as the pioneer and trend setter amongst our Indian peers and in the coming years we would continue to emphasise on bolstering our ESG performance just like we do for our business performance.

Thank you to our employees

At the end of another challenging year, I am proud of how our people have continued to respond to the many challenges presented by Covid-19, whilst at the same time taking action and seizing opportunities for our future. The strength of our culture shone through, and our operating model of devolved decision making to each business and market enabled us to respond very quickly and appropriately to local challenges.



The responses this year were again a testament to the dedication, skills and ingenuity of our people. I will never be able to thank all of them enough for their extraordinary efforts during these difficult times.

Towards a better tomorrow

As we look to the future, we can see the business we have built is well-placed to respond to our consumers wishes to understand where their food comes from, how it is produced, how it is manufactured and packaged and how it is delivered to them. We are a company of great heritage and traditional values, which is exactly what the modern consumer is looking for.

Our connection with farmers and their production systems has been in place for generations. Our manufacturing capabilities help us meet the evolving needs of our customers. Our products and brands are known and trusted, and we continue to develop and deliver products in formats that are convenient and more accessible for our customers.

The history of our organisation and our integrated supply chain, from paddy field to plate, means that we understand the importance of sustainability from an environmental, economic consumer, and community perspective. The performance and priorities of the business in FY22 demonstrate our capacity to be agile, the ability to change, deal with challenges, and recognise opportunities. We believe that this would drive KRBL to a better tomorrow as we see transformation across the rice industry value chain and in our capabilities of delivering sustained value to our customers as well as our stakeholders.

To conclude, I would like to thank our farmers, distributors and customers for their unwavering faith in KRBL. I would also like to thank you, our shareholders, for your continued commitment and support over the years.

Stay Safe. Stay Healthy.

Anil Kumar Mittal

Chairman and Managing Director

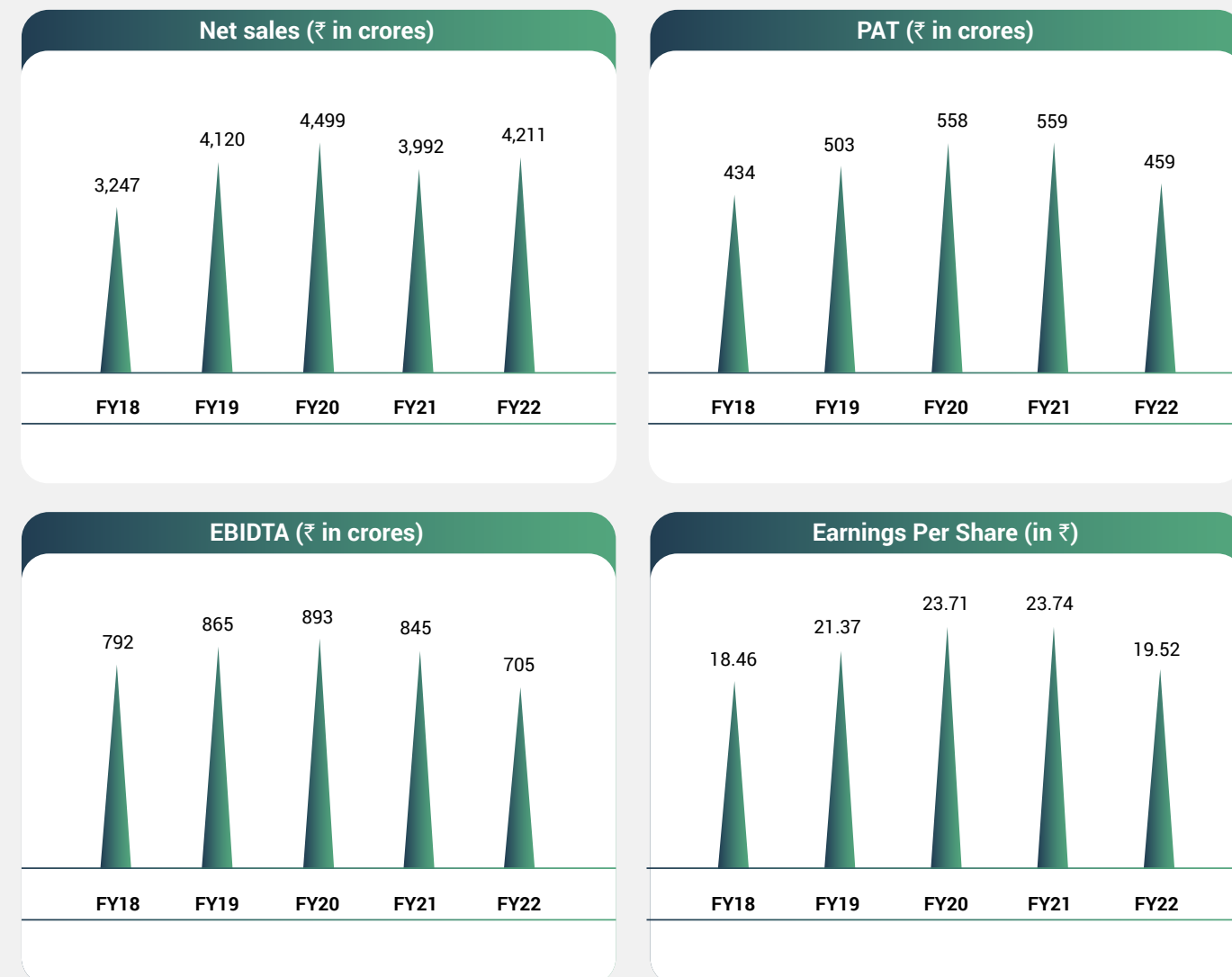


OUR COMMITMENT TO VALUE CREATION

NUMBERS DEPICTING OUR GROWTH STORY

Driven by our commitment to grow together, we delivered on our promises in FY22 and recorded another year of commendable growth.

PROFIT AND LOSS INDICATORS



BALANCE SHEET INDICATORS



KEY DEMOGRAPHIC TRENDS



GROWING POPULATION

~10.4 billion	~1.5 billion	9%	~68%	~43%
World's population is expected to reach 8 billion on 15 November 2022, 8.5 billion in 2030, 9.7 billion in 2050 and 10.4 billion in 2100	India's population is expected to increase from 1.2 billion to 1.5 billion during the period 2011 - 2036	Accelerated urbanisation, the global urban population is expected to grow at 9% in between 2020 – 2030	The world will continue to urbanize over the next three decades – from 56% in 2021 to 68% in 2050. This translates into an increase of 2.2 billion urban residents, living mostly in Africa and Asia	Urban population in India, which was 31.3% in 2011, is expected to increase to 43.2% by 2035

DEMAND FOR RICE



50% plus
Rice is the staple food of more than half of the world's population, with the Asian, Sub-Saharan African, and South American regions being the largest consumers



2.2%
Global rice market is expected to reach USD 334.24 billion by 2028, registering a CAGR of 2.2% in between 2022 to 2028



77%
Asia Pacific accounted for the largest market share of more than 77% in 2021 owing to a huge consumer base in the region



518.6 million tons
The 2022/23 global consumption and residual use forecast stands at 518.6 million tons

NEW CONSUMER TRENDS SHAPING THE FOOD INDUSTRY

Health focus

Consumers are planning to focus even more on a healthy diet in 2022 and to shift their spend to more sustainable products. The trend is primarily driven by high income groups and younger generations (for example, Gen Z and millennials). This trend has further accelerated in the post pandemic era.

Responsible sourcing

Looking at a label isn't enough, today, consumers want to know exactly how their food got from the farm to their plate.

Transparency

This trend goes hand-in-hand with responsible sourcing. Consumers want companies to be more transparent about their supply chain and manufacturing processes.

Sustainability

With climate change looming over everything, consumers want to know that their products are eco-conscious.

Global flavours

The internet has connected the globe like never before, meaning that consumers are exposed to many more cultures. The best way to experience a new culture is to sample its food.

Growth in premium

High-income groups are fuelling demand for higher quality and fresher products.



HOW WE ARE ADDRESSING THE CHANGING TRENDS?

If there ever was a time to create the future of the rice industry, it is now.

Over the years, we have focused on developing our business strategy with an aim of providing answers on how to ensure a healthy and sustainable growth for our business by integrating our sustainability ambitions right to the core. Guided by our experienced management, we reoriented our ways of working and focused on better

utilisation of the available resources keeping in mind environment sustainability, what we believe will define the future of agro-food industry. We strive for our vision – to bring health and ingrain a healthy future, naturally – with a strategic aspiration to be upheld our leadership position in value creation and sustainability.

Lead sustainable business

Build scale to grow

Create brands to build growth platforms

Collaborate for efficiencies

People Quality

Our growth accelerators

Research and development
Marketing and branding

LEAD SUSTAINABLE BUSINESS

Climate change, decreasing proportion of arable lands, and food shortages are amongst the most difficult challenges of our time. Rice forms a major part of the diet for more than half of the global population. Providing a healthy, affordable, and environmentally friendly diet for a growing population requires a radical yet sustainable transformation of the global food system. To lead this transformation towards a more sustainable future, as a responsible business entity, we must adopt sustainable actions to meet our targets, and we must secure a strong commercial value to make the journey financially sustainable for our farmers.

How will we do that?

The first step of our sustainable farming is led by our farmers. We would continue to encourage our farmers to adopt more efficient practices and new technologies, thereby leading the way towards reducing our carbon footprint.

We would continue focusing on blending the knowledge of our farmers with the technologies of today, to help them build sustainable farming practices.

We continue working closely with our 95,000 farmers community by helping them with technical expertise, other on-farm support and financial security to encourage sustainability.

We would continue to support healthier living by offering more healthy, natural and affordable products.

We will continue to work towards creating a sustainable supply chain by investing in technology, thereby adopting efficient logistic practices to reduce our environmental impact and save cost.

We continue emphasising on creating a circular packaging mechanism by using less and better plastic and other recyclable material and also by ensuring that our packaging is recyclable.

We will continue to focus on adopting business practices across functions which secure a strong commercial value to make the journey financially sustainable for our different stakeholders.

- Continue helping farmers with new and improved seed varieties, which boost the yield and are high in pest and disease resistance capability.
- Continue educating the farmers on the reduced usage of chemicals, thereby enhancing product acceptability in the international markets.
- Entered in a MOU with the Pusa Institute to help the farmer with genetically superior and better quality of seeds.



Farm

- Continue supporting implementation of new farming technologies and monetizing them on-farm progress.



Logistics & procurement

- Implemented supply chain management system across our key procurement hubs to save time, to plan better logistically, and to reduce our environmental impact.



- In the process of implementing an SAP based real-time procurement exchange across our key rice procurement mandis. This helps us to plan procurement better, minimise the impact of price volatility, helps better manage inventory and reduce overhead costs.
- Would continue engaging with only efficient suppliers through an e-bidding mechanism to secure that the overall environmental impact owing to fuel emission is reduced.
- Plans to launch a national logistics center with highly efficient digital monitoring mechanism for timely and efficient dispatch of finished goods and procurement of raw materials.
- Plan to introduce a remodelled SAP ERP system across our plants, which would provide a real-time data on conversion cost, and inventory position. This would help us to plan better and manage our product most cost effective.
- We also embarked on the implementation of real-time energy monitoring process. It helps us understand how much renewable energy is used and monitor the power cost.
- We are on the verge of implementing a new and innovative process at our milling plants, which would allow us to undertake the steam milling of our paddies at different seasons. Previously, we were only able to undertake steam milling during the sowing season. It is a more efficient process, thereby enhances cost saving while allowing us to have a better control on the product quality, which in turns increases product off take.



Operations

- Would continue focusing on reducing energy consumption through investments in technologies and efficiency enhancement initiatives.
- Would continue enhancing the proportion of green energy usage in our plants and ancillary facilities.
- Intend to continue using data analytics on the real-time data derived from PLC, to enhance productivity, for efficient production planning, minimise unnecessary idle times and better utilisation of resources to derive maximum output.
- Installed highly efficient ESP chimneys across all our manufacturing to reduce our carbon emissions. It helped us reduce our carbon footprint to a large extent.
- We are in a water intensive industry. As part of our sustainable business practices, we have built a water reservoir with the capacity of 1 crore litres to store canal water and have stopped using ground water in our manufacturing unit located in Dhuri, Punjab.
- We have also installed a water recycling plant at our Gautam Budh Nagar, Uttar Pradesh unit, which enables us to 100% recycle and reuse the water used in our different manufacturing processes.



- We have also installed a captive solar power plant at our Haryana unit, which helped reduce our power cost at the facility by nearly 15%.



Packaging

- Ensuring that our branded packaging is actually recyclable.
- Focused on replacing plastic with more recyclable solutions. Nearly 25% of our packing is done with recyclable materials.
- Introduced new packing line with the capability to cater to the small quantity requirement in the health food segment.

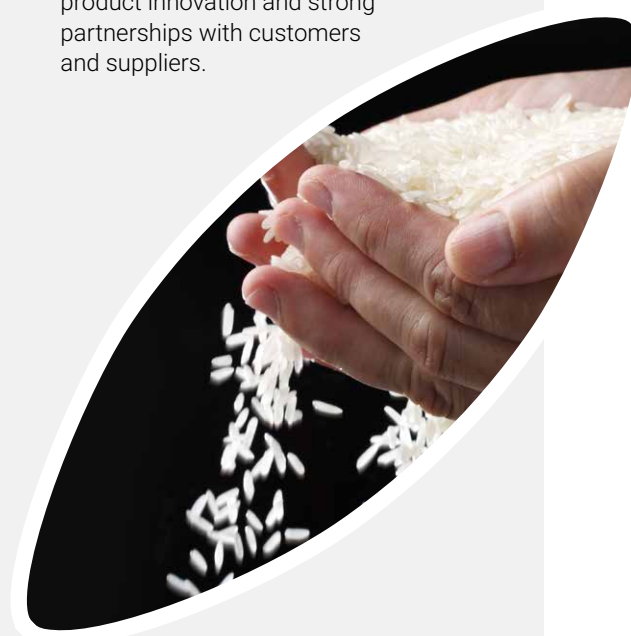
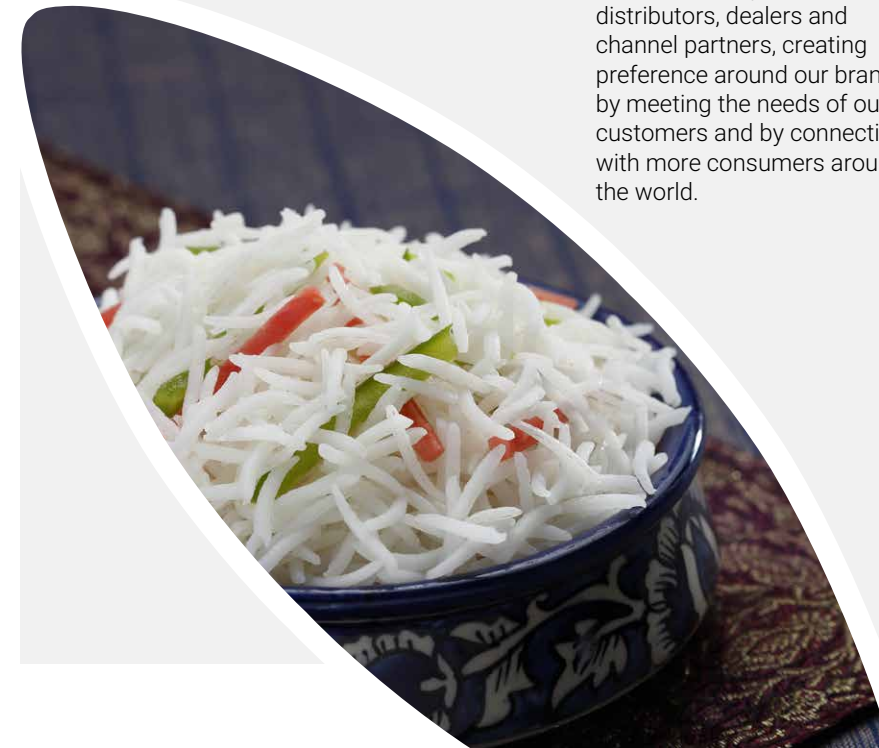
BUILD SCALE TO GROW

Over the years, we developed unique strengths and capabilities, such as manufacturing capabilities, adopted the latest technologies, efficient packaging capabilities, created strong brands, built category leadership and expertise in our supply chain that allowed us to produce world leading products, increased our competitiveness and enabled us to build market leading positions. Scaling these strengths and capabilities will be key for creating more value for our customers and different stakeholders.

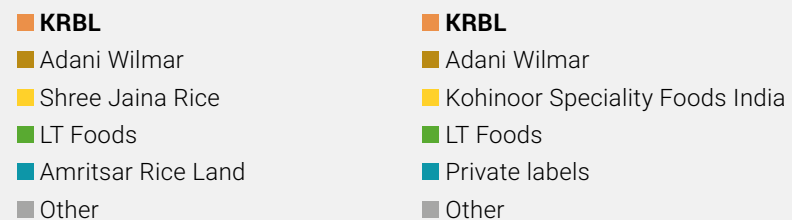
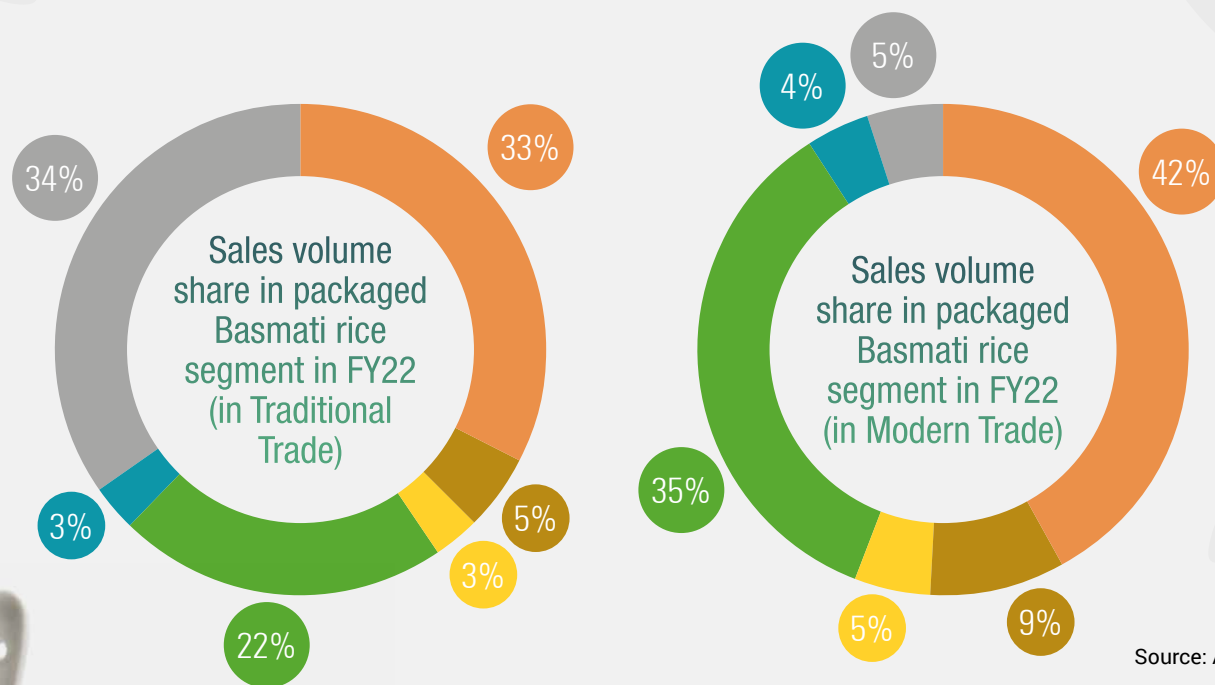
How will we do that?

- We will continue building our manufacturing capabilities to help achieve economies-of-scale and make our products more affordable to our customers.
- We embarked on setting up a new packing and warehousing unit at Kandla in Gujarat with a packing capacity of 30 mt/hr. This would enhance our competitiveness in the international market, as it is dedicated to exports. With saving in cost in many fronts, once this unit is operational, we could emphasise more on our competitive pricing strategy across the key international markets.
- To enhance our competitiveness in the regional non-basmati rice segment, we initiated the process of setting up a new plant at Gangavati in Karnataka. The facility would have a rice milling unit and a rice packing unit along with a warehousing facility.
- We would continue to strengthen our global brands by building brand loyalty through innovative customer engagements, by engaging more frequently with our distributors, dealers and channel partners, creating preference around our brands by meeting the needs of our customers and by connecting with more consumers around the world.

- We will continue our focus on accelerating growth by scaling our positions across different channels across the key markets of our presence.
- We will win in our core markets by strengthening our understanding of the various customer needs, by our strategic partnerships with different market influencers, by taking leadership in the categories of our presence, by scaling our distribution and becoming stronger in both traditional and new sales channels.
- We intend to continue growing our health food, non-basmati rice and other agro product segment to the next level with cutting-edge product innovation and strong partnerships with customers and suppliers.



KRBL'S LEADERSHIP IN THE DOMESTIC MARKET OF PACKAGED BASMATI RICE



CREATE BRANDS TO BUILD GROWTH PLATFORMS

Our globally renowned brands are the heart of our business and they drive the majority of KRBL's value creation. In FY22, our brands did excellent, driving our overall branded volume growth to 4.76% on top of the high growth achieved in FY21, and the branded share of our revenue to a record high of 69%. We also gained market shares in the key markets, thanks to our innovative brand positioning. All this while navigating the constantly evolving situation around Covid-19, fast-changing consumer trends and delivery challenges across the globe.

How will we do that?

- We will continue focusing on building brands that connect with our customers and help resonate with their needs.
- We will continue enhancing our brand identity by growing

our presence in the product segments that are natural extensions of KRBL's existing product portfolio.

- We continue emphasise on building a 360° communication strategy by connecting across traditional and modern communication channel.
- We will continue nuancing and fine-tuning our brand communications to better address the changing psychographics, lifestyles, buying behaviours and evolving consumer trends (be it health or convenience).
- We will focus on the implementation of growth strategy by fostering brand initiatives in the existing markets and seeding newer markets.
- We will continue to focus on growing our in-store presence, to gain the mind share of our target customer group in both domestic and international markets.

India Gate

India Gate is our oldest and most recognisable brand, with a history spanning more than a century. India Gate along with its popular sub brands such as India Gate Chef Special, India Gate Chef Choice, and India Gate Super Sella, among others, the top-selling brand of basmati rice in the world, is now a symbol of quality. India Gate is the largest strategic brand for KRBL in terms of revenue. It serves as an umbrella brand for other profitable sub brands that cater to various rice needs, including the health food market. India Gate currently serves both the domestic and international markets with more than a hundred SKUs that are specifically tailored to meet a range of consumer needs while upholding the promise of unrivalled quality, distinctive naturalness, taste, and fragrance.



contribution
to the overall
revenue pie

51%

₹2,153 crores

India Gate's contribution to the overall revenue in FY22

Unity

contribution
to the overall
revenue pie

12%

₹508 crores

Unity's contribution to the overall revenue in FY22

Nur Jahan

Nur Jahan is another preferred basmati rice brand in countries such as South Africa, Qatar, Saudi Arabia among others. Targeted to cater to the mid-segment, the brand is focused on bringing mealtime joy and inspiration to families in the Middle East and Levant region.



Unity

Unity is second most important brand under the portfolio of KRBL. It's the leading Basmati rice brand in countries like Algeria, Singapore and Malaysia and one of the preferred Basmati rice brands in India and MENA with constantly strengthening positions across all our key markets. Unity, today, is a key driver of our competitive advantage against our local peers. Targeting to cater the price-conscious basmati rice consumer, Unity is now a ₹500 crores brand, drawing in customers from the un-branded segment.



COLLABORATE FOR EFFICIENCIES

The growing population and economic progress, across the globe, are driving a growing demand for rice and rice-based products. However, at the same time, the global rice industry is undergoing rapid changes. Changing lifestyles, technologies and beliefs mean people are increasingly shifting from traditional rice to new and healthier products, changing their purchasing patterns and are communicating through new channels.

How will we do that?

- Focus on growing our presence in the health food segment with the introduction of new products.
- We would continue to propagate the benefits of our health food segment across markets by collaborating with the Key Opinion Leaders (KOLs) such as celebrity chefs, food bloggers/journalists, culinary experts, cookbook authors, and nutrition/

diet experts to co-create recipes, fusion foods and discover new use of KRBL products. It helped effectively engage with a wider consumer demography.



OUR PAST COLLABORATIONS WITH THE KOLS:



OUR BUSINESS MODEL



Our business model reflects our integrated approach towards value creation for our stakeholders and most importantly helps us provide our customers with good quality food on their plates.

We strive to deploy our capitals judiciously to tap the existing and emerging opportunities while managing associated risks effectively. Our focus on sustainability enables us to stand the test of times and continue on our relentless pursuit of providing our customers quality food.

Resources we deploy

Financial capital

Net worth – ₹ 4,070 crores
Net Debt – ₹ (302) crores
Operating cash flow – ₹ 561 crores

Manufacturing capital

2 manufacturing units
4 packaging units
Captive power generation capacity:
19.59 MW in the form of Biomass
and Solar Energy Capex in
FY22: ₹ 42 crores

Intellectual capital

R&D expenditure: ₹ 6 crores
R&D and quality team: 132
Employees

Human capital

Employee on roll: 2321
Hiring senior talent and specialists
Increased focus on Employee
Development

Natural capital

Natural capital entails the use
of natural resources for running
our day-to-day business and for
manufacturing our products.
We emphasis on sustainable
growth with minimal impact to
the environment

Social and Relationship capital

Supplier and distributor base:
We distribute our packaged and
branded rice to the domestic and
international markets through our
strong 500+ distributor and dealer
network

Farmer base: We work with about
95,000 farmer families for providing
the best practices to grow top
quality crops covering around 3 Lacs
hectares of agricultural land

CSR contribution: ₹16 crores.



- Continue engaging with our customers across regions by collaborating with them through different community help initiatives.
- Continue to introduce non-basmati rice and rice-based products in both domestic and international market to gain more kitchen share.
- Emphasise on growing our presence in the international markets through regular publications across different media platforms to raise customer awareness about our products and the value our products can add.
- Continue building on our collaboration strategy, thereby ensuring we reach effectively to our target audience.



Mediterranean Mezze	
INGREDIENTS	<ul style="list-style-type: none"> • Olive oil – 100 ml • India Gate Classic rice – 1 cup • Edamame beans – 100gm • Green coriander fresh – 50gm • Flat parsley – 50gm • Fresh mint – 20gm • Corn powder – 2 tsp • Spring onion – 100gm • Corn starch – 30gm • Garlic – 1 tsp • Oil for frying
MUHAMMARA	<ul style="list-style-type: none"> • Walnut – 300gm • Red pepper – 300gm • Fresh bread crumbs – 50gm • Pomegranate molasses – 2 tsp • Garlic – 1 clove • Olive oil – 150ml
BARBAGHANOUSH	<ul style="list-style-type: none"> • Eggplant – 250 gm • Lemon juice – 1 tsp • Olives – 1 bit

PREPARATION METHOD:	
For Falafel:	<ul style="list-style-type: none"> 1. Soak and boil India Gate Classic rice and keep it aside. 2. Make a coarse mixture of Edamame, spring onion, garlic, and fresh coriander. 3. Add rice, corn powder, and corn starch. 4. Make flat cakes and fry them in hot oil.
To make Muhammara:	<ul style="list-style-type: none"> 1. Blend the pepper in your hand. 2. Peel off the skin. 3. Toast the walnut. 4. Blend both in a fine puree with olive oil, add bread crumbs and fresh with Molasses.
For Quinoa salad:	<ul style="list-style-type: none"> 1. Wash and boil the Quinoa to double the quantity of water. 2. Do not forget to add salt while boiling. 2. It will take around 20 minutes approximately. Cool it down. 3. Chop coriander, parsley, and mint, slice olives and jalapeno too. 4. Add quinoa and toss it. 5. Add lemon juice, olive oil, and black pepper to finish.
For Labneh:	<ul style="list-style-type: none"> 1. Take hung yogurt or thick yogurt. 2. Add cucumber juice and garlic paste. 3. Add Olive oil, Lemon, and Za'atar. 4. Garnish with fresh pomegranate.
For Barbaghanoosh:	<ul style="list-style-type: none"> 1. Take a long aubergine and insert garlic cloves inside by making incisions and cook it in the open heat. 2. Take off the skin and chop it all together. 3. Add chopped flat parsley, coriander, and mint. 4. Add olive oil and season.



Our business process

What we do?

Our dedicated employees work closely with the customers to gauge their requirement.



Key enablers of our business process

Research & development	Quality management	Information Technology (IT)	Human Resources
It helps us develop new products by taking input from marketing team and our business partners. Further, quality enhancement of the existing product line is led by R&D.	It helps us ensure the desired product quality at input and output level.	It helps us accumulate and disseminate information in real-time across the organisation.	Utilising the expertise and experience of our people, we have collaborated as a team with a growth mindset to help us achieve our mission.

Output

Segment	Key products
Basmati rice	India Gate Classic, India Gate Super, India Gate Select, India Gate Tibar, India Gate Dubar, India Gate Feast Rozzana, India Gate Super Rozzana, India Gate Regular Choice, India Gate Mogra, India Gate Mini Mogra, India Gate Mini Mogra 2, Unity Biryani, Unity Dubar, Unity Tibar, Unity rozzana, Unity super, Unity premium
Non-basmati rice	India Gate Jeera, India Gate Kolam, India Gate Sona Musori, India Gate Ambemor
Health food segment	Quinoa, Black Rice, Brown Rice Basmati, Brown Rice Non- Basmati, Chia Seeds, Flax Seeds

Outcomes

Segment	Key products
Economic	<ul style="list-style-type: none"> Revenue: ₹4,211 crores EBIDTA: ₹705 crores PAT: ₹459 crores EPS: ₹19.52
Social	<ul style="list-style-type: none"> Created direct and indirect employment Improved employee competence through regular training Enhanced customer loyalty and strengthened relationship Bolstered trust and reputation amongst our domestic and international clients
Environmental	<ul style="list-style-type: none"> More efficient processes enable us to use fewer natural resources, reduce our carbon footprint and reuse natural resources such as water Greater use of technologies and improved processes enabled the production of customers' products with less energy and water, fewer raw materials, and improved flexibility in fuel source selection to replace fossil fuels with renewable ones

OUR GROWTH ACCELERATORS

Quality our differentiator

At the core of KRBL's operations is the "Quality from farm to plate" mind set, which enables us to offer products that comply with all quality and safety requirements.

Quality, at KRBL, is not a process but a culture that flows right from farming with the right seed to procurement to final product packaging. This reality is reflected in long-standing market leadership position of KRBL's iconic brand India Gate which today is the World's No. 1 selling packaged Basmati rice. The disciplined adherence to global food quality standards has facilitated the company to mark its product presence in over 90 countries across the globe and foster healthy engagements with institutional clients such as hotels, restaurants, and airline services, amongst others.

Regular checks are conducted on the quality of seeds, farming techniques, and continuous quality checks on each value-addition process, preventive maintenance of equipment, procedural discipline, institutionalised in-process checks and investment in a quality lab for a detailed check on the final product are some of the key aspects that facilitate superior quality output.

We also have in place a dedicated team, called the Agri Extension team, who works closely with the farmers to ensure that our raw materials are of the desired quality. We also work closely with the different renowned agro

chemicals company to supply our farmers with Integrated Pest Management (IPM) kits – a unique combination of pesticides and insecticides, to ensure the quality of our end products. Also, the farmers are provided with hand holding support in managing cultivation aspects such that there is an effective management of wide range of farming systems at different scales. The R&D team of KRBL has been working in collaboration with various premier institutes in developing several new varieties of rice with innumerable benefits such as - improved yields, disease resistance, ameliorate cooking attributes etc.

Key safety parameter checks performed when selecting the paddy

- Physical Parameters, Chemical Parameters including Pesticides, Heavy metals and other toxins
- Microbiological Parameters
- Allergen Levels

Our three-pronged quality testing approach



Being a quality conscious organisation, we always try to be at par with the global requirements to ensure that we meet the food quality, safety, traceability and regulatory requirements. We developed a robust mechanism, through proper processes, detailed SOPs, and regular training, to ensure our products are of top-notch quality. When it comes to food and product quality, we not only meet the international standards, but set a benchmark

for others to follow. With the passion for providing the best quality of rice and rice products to our customers, we ensure that each and every bag of rice that moves out of KRBL has gone through a series of stringent quality tests at every stage of production. And, only, if it meets all the quality parameters, we transport it to our customers.



Certifications validating our quality consciousness

Good Manufacturing Practice (GMP)	Food Safety System Certification (FSSC)	
The organization uses effective and safe chemicals and disinfectants, and its equipment and production facilities comply with the sanitary and hygienic GMP requirements.	FSSC certification confirms that the organization's food safety management system complies with international requirements for processing or manufacturing of agri products, perishable products, products with long shelf life, and food packaging materials.	
Safe Quality Food (SQF)	British Retail Consortium (BRC)	SEDEX SMETA Pillar 4
SQF certification assures that the food products have been produced, prepared and handled according to the most recognised standards. It also benchmarks food safety standard based on Hazard Analysis Critical Control Points (HACCP) and strongly validates the critical quality points within the system.	BRC certification confirms that the organization has in place a highly detailed description of process and hygiene control mechanism, which provides management and employees with clear expectations of the day-to-day actions that will contribute to the overall food safety strategy. It also strongly oversees the food safety culture building activities in the organization.	SMETA is Sedex's social auditing methodology, enabling businesses to assess their sites and suppliers to understand working conditions in their supply chain. SMETA (Sedex Members Ethical Trade Audit) assesses a site based on their organisation's standards of labour, health and safety, environment and business ethics. These are key areas for assessing an organisation's responsible business practices and meeting social compliance.

OUR GROWTH ACCELERATORS

Pursuing growth opportunities through research and development (R&D)

Over the years, we have invested considerably in enhancing the core and deepening our capabilities. From supporting in development of new high yielding seed varieties to enhancing our process efficiency to the development of new ancillary products have been made possible through our dedicated research and development initiatives. An innovative portfolio of products, thanks to the R&D team, has enabled KRBL to stay relevant to customers and open up new revenue streams from the Company. Building on the sound foundation, we have ensured that we evolved constantly and building on our R&D capabilities, we ensured that we retained our competitive age.

Major achievement of the R&D unit in FY22

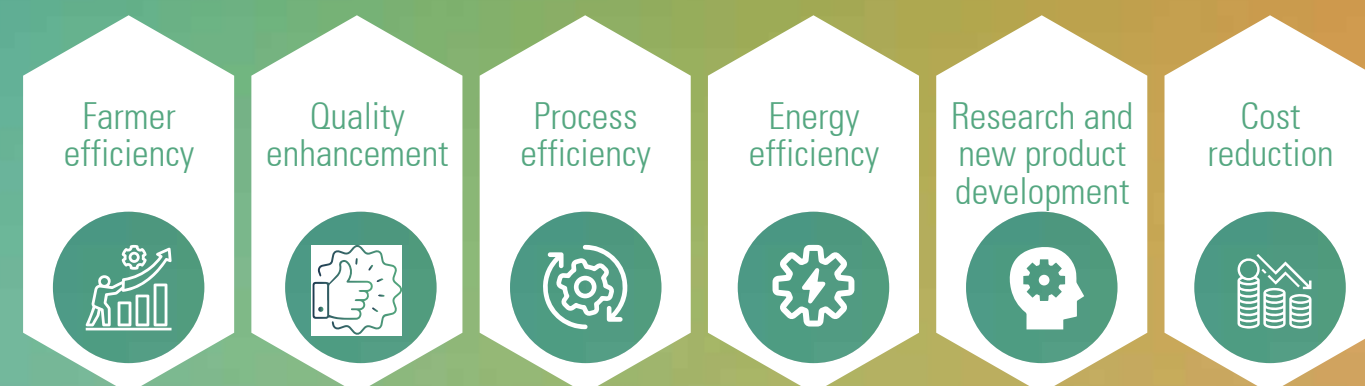
Our R&D team, in collaboration with the Pusa Institute, has consistently supported in development of newer varieties of seeds which are high on disease and pest resistance. The recently introduced 1886 and 1667 seed varieties are expected to be a game changer for KRBL. Reason being these seeds are extremely high on disease and pest resistance and will help KRBL produce chemical residue free basmati rice. Thus, the rice will qualify for exports to countries such as Europe, US and many Middle Eastern nations, which have been imposing non-tariff barriers by putting restrictions on imports based on the pesticide residue levels.

Backed by the positive results achieved in the R&D testing phase, the seeds would be handed over to the farmers in the FY23 sowing season.

Further, our R&D team engaged in developing innovative and healthy rice-based agro products such as India Gate Basmola Rice Bran Oil and India Gate Amaranth, which have helped KRBL gain customer trust and increase its kitchen share.

Additionally, the R&D team is also engaged in exploring process improvement opportunities on the existing setup. This technology absorption starts at the pilot level and is scaled up to the commercial level with focus on innovation, cost-efficient processes, operational efficiency mapping and integrated manufacturing setup

Focus areas of our R&D



Nourishing and nurturing nature with the help of R&D

Thanks to R&D initiatives, KRBL has emerged a plastic neutral company – India's only rice company to achieve this feat. Owing to the dedicated effort of our R&D team, we have been able to use rice husk, a by-product, to co-generate power at our plants. Thereby, helping reduce our cost and also helps to meet sustainable development goals of the Company. Further, with the help of R&D team, we have been successful in setting up water treatment facilities at all our units. Thereby, ensuring that every drop of water consumed in our manufacturing processes is re-utilized in various ancillary activities.

Delivering nutrition through product innovation

We are cognizant of the fact that continued product innovation is the key to unlocking the potential of the Company and to tap into the evolving needs of the market. In sync with this, we emphasised on extending our portfolio in the related agri food segment in line with the Company's aim to enhance kitchen and wallet share. This has been made possible by our R&D unit, whose dedicated research has helped us to come out with the health food segment in 2016 and also helped us introduce rice based ready-to-cook and eat products in the markets. In the last couple of years, we have intensified our product innovation and today we are on the verge of introducing many new products in the ready-to-cook and ready-to-eat segment. Our vision is to periodically introduce new and innovative agri FMCG products in the market which are high on the nutritional value and help support the healthy living of our customers through food.

Our research and development efforts are supported by a team of highly-qualified agri experts and scientists, equipped with cutting-edge equipment and technology, who work in tandem to improve existing products and innovate newer ones. We also collaborate with other research institutes.

Nurturing people. Delivering results.

Our people stand at the core of everything we do, as we strongly believe they are exceptional. They are not just our pride but also the reason we have been able to consistently deliver superior value to our customers, be it in terms of the product manufactured or be it in terms of services offered.

At KRBL, we are constantly seeking to build a work culture that is based on integrity, dedication, and a determination to obtain excellence and nurture the talent of our people. We strive to foster a collaborative environment and a culture of shared ideas, expertise development, and career advancement. We are guided by our vision of improving people's everyday lives by providing extraordinary and healthy food products. Because we believe that a company's value is determined by the quality of its employees.

Employee performance and engagement

We have put in place a robust organisational system that helps us identify and hire good talents, rapidly orient them to our culture and mindset and nurture them to deliver high performance, set stretched goals and manage performance to continuously deliver on promise to all our stakeholders. We do this while providing regular intervention for learning and development and enabling and encouraging workplace culture lead us to deliver excellent results.



Inculcating a culture of safety

Being a people-oriented and people-focused company, we place emphasis on our employees' and their families' health, safety and well-being. We have an approach to create lasting value by championing the possibilities offered by a longer life and help improve quality of life and wellbeing for our employees. We closely monitor and ensure the health and well-being of our employees. By promoting best practices in our workplace, we also focus on mental and emotional health and well-being. Our employee safety and well-being strategy which begins with the leadership team and is cascaded across workers (own and contractual). A corporate safety and health plan with structured enablers are deployed and monitored through a defined review mechanism



Learning and Development

We strongly believe that learning is a lifelong process. As an organisation with a legacy of over 100 years, we are still learning new things every day from our customers, distributors and other stakeholders. In sync with this strategy, multiple training programs have been designed for our employees across skill levels to enhance their knowledge, skills and expertise. We undertake dedicated training and learning initiatives across the organisation including our farmers, with an aim to create 'Subject Matter Experts'.

What our people have to say for KRBL?

"It has been a great learning experience under the great leadership of our Chairman Shri Anil Kumar Mittal and Director Ms Priyanka Mittal who helped me to grow as a professional and human as a whole. The motivation and confidence they have shown with me is incomparable. Work ethics, positive work environment, team-work and humanity are the main four pillars of our organization. I am very proud to be on the KRBL team."

Mr. K. Muthu, Export Department, Corporate Office

"Work-Life Balance is very good in KRBL Limited and a very supportive management"

Mr. Parag Aggarwal, Accounts Department, Corporate Office.

"I am proud to be associated with KRBL for 17 years now and appreciate its Healthy, Transparent & Motivating work culture, Business ethics and Inspiring Management. The Company values its customers, employees and environment. Indeed a Great Place to work!!"

Mr. Vipul Goel, Accounts Department, Corporate Office

"I feel appreciated and motivated on being part of team that, through their investment and dedication have helped transform it into a purpose-driven organization that can stand the test of time. I have seen it grow and evolve from being a founder-run organization to a scalable enterprise. it's now far bigger, far more diverse and encompasses a far broader geographical and cultural footprint."

Mr. S K Sharma, IT Department, Corporate Office

"Transparent and positive culture. A great management that delegates authority along with responsibility."

Mr. Sagar Sidhu, HR Department, Dhuri Unit

"I really enjoyed my 12-year journey with KRBL, and expecting many more healthy and exciting years to come up with my ongoing journey with such wonderful organisation. It's a great place to work. Managers Trust their workers to work hard and grow, Employees trust their leaders to support and guide and colleague trust each other towards shared goals."

Mr. Abhishek Bajpai, Accounts Department, Gautam Budh Nagar Unit

OUR GROWTH ACCELERATORS

Our Brand Story

Customer partnership and consumer connect are at the heart of our brand

We consistently enhance our relevance with customers by supporting them in categories which drive strong returns both for them and for us, progressively increasing the length and breadth of our communication with them across different platforms, and partnering with them to unlock efficiency across a shared value chain.

Over the years, consumer behaviour has changed and accordingly, we have evolved our portfolio to meet their changing needs. Keeping in mind the changing dynamics of the industry, we have evolved our communication strategy too. By developing a 360° communication strategy, we emphasised on creating a foundation of goodwill and long-lasting emotional connection with our consumers.

We focused on building our communication based on our deep understanding of their cultural values and aspirations, which greatly influence their way of life.



India Gate now is recognized as the World's No.1 Basmati Rice brand - a testimony to the successful consumer franchise, we have been able to build over the years.



GOOD FOOD IS THE FOUNDATION OF GENUINE HAPPINESS. YOUR FOOD IS OUR PASSION.



And, it is this passion of ours which has enabled us to grow our consumer connect over time and build long lasting trust. Communicating this passion to our target consumers across different media is what our communication strategy is based on.

Celebrating the festive spirit of India; positioning India Gate Classic as the special-occasion rice via various campaigns, carefully calibrated for relevance, recall and impact.

Our communication strategy

Percentage of total spending	FY21	FY22
Television & Outdoor	88%	88%
Print	-	1%
Digital	12%	11%



We focused on optimizing our media spends and communication strategy by conducting a detailed research and analysis on our target consumer and mediums to connect with them.



We analyzed the channels and crafted media strategies for different geographies



We precisely calculated the cost of spots, reach and frequency curves



We judiciously shortlisted the best performing channel and media mix



We reduced wastage of unused spots and unnecessary advertisement spends



We focused on target driven planned expenditure

Result, we now spend less on developing campaigns and focus more on reaching consumers. We have been able to reduce our advertisement cost by ~5% and save more than #2 crores in different campaigns in FY22. We also developed more efficient promotional tools that help us create more effective sales and rebates campaigns.



Major campaigns launched during the year in the domestic market

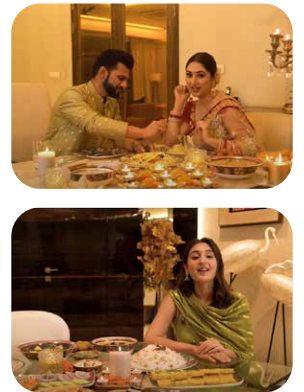
#ClassicImpression

A festive influencer campaign targeted to promote KRBL's premium range of product under its iconic brand 'India Gate Classic'. For this campaign we associated with renowned public figures such as Divya Tripathi, Anushka, Mouni Roy, Jamine, Rahul Vaidya, and Dhvani, among others. We targeted key regional festivals, such as Durga Puja, Karwachauth, and Diwali.

As a part of this campaign, **5** social media posts were made with **7** celebrities.

25 million plus

Total views garnered by the campaign.



#IndiaForMothers



A unique campaign designed to provide a humble tribute to the Indian mothers. Resonating the old Indian values of sharing and caring for society, as part of Mother's Day celebration, KRBL's India Gate associated with the popular food show Tisca's Table host Tisca Chopra to support Michelin Star Chef Vikas Khanna's initiative #FeedIndia campaign. India is home to the maximum number of widows and transgenders, and Indians fondly call them mothers. The campaign aimed to support widows and the transgender community of India by ensuring food supplies for the mothers in need.

#JumKeKhao

Showcasing the possibilities of exploring the different delicacies with the India Gate health range rice, this influencer campaign aimed at promoting the India Gate health range of rice in association with some of the renowned celebrities such as Karanveer Bohra, Teejay, Aly Goli and Munmun Dutta.

For taking #JumKeKhao campaign to the next level, India Gate collaborated with the popular digital channel - Bollywood Bubble, where in KRBL's Health Range was smoothly integrated in two properties of the channel - Cook Off and Chemistry 101.

As part of this campaign, 12 episodes were showcased in the popular digital show Bollywood Bubble with 17 celebrities.

31 million plus

Total views garnered by the campaign.



#FestiveKitchens

Apart from being known as the land of diversity, India is also recognized as the country of festivals. Spread across the year, Indian festivals are colourful and are an integral part of our life. Indian festivals are also known for the mouth-watering and jaw-dropping sweets and meals prepared in our homes. To celebrate the festivals, India Gate collaborated with the Michelin Star Chef Vikas Khanna and shared some amazing recipes that helped our viewer soak in the mood of the celebration.

As part of this campaign, 10 posts were published across different social media platforms

10 million plus

Total views garnered by the campaign.



#AnnapurnasOfIndia

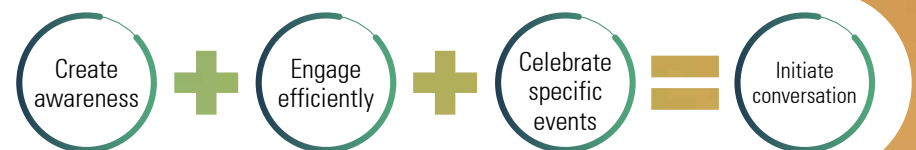
To celebrate Women's Day, India Gate collaborated with the famous YouTube food blogger Gaurav Wasan. Through his YouTube channel Swaad Official, we tried to celebrate the journey of every woman, who dared to dream and had the zeal to never give up. We tried to celebrate stories of triumph and determination, how these women overcame challenges to set up their own small eateries. Stories of eight different women were aired in this eight-week long campaign and showcased how these women believed in their abilities and pursued their passion, just like KRBL.

18 million plus

Total views garnered by the campaign.



Our strategy when amplifying our digital presence



Create Awareness	Engage efficiently	Celebrate specific events	Initiate conversion
Amplify the reach of television campaigns on digital media through targeted advertising	Created various recipe videos for both India Gate and Health range of products, focused on moment marketing and started friendly contests to engage effectively with our target customers	Celebrated different important events round the year with various Influencer Activities in association with top celebrities, such as Mouni Roy, Rahul Vaidya, Disha Parmar, Divyanka, Dhvani, Jasmine Ali and Anushka, among others. Also, tied up with Vikas Khanna to celebrate the festivals of India.	Focused on creating emotionally connecting campaigns for India Gate Classic, Brown Rice, and Daily Range products for driving traffic to e-commerce platforms.

#LetsRiceTogether #IndependenceDay #IndiaKiPuraaniAadat

Socialising with purpose.

Reaching out to more consumers in a digitally inclusive world.

To celebrate India's 74 years of Independence, India Gate came out with #LetsRiceTogether campaign driven digitally. This campaign showcased importance of rice in the lives of people irrespective of caste, creed, and religion – how it has crossed different empires, kingdoms, cities and no matter the cast, creed or religion, the common ground for all of us is the love for rice and how it fits in with everything perfectly.

Rice is undeniably a maker of history.
Rice is a believer of oneness.
Rice is a religion.

Campaign's impact

12 million- Overall Reach



Aur 'mazhab nahi sikhata
aapas me bair rakhna'

#EmotionCalledBiryani - Ab Har Eid Ko Aur Khaas Banaiye

This was the first Eid celebration in nearly two years, with limited relaxed covid restrictions. It meant people could meet and greet in person. Continuing to celebrate the diverse Indian festivals, KRBL came up with Eid special advertising campaign Ab Har Eid Ko Aur Khaas Banaiye showcasing the importance of Eid and the ability to celebrate with one's loved ones.

21 million +

The campaign garnered over **21 million** impressions across different social media platforms

#GrainsOfHope

A unique digital campaign, KRBL tried to pay homage to individuals or organisation who with their effort, tried to bring a positive change in our societies. India Gate, being one of the oldest and leading rice brands in India, and a true custodian of hope, through this campaign tried to go that extra mile to distribute affordable nutrition. In India, for millions of kids' school is not just a place for education, rather a place where they connect with their friends but also to ensure their best meal of the day - the humble Khichdi. As a part of our social commitment, we tried to give these young buds a tasty treat, keeping in mind their requirement of nutrition to develop their mind and body. India Gate is proud to partner in this initiative as an ingredient and as an organization.

7.3 million+ overall reach

We brought smile on the faces of millions of school kids with our superfood



#IndiaForMothers #AnnapurnasOfIndia

Giving back to society - KRBL cares

The communities in which we operate are a part of our ecosystem. We measure our business success by the impact we create on the ground for people beyond our immediate operations.

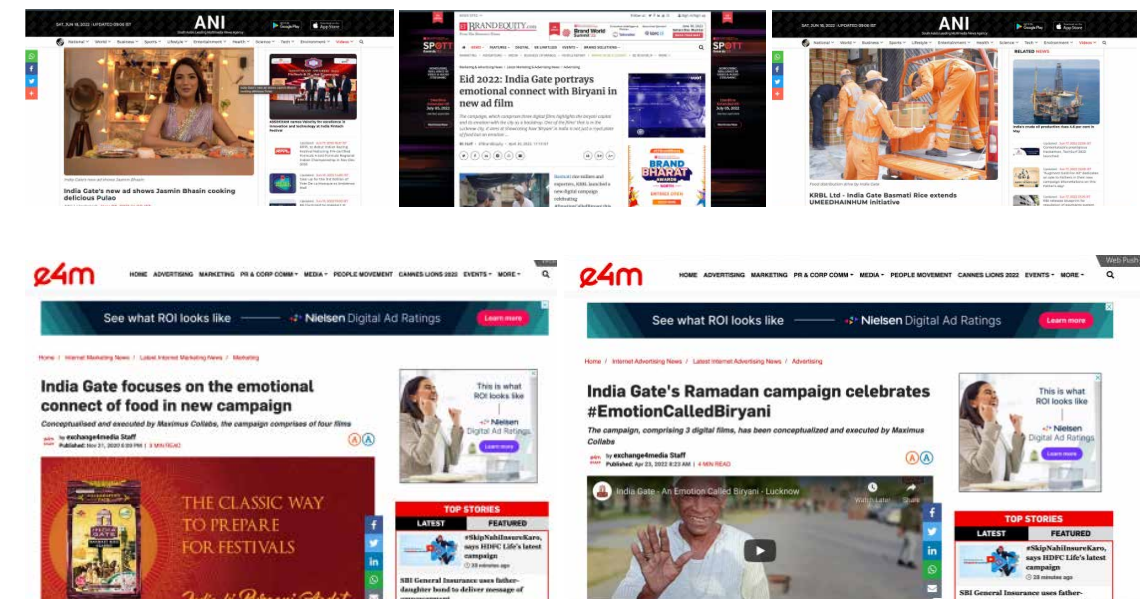
We respect the rights of people within and beyond our operations, develop products that help to support healthy lifestyles, and aim to strengthen the communities where we live and work.

Through two different campaigns, we tried to contribute positively towards our society and support the society.

1 lac +

We distributed over one lac meals to the people in need, spread across eight Indian cities

Key media coverages



Growing our presence in the Television

Covid-19 related movement restrictions and the growing penetration of connected TVs led to a strong growth in television viewership in the last couple of years. During this time, to drive top-of-mind brand recall, KRBL associated with some of the popular TV shows of the country.

Following our communication strategy, we focused on growing our presence in specific regions targeting specific audience groups. During FY22, we launched five TVCs featuring various products from our portfolio, helping us gain great traction among the audience.

Our Impact Associations

Big Boss Kerela

Big Boss Kannada

Big Boss Tamil



Cooku with Kirikku

Drishyam

WTP Home

87,570

Total spots aired

42%

Spots in premium position

55%

Category share of expense

67%

Category share of voice

12,68,644 seconds

Total Free Commercial Time (FCT)

5,349

Total Gross Rating Points (GRPs)

7,085

Total NGRPs

CREATING A STRONGER BRAND IDENTITY

Entrenching a deeper connection in the International Markets

FY22 was an important year for our international markets and it turned out to be great learning and a benchmark for our growth. Despite the challenges that Industry as a whole is facing, we are still No. 1 brand and 1st preference for business partners / stakeholders. Transparency being a core value of our eco-system, we believe in communicating more effectively with our business associates and customers. Because we believe in a strong and open brand culture and equity. It has led to greater awareness and increased loyalty from our business associates and customers.

In sync with our overall communication strategy, we focused on creating a 360° communication strategy amplified with the right mix of TV, print, outdoor, digital and radio. The campaigns were synced across both the digital and offline channels so that it reached the right target audience at the right time and on the right platform.



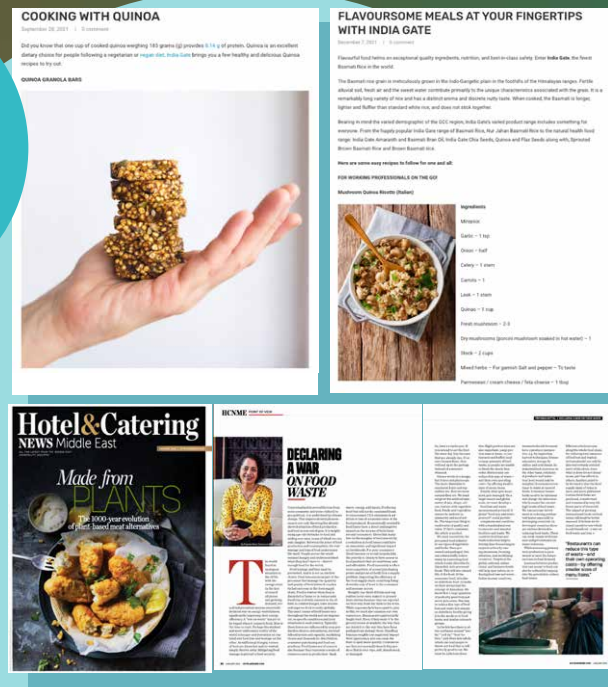
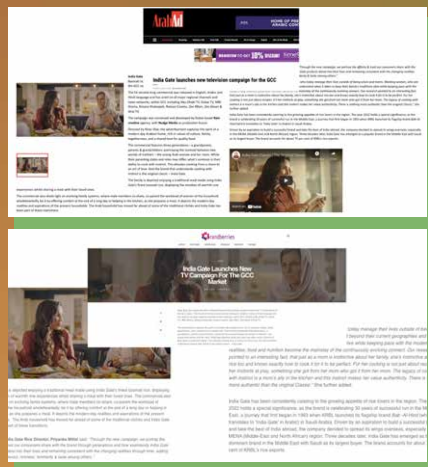
OUR COMMUNICATION STRATEGY

Our communication strategy in the international market were focused towards driving better brand presence and cementing the brands' various offerings.



Keep the communication going

To keep the conversation going, we released monthly newsletters and press releases covering the benefits of our products or recipes with our products.



Follow the trend

We devised communications strategy following the market trends and festivals or special occasions in the region across different communication media such as online, print and social media. We released featured articles and television commercials keeping in mind the regional taste and preferences.

Targeted media communication

We collaborated with the brand spokespersons and released their interviews pertaining to brand benefits as well as linking KRBL seed-to-store philosophy with the front-end delivery, in targeted media outlets. Collaborated with selected media houses in propagating the key features of KRBL's products. Arranged interviews with our Director Ms. Priyanka Mittal in prominent publications, on radio stations, and TV channels (such as Dubai Eye Business Breakfast, Dubai One TV, Authority Magazine, Entrepreneur ME, CEO ME, and Pro Chef ME).



Strategic association to expand brand reach

Planned and organized various influencer and media gifting activities based on the regional themes and seasonal holidays relevant to the GCC region, such as Ramadan and Eid-Al-Fitr, among others. Further, forged strategic-tie ups with key brands and key events to propagate brand outreach. Engaged with bloggers to effectively engage with a wider consumer demography in the Gulf region.



Partnering to augment brand value

We collaborated with reputed clinical dietician, Dr. Dana Al Hamwi, India Gate's local nutritionist and popular Chef Nishant Choubey, India Gate's Consultant Chef. Their tips and suggestions on adopting healthy eating habit, utilising India Gate's products such as India Gate's Health range, India Gate Classic and India Gate Super were published in various press releases, newspaper articles, social webinars, online webinars and social media posts. Organized press meets with key personnel of some of the leading publication houses of the region such as Emarat Al Youm, Al Khaleej, and Food Business Gulf & Middle East, & Gulf Agriculture to propagate the brand value of the Company. This was in line with KRBL's strategy to enhance its brand value amongst the Indian diaspora and the locals in the international markets.

How we proliferated the brand presence of India Gate and Nur Jahan in the GCC region

We enhanced brand awareness and reach in the build-up to key festivals, such as Ramadan and EID.

Our focus was on effectively articulating to our target audience the key benefits of the India Gate and Nur Jahan, while evoking an emotional connect with them.

Higher reach and a multichannel presence during this high consumption period has helped generate awareness for India Gate across the key target audience, increase our top-of-mind recall, enhance brand loyalty and higher product offtake.

We focused on creating engaging and emotionally connecting content to generate increased brand awareness and build a community for the brand.

We also associated with some of the most popular TV series and movies in the region to augment our brand presence.

All our efforts have turned out to connect emotionally with end-users and win their loyalty. Saudi Arabia is turning out to be one of the most important market for us. We have added new distributors in the region who are very bullish about our expansion and shown trust in us

4 Prime time sponsorships



888 TV Spots



630 Branded Tags



For the Middle East Market, Ramadan and EID are key periods where consumers



increase their grocery purchase. Ramadan shopping begins 30 days prior to the start of Ramadan and continues till Eid Al Adha celebrations.

Keeping these insights in mind, we crafted a multi-channel campaign to launch India Gate Classic in a way to gain higher brand recall and increase reason to believe.

As video is the most engaging currency, we crafted a integrated video campaign which helped the brand be present on all key video consumption touch points.

Saudi Arabia is a TV Driven market. Thus we launched the first TV campaign for India Gate Classic #theoriginalbasmati. We were present on top TV channels with a mix of sponsorships and Spots. The TV campaign was further supported by a strong video driven campaign across top Video on Demand platforms in the region - YouTube and Shahid.net.

Finally, we used engaging pieces of content on social media platforms - Facebook, Instagram and TikTok to inspire and educate our consumers.

The campaign showcased how India Gate Classic Basmati rice

made any occasion a special one, thanks to its delicate aroma and long grain, pearly white colour that has been aged for two years. The advertisement has been showcased on top rated television shows, female-focused talk shows, movies and cooking shows. We used third party tools layering on YouTube data to improve the targeting and reach out to the core target audience - females / the mothers, while they were searching for Recipes for iftar.



- The campaign delivered great results with 55% reach amongst our audience in Saudi Arabia
- 2nd highest SOV on TV within the Rice Category
- Recorded 40% increase in search volumes as compared to non-campaign period
- Generated almost 2x higher brand recall compared to social media platform benchmarks

FEELS LIKE HOME



#FeelsLikeHome

During the year, KRBL launched a series of campaigns called "Feels Like Home" across different media platforms in select key international markets such as the US, Canada, Australia and New Zealand, to connect emotionally with its customers.

Through this emotion led brand campaign, KRBL aimed at cementing its role around bringing back favoured dishes to one's dinner plate using different products of KRBL.

The 'Feels like Home' series of campaigns is aimed at reconnecting and re-engaging

with its audience with the brand, and emphasising the value of a family and how food helps in connecting with them. The campaign became all the more relevant as people across the globe were trying to cope from the impacts of covid and emerge victorious on the other side. Ensuring the good health of the family members and providing them with quality food became vital. Through this series, KRBL attempted to show how one can ensure both by using KRBL's products that are of top-notch quality, developed keeping in mind the different needs of its customers.

Especially for people living away from comfort of home, a plateful of KRBL's India Gate Basmati rice is sure to bring back memories of home and home-cooked meals. After all, home has the aroma of meals, and with India Gate's different rice products, home gets closer with every plate.

For over 100 years, KRBL through its India Gate brand of products has been providing quality and healthy rice-based products to customers across the world and helping them relive the memories of their homes through food.



#IndiaGateRozanaBasmati brings comfort to your everyday meals. Quality rice so wholesome, it Feels Like Home



#IndiaGateBasmati has contributed to our daily meals as well as grand festivities since the beginning. A range that has always brought versatility to our plate, it Feels Like Home



Experience the range of rich flavours and pure aroma with #IndiaGateBasmati budding from the land of culture and diversity, it Feels Like Home



No matter the place you now call home, a wave of emotions hit you when reminiscing about family. With India Gate Foods, every meal comforts like Ma's hugs and evokes emotion that Feels Like Home



Put your health first with #IndiaGateBrownRice 12 Min Active Health Special, a 100% whole grain, rich in fiber and free of gluten and cholesterol that always keeps your health in check. It Feels Like Home



From Zafrani Pulao Payasam, Tava Pulav, to Kheer. #IndiaGateBasmatiRice, your most trusted basmati rice brand enhancing diverse flavours so well, it Feels Like Home



Replace your conventional meals with nutrient-rich #IndiaGateQuinoa, powered with nine essential amino acids essential for muscle growth and regeneration. So nourishing, it Feels Like Home



Craving something special today? Cook fine dining recipes with #IndiaGatePremium, a #Basmati variant packed with minerals so nourishing, it Feels Like Home



Let's celebrate the first day of spring and the renewal of nature with ardor and #IndiaGateBasmati. It Feels Like Home



A classic substitute to cereal, India Gate Amaranth seeds contain a much-needed dose of antioxidants, protein and micronutrients that naturally aids in your weight-loss journey. It's so healthifying, it Feels Like Home



A range of Basmati cherished by millions across the world bringing a variety of flavours to your plate. With #IndiaGateBasmati, it Feels Like Home



A 12-minute Active Special whole grain with gluten-free qualities straight from the house of #IndiaGate. Makes you fitter and Feels Like Home



No matter how old we get, how our recipes evolve, how our styles change, #IndiaGate Classic has always stayed the same.

India Gate Classic
The Original Classic

THE ORIGINAL CLASSIC

Our first pan Arab TV and Digital campaign

The campaign showcased how India Gate Classic Basmati rice made any occasion a special one, thanks to its delicate aroma and long grain, pearly white colour that has been aged for two years. The advertisement has been showcased in top rated television shows, female-focused talk shows, movies and cooking shows.



Replace your conventional meals with nutrient-rich #IndiaGateQuinoa, powered with nine essential amino acids essential for muscle growth and regeneration. So nourishing, it Feels Like Home

Mediums used

Television	Digital
 Abu Dhabi TV Dubai TV MBC Drama	 Rotana Cinema Alrai TV
 Rotana Khaleejiah Zee Aflam Zee Alwan	 Shahid YouTube Instagram Facebook
3.69 million people Reach across MENA region 55% We successfully reached 55% of our target audience	20.5 million Impressions 12.5 million video views
Recorded 40% increase in search volumes as compared to non-campaign period	Generated almost 2x higher brand recall compared to social media platform benchmarks

#IndiaGate #NurJahan #TikTok

We launched India Gate and Nur Jahan's TikTok page in FY22 with an aim to connect with the younger audience. Showcased a total of 16 cooking recipes and hacks using our products, which helped generate 5.6K organic views till date.

Social media platforms have very high affinity amongst our target audience We aim to use these platforms to create an ongoing engagement with the audience to

inspire and educate them on both Nur Jahan and India Gate.

In order to do so, we created content pillars to streamline the content, assure content variety, and achieve consistent fan growth and community engagement.

Our pillar focused on brand & product benefits which highlighted the history of KRBL, the type of grains, it's attributes

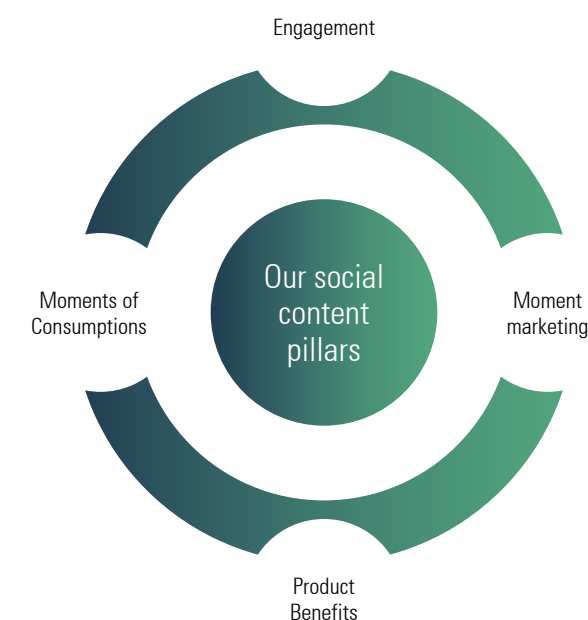
and much more. Engagement in this pillar focused on entertaining and engaging pieces that will allow our followers to interact with the brand. Moment of consumption content aimed at sharing recipes and inspiration using all our products ranges. Moment marketing content covered significant regional and international days that resonate with our target audience.



Building India Gate and Nur Jahan's social media presence

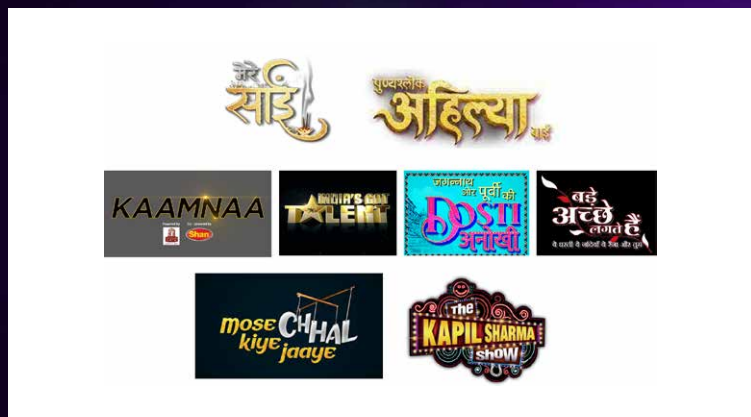
Keeping in mind the changing market trends, we focused on building a more relevant social media presence for both the brands. For India Gate, it was more directed towards reinforcing its leadership position whereas for Nur Jahan, it was creating a presence in the social media and reach out to the target audience seamlessly.

We emphasised on creating an encompassing presence across different social media platforms, such as Instagram, Facebook and TikTok, to improve brand and product awareness, introduce our brands and products to the target audience, sustain the leadership position of our brands and engage with our customers. We created relevant and tailored content keeping in mind the audience, product and regional preferences.



Key associations and sponsorship engagements in the International Market

Hunarbaaz	The Kapil Sharma Show	Ahilya
Dance Deewane Kids	India Got Talent	Mere Sai
Sirf Tum	Bade Achhe Lagte Hain	Kaamna
Naagin	Meet	Mose Chhal
Aapka Colors USA HD	Bhagya Lakshmi	Dosti Anokhi
Bhagya Ka Likha	Kashibai Bajirao Balla	Crime Petrol
Colors Rishtey Americas	Bhabhi Ji Ghar Par Hain	Dhadkan
Bollywood Express	Kumkum Bhagya	Sony USA
Colors Cineplex USA	Kundli Bhagya	
News18 Debrief	NEWS	
News18 Intl	Weekend movies	
	Zee USA	



We emphasised on localising content for global markets. Created separate Facebook and Instagram pages for USA and Canada as well as Australia and New Zealand. The target audience in all 4 markets are very different and implementing consumer insight via localised content reaped returns.

Concentrated on topical posts (like Mahashivratri, Lohri, and Women's Day among others) and Product-Centric posts (Quinoa, Brown Rice, Lifestyle etc.) and engaging posts (like Mother's Day contest post)

Campaign highlights

1. Reached out more than **1.8** million across **4** Geographical Locations
2. Garnered **1.3** million + Video Views & Post Engagement among our Target Groups
3. Catered to **519** K Audiences through our Brand Film & Contest Posts
4. Served our Film to **286** K times on Youtube & achieved Completed Views of **168** K at VTR of **58.68%**
5. Our Top US / Canada Facebook campaigns / posts reached more than **800k** prospective customers with engagement rate of **57.65%**
6. Our Top Aus / NZ Facebook campaigns / posts reached more than **200k** prospective customers with engagement rate of **52.65%**

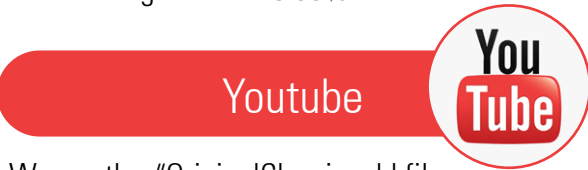


HUB Campaigns #FeelLikeHome

The film showcases various India Gate products along with a voiceover which would personify these products into personality types of family members in a typical South Asian household to further establish #FeelsLikeHome

Key highlights of campaign

Reach – 518k audience
Video views – 312.2k
Post Engagement – 313k
View through rate – 48.38%



We ran the #OriginalClassic add film in Hindi and English in the four geographies.

Catered to more than **286 K** across **4** geographical locations. Completion Video Views was seen highest in US Market & Completion VTR has seen highest in **US (60.17%)** followed by **Canada (58.87%)** & **New Zealand (58.73%)**.

RECALIBRATING OUR DIGITAL CAPABILITIES

To enhance our future readiness

Matching the pace with the transformation across our industry, we embarked on our journey to emerge a more technologically advanced, digitally enabled and data driven organisation through the incubation of Project Disha. Being a technologically empowered and data-driven business, we believe, can help us in a big way to be a more sustainable business entity, navigate the challenges with more agility, and gauge the market dynamics and customer behaviour more

accurately. As we become increasingly technology dependent and digitalise our way of working, we have constantly explored ways to streamline our processes and optimise cost.

Project Disha, in-house developed distributor management system, is our giant step towards a technologically advanced, digitally enabled and data driven KRBL.

Focus area of Project Disha



In FY22, we accomplished the development of this software, Project Disha, and plan to rollout the software at the organisation and distributor level from the 3rd quarter of FY23.

Data analytics

We implemented a new and customised ERP system across our manufacturing and processing units, complete with automatic KPI dashboards and reporting. Thereby, we have been able to transform our data into a highly accessible and reusable asset. This allowed us to use data analytics to provide teams with instant access to accurate information, allowing them to make quick and informed decisions. The elimination of manual data processing has enhanced the data integrity, focus on cash management and operational efficiency, thereby achieving better returns.

We implemented a new paddy procurement management software in some of the key mandis. This would enable us to better manage the raw material price fluctuation. Further to this, we are focusing on implementing software solutions like predictive maintenance and predictive quality checks to increase throughput and reduce costs. On the supply chain front, we plan to introduce transport management system that enhances our logistics processes. With features like digital indenting, truck tracking, electronic proof of delivery, quick transporter payments, this system is expected to help us simplify our operational hassles. During the procurement period, over 16,000 trucks move in and out of KRBL's facilities.

We also implemented a new system, which would help us better track our energy consumption at our plants and would also enable us to efficiently use energy. Our efforts on making data accessible continue to reap benefits, by enabling and empowering users to take better decisions.

Going Digital

With a focus on innovation and digitization, we are transforming ourselves so that it evolves to become growth enabler for us. During the year, we continued to leverage technologies like factory automation, ERP implementation, new software implementation, process automation and sales & marketing digitization to cater to business needs and accelerate growth.

BUSINESS SEGMENT REVIEW

Segment I

DOMESTIC BUSINESS

Being an industry leader in the domestic packaged basmati rice segment, we emphasised on further sharpening of our sales execution strategies with the help of deeper consumer insights through targeted consumer research activities in specific product categories and geographies. As part of our ongoing distribution outreach initiatives, we made steady progress in enhancing our penetration in India's Southern regions while maintaining our leadership position in other markets. To strengthen the distribution channel and digital capabilities, we undertook various initiatives at grass root levels with a sharper focus on secondary products and kitchen share expansion.

Our growth strategy in the domestic market



Key performance highlights, FY22

- Domestic sales for FY22 stood at ₹2,648 crores, an increase of 32% over ₹2,002 crores.
- Sustained our leadership in the branded basmati rice segment with an annual volume market share of 32.5% in general trade and 41.9% in modern trade
- With one of the best-in-class distribution infrastructure, we continued to expand our distribution network.
- In the North and West zones, we established a direct distributor presence in smaller towns which have a 50,000 plus population
- Enhanced our secondary sales coverage from 26% in FY21 to 31% in FY22.
- Thanks to our strong marketing, our 'Unity' brand crossed the ₹500 crores revenue benchmark. Unity recorded a 42% growth in volume and 50% growth in terms of revenue
- Volume sales to modern trade and e-commerce channels recorded 15% y-o-y growth in FY22
- Our consumer pack continued to drive growth backed by strong brand image, rising customer preference for branded products and rising retail demand

Consumer Packs (1kg & 5 kg only)

Focusing majorly on catering to the retail customers, KRBL's consumer pack segment had another successful year. Lead by the iconic brand India Gate, the consumer pack segment witnessed strong growth in FY22 on the back of rising home cooked food consumption, rising penetration of e-grocery segment and growing preference for branded and hygienically packed products over the loose and unbranded ones.

India Gate's innovative positioning and packaging strategies coupled with superior quality, have enabled KRBL to sustain its dominance in the Indian market. Our presence across the value chain (from premium to mass) enabled us to serve a diverse range of customers in the consumer pack segment. Further, we reinvented our packaging strategy for key brands, such as India Gate Classic and Unity, to resonate with the changing customer preference.

In FY22, the consumer packs premium segment and daily segment witnessed substantial volume and value growth in FY22. We introduced new small packages (200 gm packs) for the health segment in FY22, resulting in higher offtake. Thanks to the high health and immunity benefits and easy availability of our products, our health food segment continued to gain strong market traction.

Large pack segment (10Kg & 25 Kg)

A dedicated and well-strategized segment, KRBL's bulk packaging segment is aimed at servicing the needs of the institutional clients like hotels, restaurants and caterers and other large buyers such as large joint families and cultural communities.

With the opening up of economy post Covid, many industries and business came back to life and large-scale events started happening. As a result, we witnessed a higher demand for large packs.

Heightened focus and growth of the large pack segment, enabled by distribution expansion, new product introductions, product mix improvements, digital adoption, and optimised brand campaigns, led to strong growth for the segment.

Unity Biryani Basmati Rice

KRBL introduced the Unity brand in the market with an aim of providing the customers who prefer loose rice with a branded and quality packaged rice. Known for its quality and strong aroma, the brand has been well accepted by the consumers.



Speciality Range Premium Products

With the increasing awareness of world cuisine, online availability of zillions of recipes and evolving taste habits, customers can experiment with food almost every day. Although KRBL is primarily a food company and then a basmati rice company, rice has started becoming a speciality ingredient from a staple diet commodity. In turn, KRBL is positioning its products in tune with such personalized requirements on auspicious occasions. For instance, India Gate Classic is the holy grail of Basmati Rice, not only in India but across the world!

Moreover, KRBL's various 'Health' product offerings are strategically positioned to cater to unique consumer requirements. Therefore, they are likely to enhance preference and off-take while creating a sustainable product portfolio for the future.

Modern trade sales

In FY22, KRBL's modern trade distribution channels have maximized its presence in more than 3,900 stores spread across India. Today, India Gate is synonymous with the product category of Basmati Rice. This holds true especially in modern trade, where the shelf always has space for a few popular and quick selling brands (added to existing thousands)!

E-commerce

To match pace with the changing trends, KRBL has also focused on growing its presence in the e-commerce segment. To harness opportunities and drive efficiencies, KRBL has forged strategic tie-ups with both B2B and B2C e-commerce players, such as Grofers, Big Basket, Flipkart, Amazon Pantry, Jiomart, Udaan, and Jumbotail among others.

Our domestic brand portfolio



INTERNATIONAL BUSINESS

With a presence in over 90 countries, KRBL has evolved to become a renowned name in the global rice industry and is synonymous with premium and quality Basmati. Our strong global outreach as an agri-products manufacturer has helped us to emerge as one of the largest Indian players in the branded rice business across the world. Backed by a strong portfolio, KRBL has entrenched its presence in the international market.

Key business highlights, FY22

- Holding position of No. 1 with wide good margin
- Exported a total 2.4 lacs metric tonnes of rice
- Revamped our distributor network in the international market and added 7 new distributors across our key markets.
- Recorded an export sales of ₹ 1,451 crores

Key challenges overcome in the international market

- Shortage of shipping containers and warehousing facilities
- Exponential rise in ocean freight
- Substantial rise in terminal charges
- Rise in the railway freight charges
- Limited availability of labour, resulting in higher labour cost
- Reduction of free days by shipping companies resulting in higher detention charges
- Rise in the shipping guarantee charges

KRBL's position in key international markets

ME and GCC region

Largest consumer of Basmati rice in the world
Strong population growth in the region 80% of the basmati rice exports from India is destined for Middle east (FY 2022 Volume)

- KRBL commands the leadership position in terms of market share in most of the GCC markets
- India Gate is the only premium Indian Rice brand in GCC
- Palette preference for India Gate. Reigning upon a vast multi-year opportunity
- Nur Jahan is the second most popular brand in the region and is a preferred brand amongst the price conscious customers
- KRBL contributes nearly 56% of the basmati rice export to the region



Europe

One of the growing markets for KRBL

- Favors local value-capture, ~95% sales to EU are of Brown Rice
- Development of new crop will help to comply with regulation on pesticide residues and will help KRBL grow its presence in the region
- KRBL's growing portfolio on the health food segment and ready-to-eat segment to propel growth in the region

Americas

KRBL consistently earns substantial premium on realisations

- Popular amongst diaspora, rising local popularity
- Present in the dominant channels of trade
- One of the focused markets owing to high premium on realizations
- KRBL contributed 9% of the overall exports to the region

RoW

Poised to make our presence across geographies

- Strengthen leadership in Australasia & Africa
- Grew brand presence in Australia and Africa with strategic tie up and aggressive branding initiatives
- Grew dealer presence in Oceania and Africa
- Focusing on development of new markets with premium positioning
- APEDA's export to OCEANIA & AFRICA stood at 3% & 5% respectively. But, KRBL's export share to these growing markets is at higher side with 14% & 15% respectively
- KRBL's share of import in Australia, New Zealand and Fiji stood at 26% and in Africa at 19%

Our international brand portfolio



Going beyond numbers

Key highlights of International Business

Though FY22 has seen some unprecedented global scenario but we took it as an opportunity and came out as market leader and hold the No. 1 position. We have created a bigger picture and vision for next decade. We went beyond the numbers to create a platform that would eventually drive the growth of KRBL's international business in years to come.

1. Focus on key Markets

We focused on our key markets and emphasised on growing our product presence with a new set of distributors and aggressive marketing campaigns. With an expectation to grow our markets, we onboarded 7 new distributors in our international eco system who resonate the mindset of the company, i.e. to grow constantly.

2. Exploring new markets

We have starting working on new markets. Lots of efforts and research is going on expanding our footprints. We are studying various markets and will soon be zeroing on new markets and will come up with strategy to enter these markets.

3. Building Brand Equity

We emphasised on building our brand equity in the key markets such as GCC, around our key brands in the international market – India Gate, Bab Al Hind and Nur Jahan. We undertook various branding initiatives across various media platforms to amplify our customer reach and generate higher brand recall. From launching special occasion-based or festival focused campaigns to running different

customer engagement contests to collaborating with the social media influencers, celebrity cooks and health experts to associating with other renowned brands, we ensured our brands were present everywhere and create a positive impact on our target audience.

4. Penetration of Mid-segment

Our extensive study has shown that while consumers still have a strong preference for premium products, a new customer-base is developing for mid-range segment. We have started capturing that market also and will be critical to our success. In addition to this, portfolio enhancement and optimisation, ensuring omni-channel product presence coupled with a strategic tie ups and revamped distribution system is helping us in gaining market share and driving positive growth in the near future.

In our endeavour to build mid-tier brands, we focused on building the brand value of our Nur Jahan range of products. We rolled out targeted marketing and branding campaigns showcasing the value it brings to the dining table of a common household.



5. Overcoming Pesticides Norms adopted by region

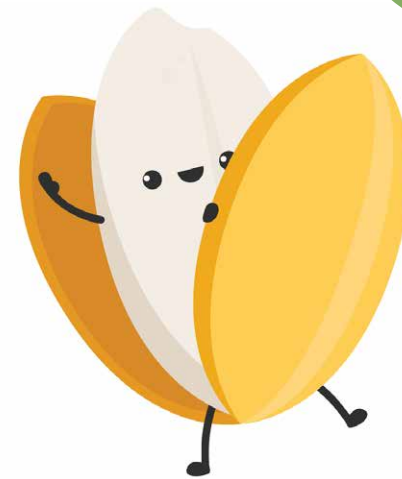
We focused on reasserting our leadership across the GCC and European market with a wider product portfolio. Strict pesticide norms were implemented by some countries such as Oman, Lebanon and Jordan, which led to some import restrictions. We understood the challenge and introduced new seed varieties, which were more resistant to pest attacks and climatic fluctuations, thereby substantially reduced the usage of pesticides. We will see the impact of this initiative in coming quarters. We also initiated talks with the overseas governments of the region and demonstrated the qualitative aspect of our products. So far, the discussions have been very productive and we are hopeful to get a positive outcome.

6. Extensive Market Research

To better understand our customers, we undertook extensive market research. Based on the outcome of the research, we pushed for products in the market, devised our marketing and branding campaigns accordingly, developed a customer focused distribution strategy, and emphasised on engaging with our customers as per their preferred communication medium.

7. Human Resource

To execute and implement all aforesaid initiatives either with respect to deployment of strategy or execution of new systems / processes, we are strengthening our human capital. In our endeavour to compete with ourselves, we are consistently refining our capabilities by setting new quality and delivery standards. To give the best customer experience, this year we are laser focussed on building our leadership team and substantially upskilling and reskilling our existing team members. To achieve this objective this year's HR strategy shall be based on three pillars i.e. Organisational Effectiveness, Capability Building and Engaging Culture.



For enhancing 'Organisational Effectiveness' we shall refine our Hiring Process. We shall strengthen our on-boarding and induction process and restructure existing PMS process to bring more objectivity and transparency. Under 'Capability Building' we shall work on managerial skill development, succession planning for critical roles and digitization of HR processes. To develop more 'Engaging Culture', we shall frame mechanism for identification and rewarding of high performers.

We are sure that by following the Golden Rule – 'Focus on less and accomplish more', we shall surpass our own standards of performance and delivery.

8. Increasing our Intellectual property reach

We have successfully registered 10 trademarks in 12 countries to enhance our global reach. In Egypt & Turkey, we successfully ensured cross-class enforcement of our brand. We further enforced the mark India Gate against Bharat Gate in Singapore on merit basis.

Whilst the actions taken would undoubtedly give our business a stronger platform going forward, it shows our readiness and innovation that keeps us ahead of the dynamic and challenging market conditions and adapt elements of the Company's short-term needs and long-term strategy for execution going forward.

9. Our performance in the international markets

We clocked an export revenue in the tune of ₹1,451 crores and exported 2.41 lacs metric tonne of rice. We continued to remain the market leaders in several of our key international markets and hold position of No. 1 exporter.

10. Flying High

KRBL's India Gate Classic & India Gate Brown Rice has been short-listed by Emirates Flight Catering as their preferred rice brand for their catering and support services for Emirates Airline and all other airlines based at Dubai International Airport.

KRBL India Gate Chef Feast was selected amongst the 10 top different brands to supply basmati rice in the Qatar Airways Catering Service.

KRBL'S GROWING EXPORT REALIZATION (IN ₹)



KRBL's position in the international markets

15-year's leadership

KRBL and its product has been enjoying a 15-year leadership in the Australasian market.

Highest selling brand

KRBL's iconic brand India Gate is the highest selling brand in the mainstream as well as the ethnic New Zealand market.

100% brand focused

Across our key markets, we strategically focused on exporting branded rice products. India Gate emerged as the most dominant leader in that market with a higher share of the market in terms of value



KRBL's market share

According to APEDA, India exports rice to 165 countries.

40% +

In nearly 8 countries out of the 165, KRBL's India Gate brand commands over 40% market share

30% +

In nearly 10 countries out of the 165, KRBL's India Gate brand commands over 30% market share

20% +

In nearly 13 countries out of the 165, KRBL's India Gate brand commands over 20% market share

10% +

In nearly 22 countries out of the 165, KRBL's India Gate brand commands over 10% market share

Number one

India Gate continued to be the only premium Indian rice brand in the GCC region, the highest rice consuming region across the globe. KRBL occupies dominant position within most premium quality Basmati Rice and commands premium of 71% over other basmati brands exporters from India.

Trust

Over the years, we have been successful in creating strong sense of trust amongst our customer group with our portfolio of quality branded products. This focus on quality and our ability to address the changing needs of our customer paid dividend during this covid times. When people preferred branded and quality products, our brands India Gate and Nur Jahan scored big over other Indian competing brand and also the local ones.



Segment II

Power division

Recognizing our responsibilities towards our mother nature, we had established our power division. It not only helped us being energy efficient but also allowed us to switch to renewable energy sources while decreasing our dependency on fossil fuels. Some portion of this green energy is being used for captive consumption while rest is being sold to the State Distribution Companies thereby creating another revenue source for the Company.

KRBL ventured in the business of captive power generation to ensure constant power supply for its operations and has currently total installed capacity of 146.84 MW across different verticals like biomass, wind and solar power segment. KRBL has constantly enhanced its captive power generation capacity over the years and today enjoys one of the largest renewables and alternate power generation capacities within India's agricultural industry.

₹112 crores

Total revenue generated from the sale of power in FY22

17.00 MW

KRBL's total solar power generation capacity


112.25 MW

KRBL's total wind power generation capacity

17.59 MW

KRBL's total biomass power generation capacity





MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY OVERVIEW

The global economy was on the path of recovery in 2021 as the economies started opening up and travel restrictions were relaxed post the pandemic. Stepping into 2022, the global economic performance continues to be influenced by Covid-19, as well as supply issues and inflationary pressures. However, the global growth prospects have weakened significantly owing to the start of the war in Ukraine. After rebounding to an estimated 5.5% in 2021, the economy global growth is expected to have decelerated markedly in 2022 to 3.1%, reflecting the economic impact of the geopolitical tension and continued COVID-19 flare-ups, diminished fiscal support and lingering supply bottlenecks.

The war in Ukraine has upended the fragile recovery from the pandemic, triggering a humanitarian crisis in Europe, pushing up food and commodity prices and exacerbating inflationary pressures worldwide. Geopolitical and economic uncertainties are dampening business confidence and investment and further weakening short-term economic prospects. Against this backdrop, the global economy is now projected to grow by only 3.1% in 2022 and 2023.



INDIAN ECONOMY OVERVIEW

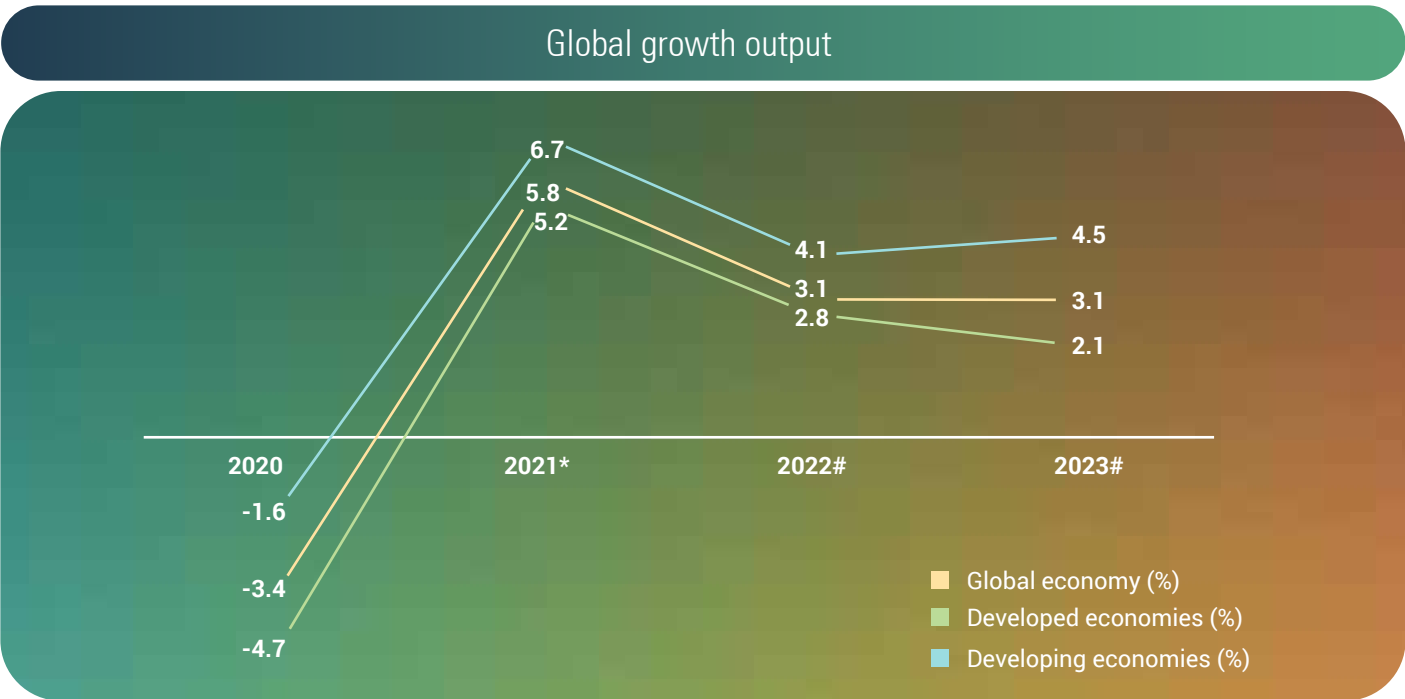
The Indian economy has emerged as one of the fastest growing economies, as India continued to make remarkable economic progress since 2000. According to the government, between 2011 and 2015, over 90 million people have been lifted out of extreme poverty. After growing at very high rates for years, India's economy had already begun to slow down before the onset of the COVID-19 pandemic. Between FY17 and FY20, growth decelerated from 8.3% to 4.0%, with weaknesses in the financial sector compounded by a decline in the growth of private consumption. However, the Covid-19 pandemic led India's economy



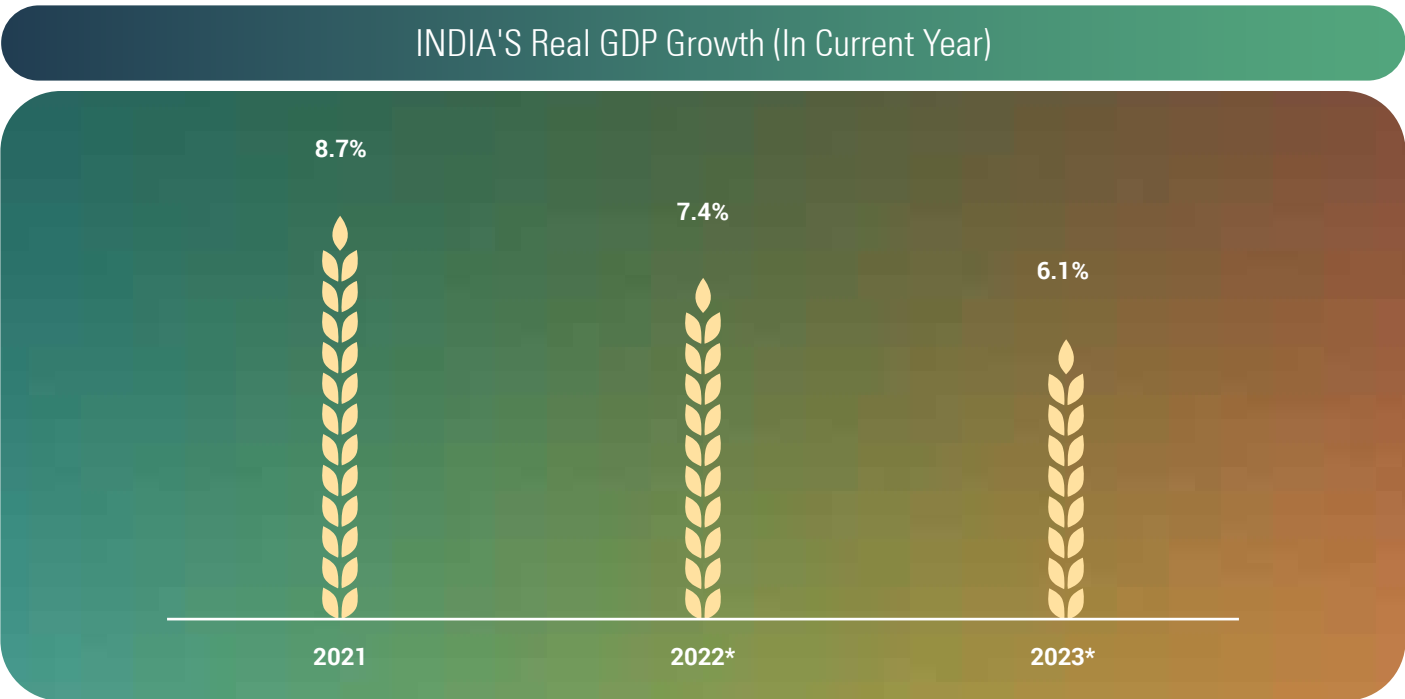
into a contraction in 2022, despite well-crafted fiscal and monetary policy support.

Following the severe 'second wave,' growth in FY22 is expected to be around 7.5%. According to IMF, India's economic

growth projection for calendar year 2022 is expected to be around 8.8% from the previously forecasted 9.1% earlier, citing high inflation. India is on the path to a sustained economic recovery, thanks to the vigorous countrywide drive to deliver safe and wide-reaching Covid-19 vaccinations, which helped reduce the severity of the third pandemic wave with minimal disruptions to mobility and economic activity. However, owing to the onset of the Russia-Ukraine conflict, the crisis has clouded India's growth outlook. Rise in prices of crude oil, food and fertilizers are



(Source: World Economic Situation and Prospects as of mid-2022, by the United Nations Department of Economic and Social Affairs) [*Partially estimated | #UN DESA forecasts]



(Source: IMF, World Economic Outlook, July 2022: <https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlook-update-july-2022>) [*Projected]

likely to weigh on household finances and spending in the months ahead directly and indirectly. Further, rate hikes undertaken to prevent energy and food inflation from becoming more generalized are expected to slow the recovery momentum. India imports vegetable oils, machines, fertilizers, chemicals from Ukraine and is the largest importer country for Ukraine. It imports crude oil, precious metals and stones, mineral fuels, weapons etc. from Russia. Due to present conflict various items which had been imported from Russia and Ukraine will be seriously impacted. Consumption demand, which has been a concern as the pandemic dented consumer finances and confidence, grew by 8.6% (YoY) – an enormous boost for the Indian economy. However, consumer spending lagged substantially from the pre-COVID-19 levels, suggesting that pandemic uncertainties are still weighing on consumers' confidence and ability to spend.

Agriculture and other related industries were the least affected during the pandemic. Strong sowing progress and abundant harvest increased output. Moreover, the rise in MSPs along with improvement in rice procurement augmented rural earnings.

OUTLOOK

According to the IMF, India's prospects for 2023 are marked up on expected improvements to credit growth and, subsequently, investment and consumption, building on better-than-anticipated performance of the financial sector. The GDP is expected to grow in real terms by 8% to 8.5% in 2022-23. The industry expects the coming year to see an increase in private sector investment with the financial system in sturdy shape to support the country's economic recovery. This projection is in line with the World Bank's and Asian Development Bank's

recent predictions of 8.7% and 7.5% real GDP growth for FY23, respectively.

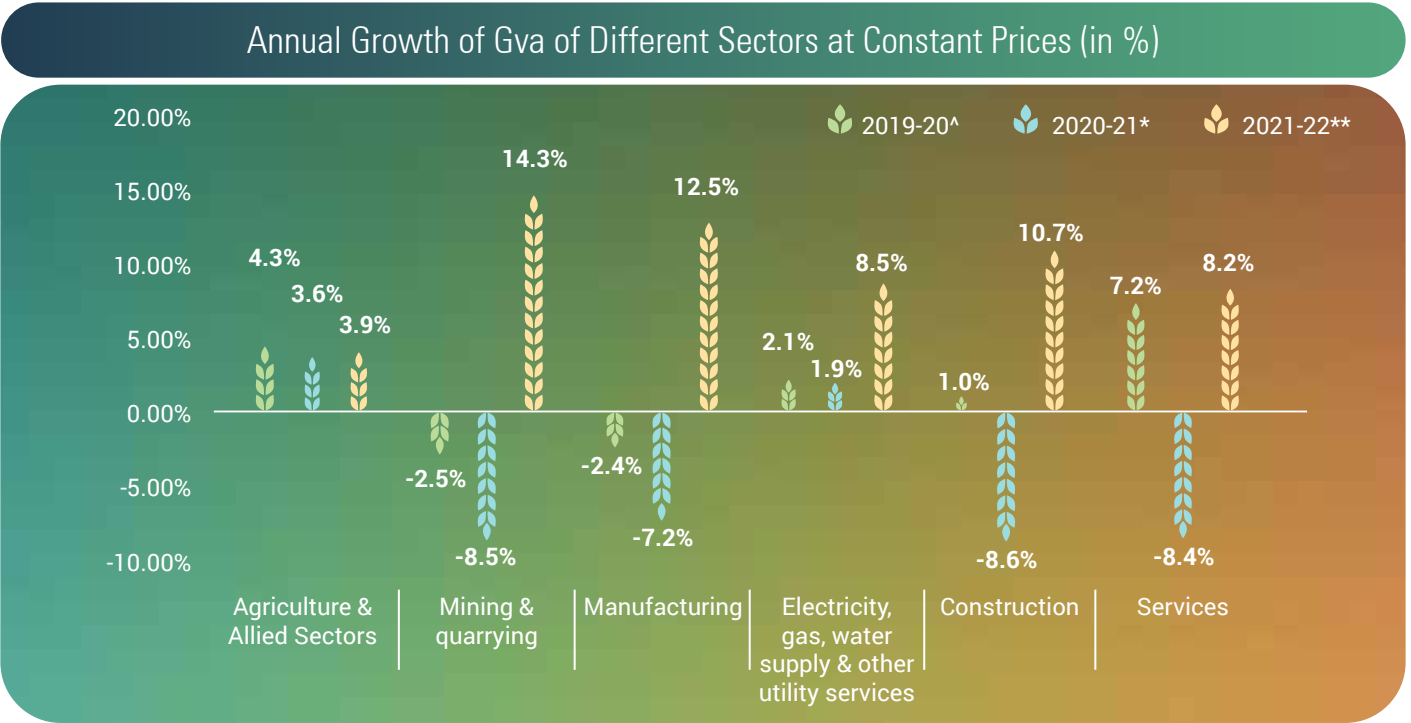
However, concerns surrounding the slow government spending to consolidate its expenses may pose a threat. India currently has the highest fiscal deficit among its peer nations and debt is at an all-time high. With the economy gradually coming out of the pandemic's shadow and showing signs of a steady recovery, pent-up demand will probably sustain the growth momentum. This shows there is probably a lesser need for a stimulus package from the government. Besides, the government would like to build its capacity to respond to future adversities in case they arise. Another risk to the economy is the rising inflation rates. Recent spikes in inflation have concerned policymakers as pent-up demand rose faster than supply.

INDIAN AGRICULTURE INDUSTRY

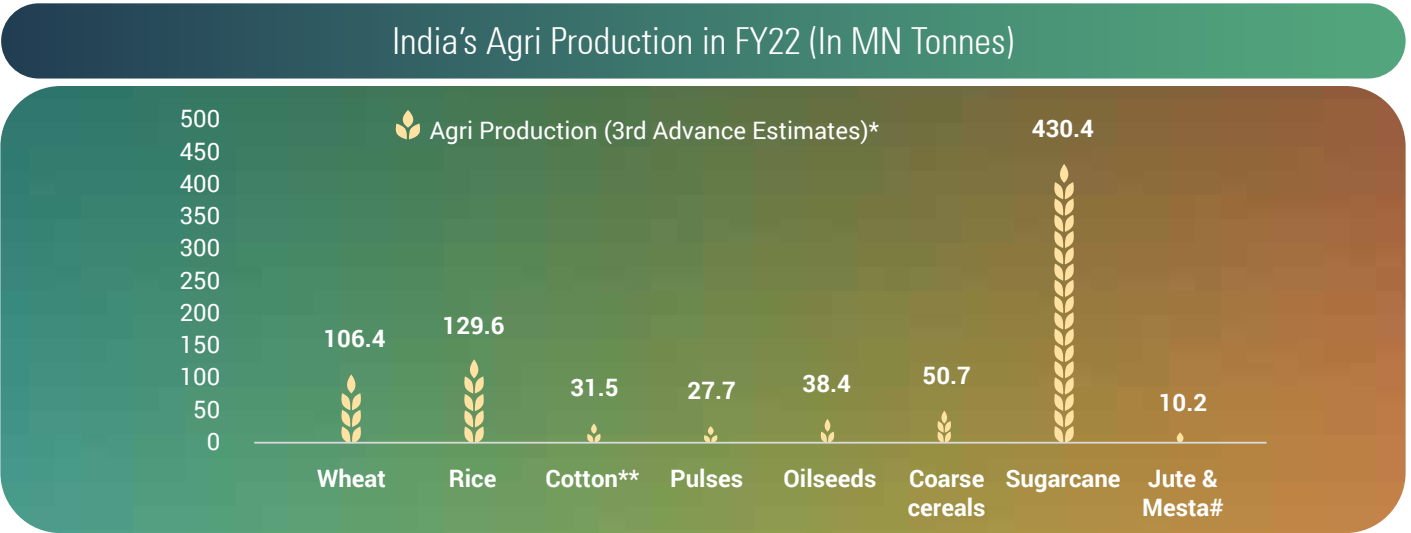
Backbone of the Indian economy, the Indian agriculture industry is the livelihood of over 50% of the nation's population. Over 54% of the nation's land categorized as arable. Amongst one of the leading producers of

different agricultural commodities in terms of volume, such as rice, wheat, cotton, sugar, horticulture, and dairy, among others, the Indian agriculture industry and related sectors today contributes nearly 19%.

During the covid period, while most of the other industries witnessed a de-growth, the Indian agriculture industry was one of the few industries which witnessed positive growth despite the challenges.



Source: Economic survey, 2021-22 [[^] - 1st Revised Estimate, ^{*} - Provisional Estimates, ^{**} - 1st Advance Estimates]



(Source: https://www.business-standard.com/article/economy-policy/india-s-farm-sector-clocks-4-1-growth-in-q4-of-fy22-shows-data-122060100036_1.html)

*Released on May 19, 2022 | **in million bales; 1 bale = 170 kg | #in million bales; 1 bale = 180 kg]

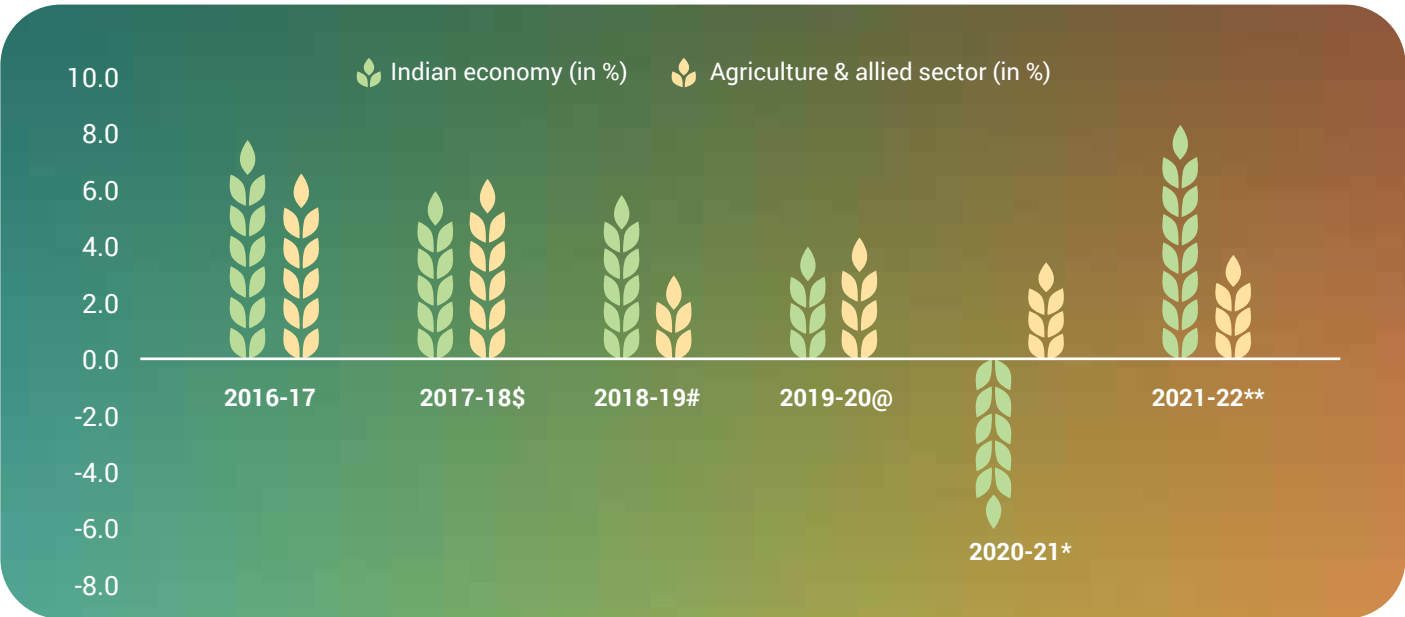
KEY CHALLENGES FACED BY THE INDIAN AGRICULTURE INDUSTRY

Valued at around ₹71,220 billion at the end of 2021, the market value of the Indian agriculture and allied industry is expected to reach a value of ₹142,280 billion by 2027, exhibiting a CAGR of 12.3% during the period.

Poised for strong growth, the Indian agricultural sector grew at a healthy 4.1% rate in the fourth quarter of FY22 (at constant prices), up from 2.8% during the corresponding period of the previous year. However, for the full year i.e. FY22, gross value added (GVA) for agricultural sector is expected to be marginally less than FY21 at 3% because of a drop in wheat production. The Indian agricultural sector has undergone several transformations over

the past few decades. These include - rising penetration of the organized sector, growth in contract farming, agriculture becoming more mechanized, easy loan facilities, rise of exports, use of agrochemicals and high yielding seeds, and an increasing role of the private sector in processing, branding and marketing, etc.

Growth in GVA of Agriculture and Allied Sectors and the economy



(Source: Annual Report, 2021-22, Department of Agriculture & Farmers Welfare - Ministry of Agriculture & Farmers Welfare)
 \$ Third Revised Estimates | # Second Revised Estimate | @ First Revised Estimates
 * As per Provisional Estimates of 2021 | **As per First Advance Estimates of National Income, 2021-22 released on 7th, Jan 2022

Instability : Agriculture in India is largely dependent on the monsoon. As a result, production of food-grains fluctuate year after year. A year of abundant output is often followed by a year of acute shortage in key crops.

Cropping pattern: The crops that are grown in India are divided into two broad categories: food crops and non-food crops. While the former comprises food-grains, sugarcane, cereals, pulses, coarse grains and other beverages, the latter includes different kinds of fibres and oilseeds.

Sub-Division and fragmentation of holding: Due to the growth of population and breakdown of the joint family system, there has occurred continuous sub-division of agricultural land into smaller and smaller plots. At times, small farmers are forced to sell a portion of their land to repay debt. This creates further sub-division of land.

Conditions of agricultural labourers: The conditions of most agricultural labourers in India are far from satisfactory. There is also the problem of surplus labour or disguised unemployment. This pushes the wage rates below the subsistence levels.

Manures, fertilizers and biocides: Indian soil has been used for growing crops over thousands of years without caring much for replenishing. This has led to depletion and exhaustion of soils, resulting in their low productivity. The average yields of almost all the crops are among the lowest in the world. This is a serious problem which can be solved by using more manures and fertilizers.

Irrigation: Although India is the second largest irrigated country of the world after China, only one-third of the cropped area is under irrigation. Irrigation is the most important agricultural input in a tropical monsoon country like India where rainfall can be uncertain, unreliable and erratic.

Lack of mechanisation: In spite of the large-scale mechanisation of agriculture in some parts of the country, most of the agricultural operations in larger parts are carried on by human hand using simple and conventional tools and implements like wooden plough, sickle etc.

Agricultural marketing: Agricultural marketing still continues to lag in rural India. In the absence of sound marketing facilities, the farmers have to depend upon local traders and middlemen for the disposal of their farm produce which is sold at throwaway price.

Inadequate transport: One of the main handicaps with Indian agriculture is the lack of cheap and efficient means of transportation. Even at present there are lacs of villages which are not well connected with main roads or with market centres.

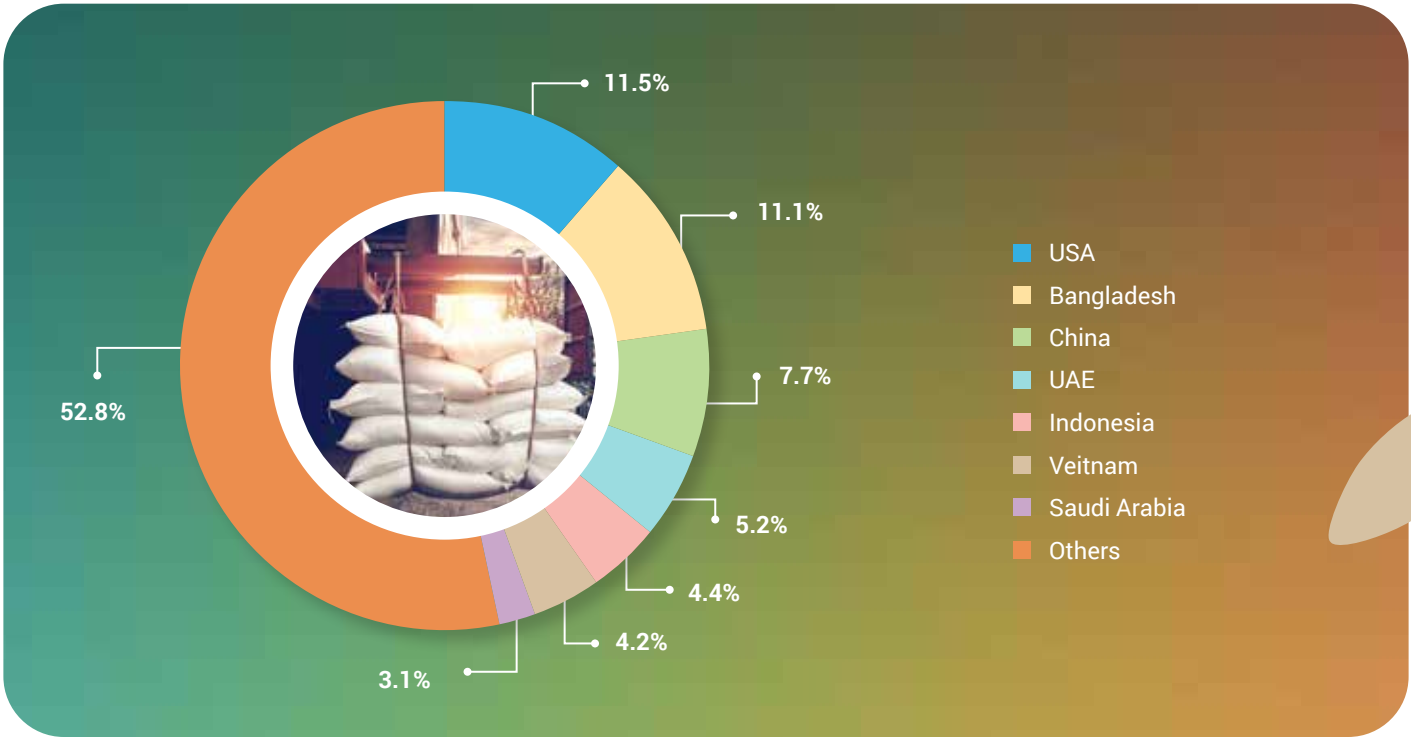
AGRICULTURAL EXPORTS FROM INDIA

India's agricultural exports touched a new milestone in FY22 as the overall exports touched the \$50 billion mark, the highest level ever achieved for agriculture exports. According to the data published by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), Government of India, India's agricultural exports have grown by 18% during 2021-22 to touch \$49.6 billion marking a growth of 19% at \$41.87 billion achieved in 2020-21. This growth is remarkable considering the unprecedented logistical challenges in the form of high freight rates and container shortages, faced by the industry in the recent years. Key export products from

India included rice, meat, grains, wheat, nuts, onions, fruits, pulses, dairy products, alcoholic beverages, cereals, cashews and vegetables. Further, the export of marine products also reached the highest ever at \$7.71 billion in FY22 and spices exports have touched \$4 billion for the second year in a row. Wheat has recorded an unprecedented growth of more than 273%, jumping nearly four-fold from \$568 million in 2020-21 to touch close to \$2119 million in 2021-22.

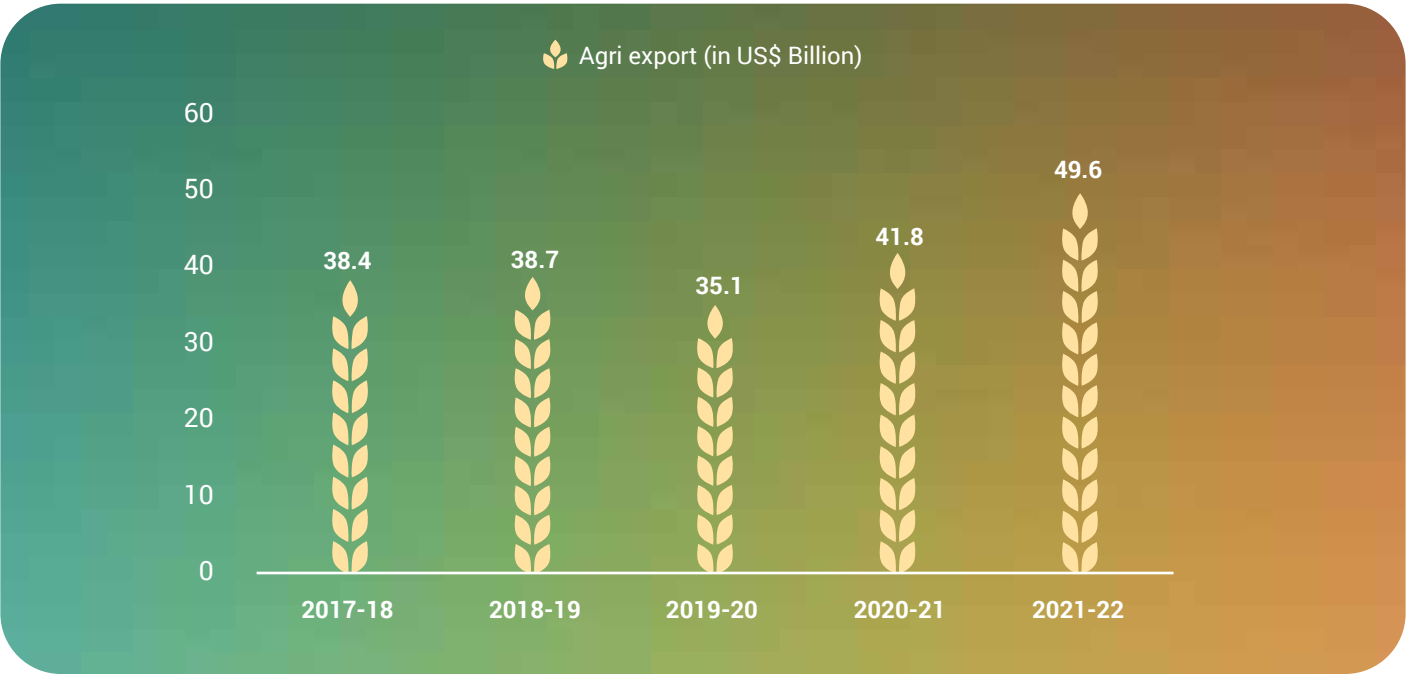


India's Growing Agricultural Export



(Source: <https://www.ibef.org/exports/agriculture-and-food-industry-india>) [*updated till February 2022]

India's Growing Agricultural Export



(Source: <https://www.ibef.org/exports/agriculture-and-food-industry-india>)

FY23 BUDGET HIGHLIGHTS FOR THE AGRI SECTOR

In FY23, the budget for agriculture and the allied sector stood at ₹1,51,521 crores, which is 3.84% of whole budget allocation. However, it is lesser in comparison to that of 3.92% in FY22. Of this allocation, cash-based agricultural schemes received almost 79% allocation, leaving only about 21% expenditure for 'core schemes'. The cash-based schemes primarily include Pradhan Mantri Kisan Samman Nidhi (PMKISAN), Market Intervention Scheme and Price Support Scheme, Pradhan Mantri Fasal Bima Yojana (PMFBY), Modified Interest Subvention Scheme, and Pradhan Mantri Kisan Man Dhan Yojana. On the other hand, the major core interventions receiving mere 21% of allocated outlay chiefly cover, soil health improvement, development of community-based assets like augmentation of water resources, quality research, quality seeds availability, mechanization techniques soil testing labs and handholding support through extension services.



RICE INDUSTRY OVERVIEW

GLOBAL RICE INDUSTRY

Rice is one of the three major crops cultivated worldwide, along with wheat and corn. However, rice is the most important crop that is used as a primary food source. In developing countries, the availability of rice is closely tied to the food security and political stability. Feeding more than half of the global population, just 10 countries produce nearly 84% of the global rice requirement. The most important crop to millions of small farmers across the globe, globally over 700 million tons of rice (470 million tons of milled rice) is produced annually and nearly 90% of the production comes from Asia.

Annual global rice production in the 2021-22 rice sowing season is expected to be around 510.8 million tons (milled basis), down 0.9 million tons from the previous forecast but 3.6 million tons higher than last year's production. Global rice consumption in the 2021-22 season is expected to be around 510.9 million tons, down almost 0.4 million tons from the previous forecast, but nearly 8.9 million tons higher than the previous year.



INDIAN RICE INDUSTRY OVERVIEW

Thanks to the favourable climatic conditions prevailing in India, over the years, the nation has emerged as the second largest rice-growing country worldwide. It doesn't matter how it's cooked – steamed, boiled or fried – rice is included in pretty much every meal of the day in India. Today, India produces more than 20% of the global rice requirement from its 47 million hectares of rice plantation area - only 2.4% of the global land.

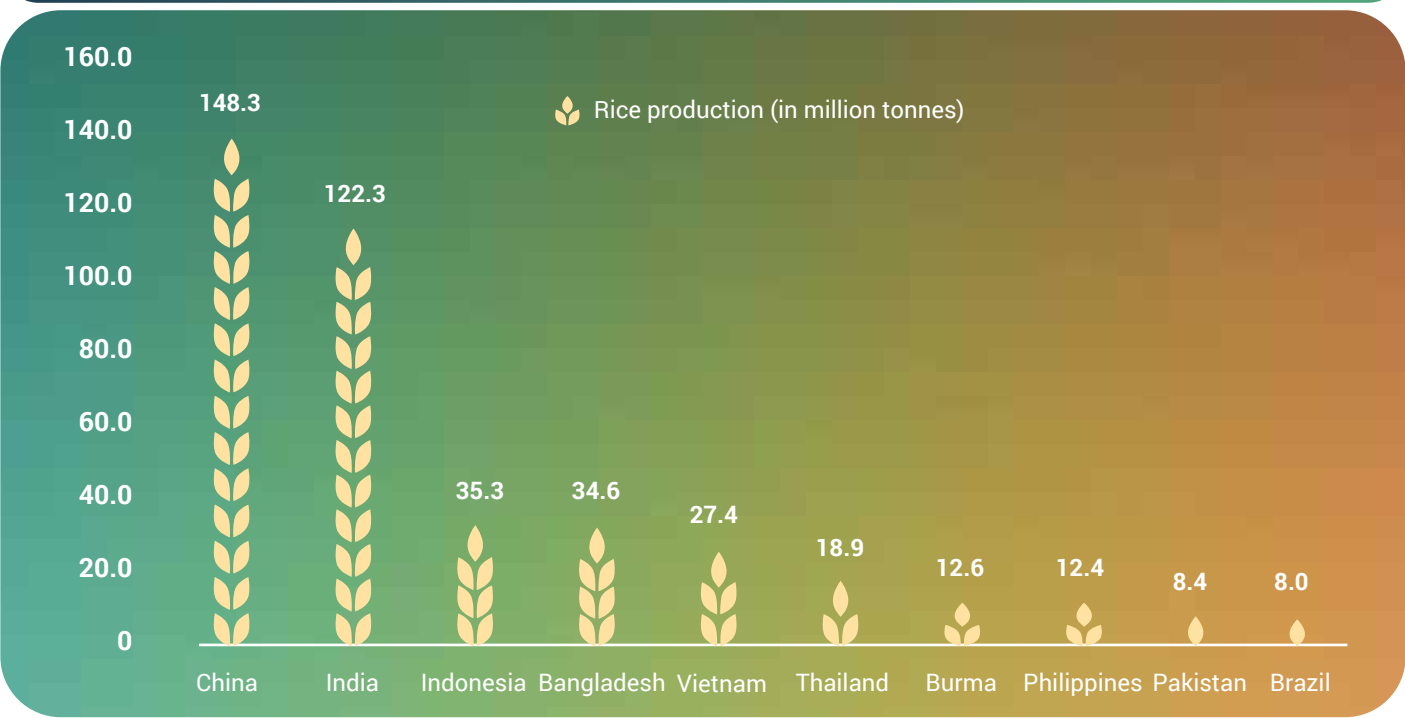
Grown across India, different rice varieties are grown at different time of the year. However, the majority of the rice produced in India is during the Kharif season (the Kharif season in India starts from June and ends in September during the southwest monsoon). Eastern, North-eastern and Southern India are major rice-producing region because of a conducive climate throughout the year. Despite being the staple food for majority of the Indians, the rice industry is still largely dominated by unorganised players owing to the easy availability of rice from a large number

of local stores (both retailer and small-time dealers). But in the recent years, the organised and packed rice segment has gained traction thanks to India's growing middle-class population coupled with the increasing consumer consciousness towards food safety and quality. Moreover, the rising penetration of organized food retail outlets offering different varieties of packaged rice is further catalyzing the market growth in the country. Additionally, the shifting consumer preferences towards an energy-rich, carbohydrate-based diet for reducing the risk of numerous chronic ailments, are also propelling the product demand. Apart from this, elevating consumer living standards, particularly across Tier 1 and Tier 2 cities, are further bolstering the sale of premium and specialty packaged rice products. Moreover, the expanding HoReCa sector, along with the growing prominence of high-grade packaged rice with sleek grains, unique aroma and taste, prolonged shelf-life, etc., is positively influencing the regional market.

Further, the implementation of various government initiatives, such as the National Food Security Mission (NFSM), for boosting domestic production and improving the storage capacity of rice in India is acting as another growth-inducing factor for the organised segment. Moreover, several key players have launched innovative packaging solutions in the form of zip lock pouches and flexible pouches for convenient usage and easy storage, which is further expected to India the packaged rice market in India in the coming years. Reaching a volume of 10.96 million tons in 2021, the Indian packaged rice industry is expected to reach a volume of 15.33 million tons by 2027 after growing at a CAGR of 6.10%.

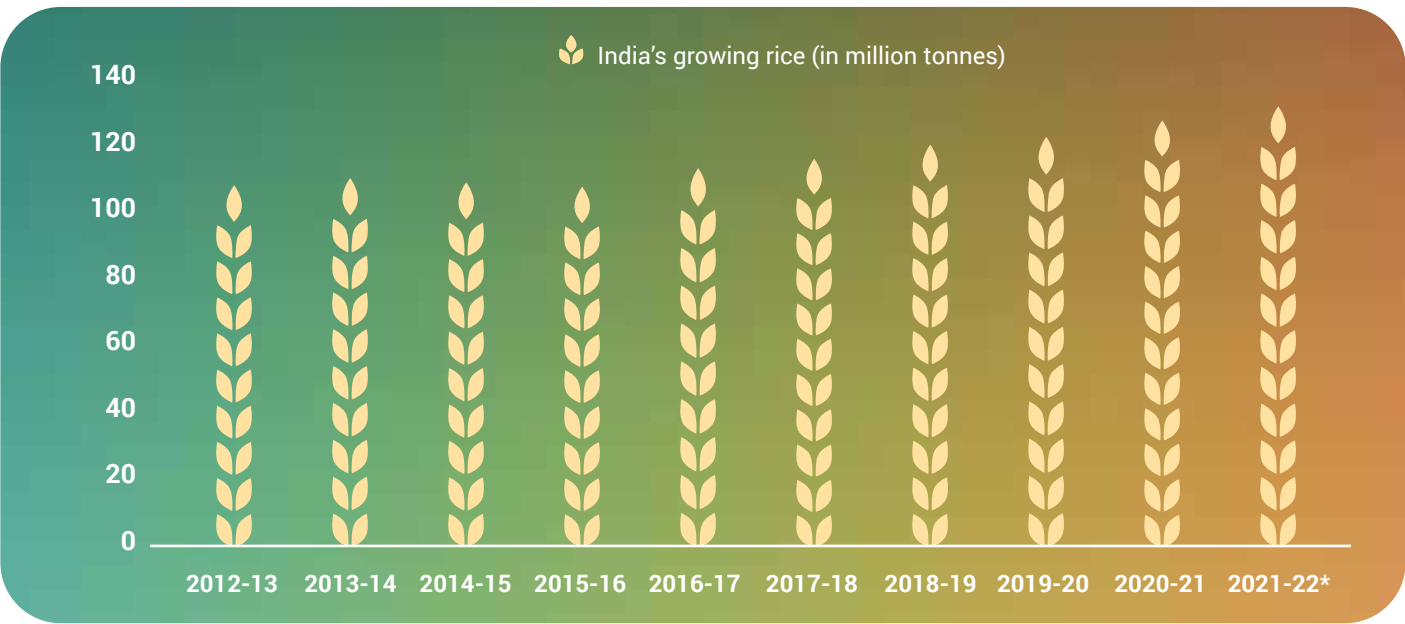
In a bid to aid the rice farmers of India, the government has periodically increased MSP and as a result, the MSP almost doubled in the last decade. The government announced the MSP at ₹1,940 per quintal for 'common paddy' and ₹1,960 for 'Grade-A paddy' for the marketing year 2021-22.

Global rice production, 2021 (by country)



(Source: <https://www.statista.com/statistics/255945/top-countries-of-destination-for-us-rice-exports-2011/>)

India's growing rice production



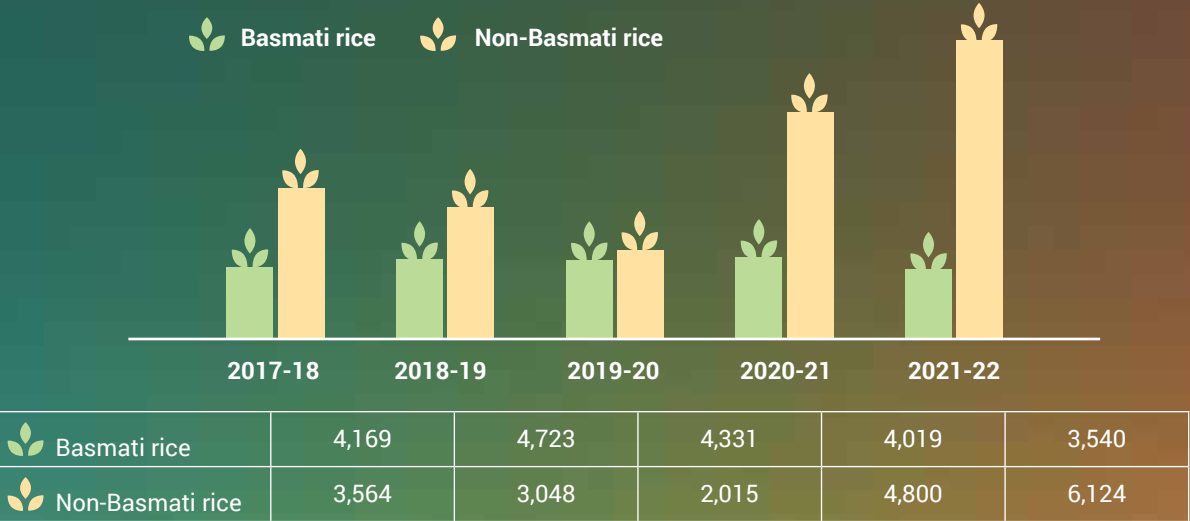
(Source: <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2022/feb/doc202221616601.pdf>)
*Second advance estimate

EXPORT SCENARIO

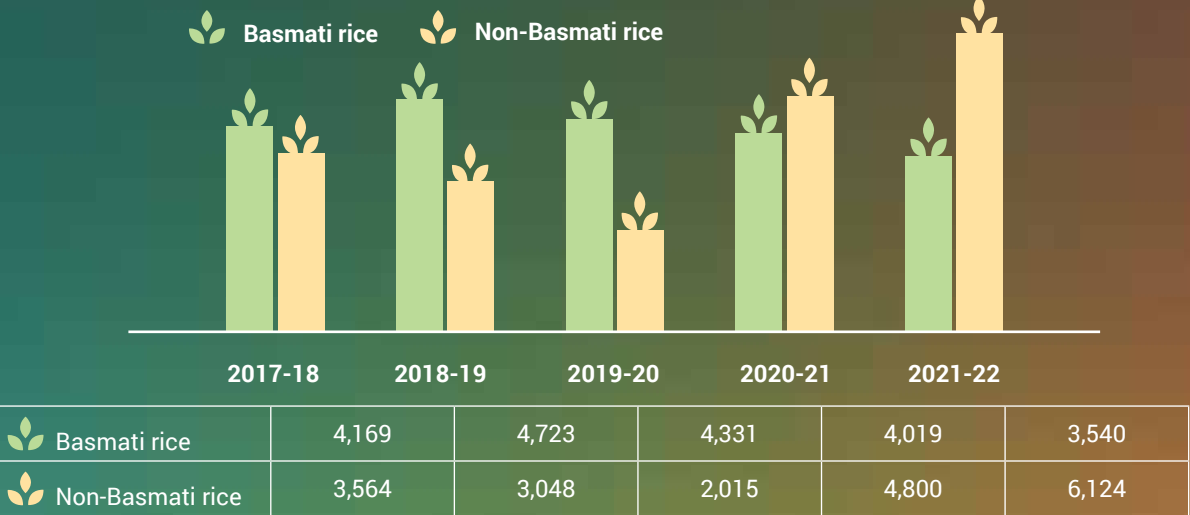
India is one of the major rice exporters of the world and meets nearly 25% of the global rice demand. Although basmati rice dominates the Indian rice export but in the last few years non-basmati rice has gained traction in the international market. According to the data published by the DGCIS, the Government of India, India registered a 27% growth in export of non-basmati rice to touch \$6.12 billion in 2021-22 compared to \$4.8 billion in 2020-21 and \$2.01 billion in 2019-20. India's non-basmati rice exports have gone up by 109% from \$2.92 billion in 2013-14.

But for the third consecutive year, exports of Basmati rice saw a fall over the previous year in value terms. In 2021-22, India exported 3.53 billion dollars' worth of Basmati rice, the lowest since 2019-20. According to the experts, one of the key reasons for the decline is the loss of the traditional market of Iran because of the US sanctions.

India's rice export In terms of volume (quantity in MT)



India's rice export In terms of value (in US\$ million)



INDIAN BASMATI RICE INDUSTRY

From risotto to Iranian pulao, Indian Basmati has been an essential part of recipes savoured in different parts of the world for ages. The aromatic long grain rice, also known as the Basmati rice, is a pride rice for India and is popular owing to its long grains, distinctive texture, and rich fragrance.

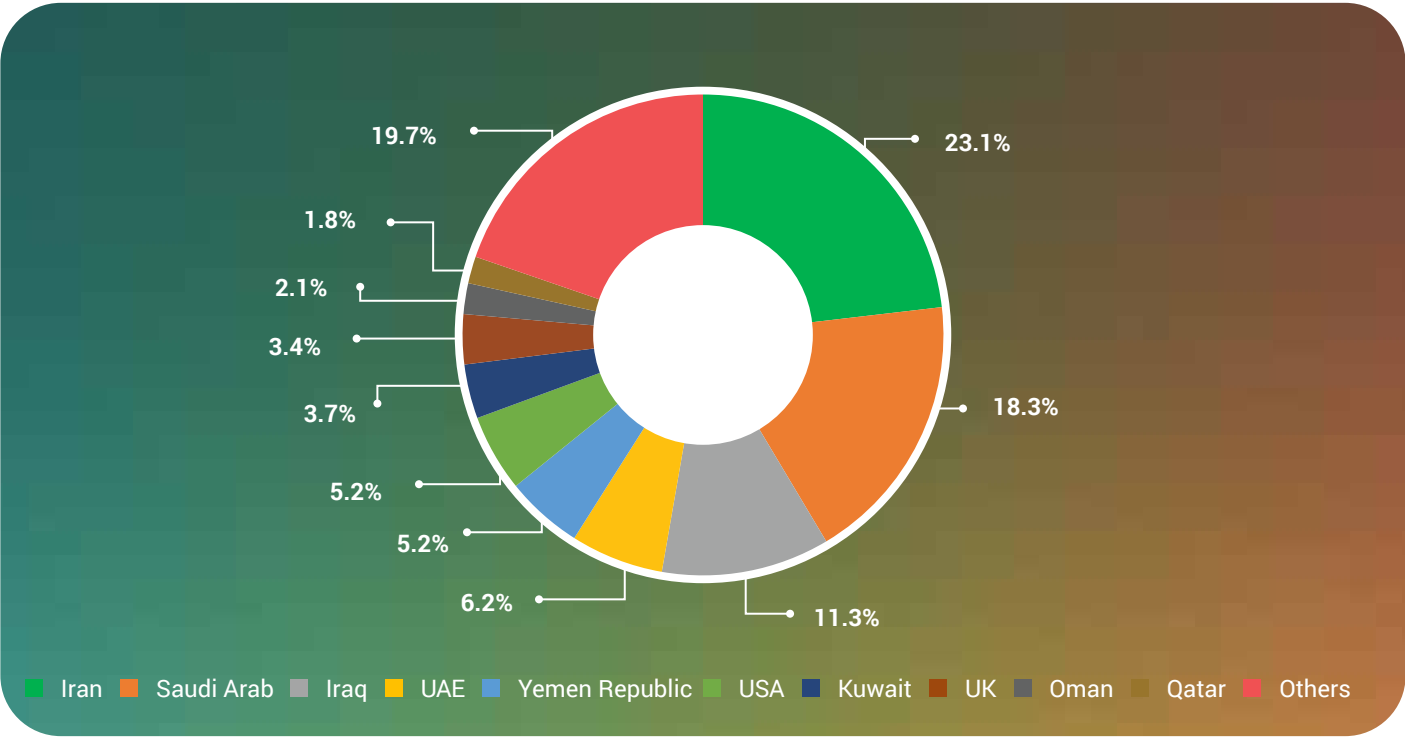
Grown in specific agro-climatic condition with specific geographical area, plant nutrition, agronomic practices, and method of harvesting, processing, and aging attributes. This makes Basmati rice special, as it is grown only in a specific region of India and Pakistan. Despite its popularity, basmati rice is not easy to come by outside of its native region. The grain is delicate and requires a specific climate

to grow properly. As a result, basmati rice is expensive and difficult to find in most parts of the world.

Basmati is unique to the region. It can be grown where precise climatic conditions, soil quality and temperature exist and this only occurs in the Indo-Gangetic area of the Himalayas. Grown in the specific regions in India such as Himachal Pradesh, Jammu & Kashmir, Haryana, Punjab, western Uttar Pradesh, Uttarakhand, and Delhi, India has helped popularise the Basmati rice across the globe. India is the main exporter of basmati rice to the international markets. India exports basmati rice in the world to Iran, Saudi Arabia, Iraq, UAE, Kuwait, Iraq, the UK, Yemen Republic, USA, Canada, and Oman.



India - Country-wise basmati rice export, FY22 (in terms of value)



(Source: <http://www.agriexchange.apeda.gov.in/indexp/exportstatement.aspx>)

COMPANY OVERVIEW

Established in 1989, KRBL Limited is India's oldest and only integrated packaged rice manufacturer. Backed by state-of-the-art manufacturing and packaging facilities, KRBL is one of the largest exporters of Basmati rice from India. With the largest milling capacity in the world, the Company has in place state-of-the-art grading and polishing stations, which are supported by a strong and well-spread procurement network across Punjab, Haryana, Uttaranchal and Uttar Pradesh.

Known for globally renowned brands - 'India Gate', 'Unity' and 'Nur Jahan' KRBL - has marked its presence across the entire value-chain of the rice industry. Today, KRBL's flagship brand 'India Gate' is synonymous with the best quality Basmati rice not only in India but also abroad. Over the years, 'India Gate' has emerged as

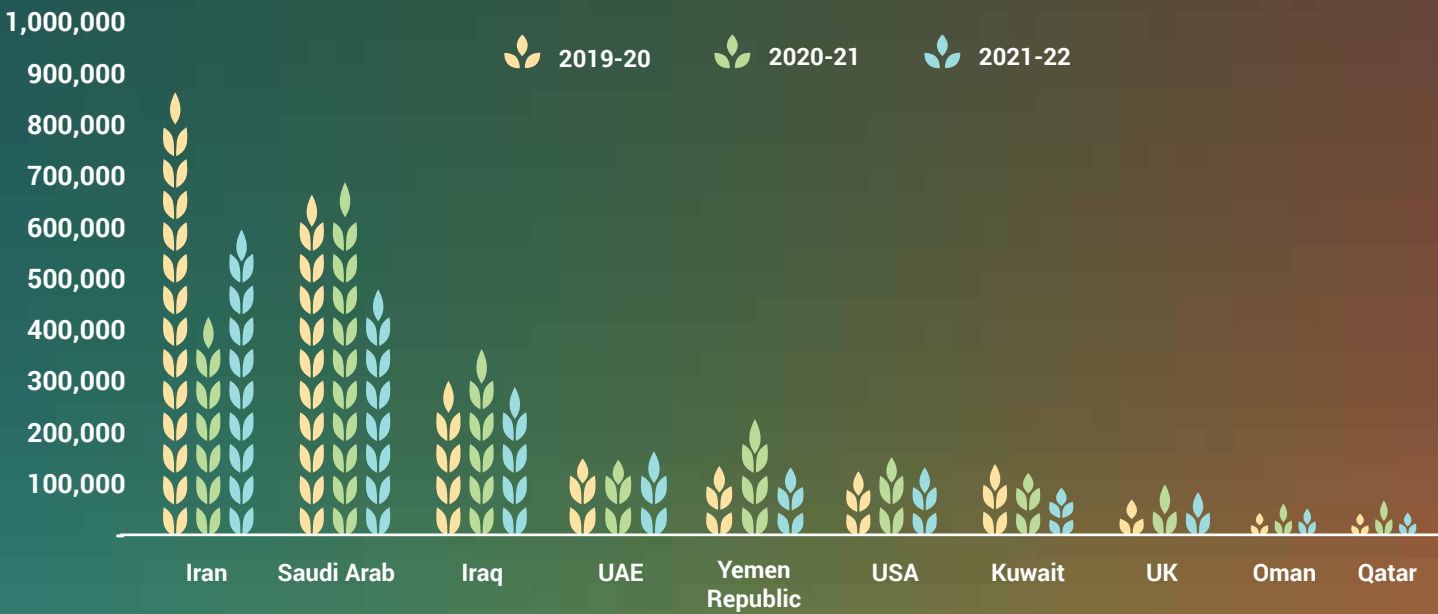
the most preferred packaged rice brand in many countries, including India. The Company has built a distinct and tailored rice-based product range over the years and today has product presence in more than 90 countries across the globe. Serving both retail and institutional clients across the globe, KRBL's commitment to quality has helped it earn enormous respect and recognition within the global rice industry.

Further, the Company has in place a state-of-the-art research and development (R&D) unit. The R&D unit brings together a team of experienced rice professionals and farmers, with an aim of blending the wealth of traditional knowledge with modern know-how and technology to improve pre & post harvesting techniques. The key aim of the R&D unit is to boost quality, improve head rice yields and lower costs. The



Company's research efforts have a direct bearing on the success in developing new seed varieties in collaboration with agri-research institutes and its ability to source and adapt the world's frontline rice making technologies to conditions prevailing in India.






India's rice export In terms of volume (quantity in MT)



(Source: https://agriexchange.apeda.gov.in/index/Product_description_32head.aspx?gcode=0601&value=2)



KEY STRATEGIC PRIORITIES FOR THE COMPANY

				
Grow and strengthen network advantage	Deliver operational and organisational efficiencies	Disciplined allocation of capital and improved cash flow generation	Innovate offerings and services to create new value	Build a talented workforce

OUR CORE STRENGTHS



Research – Utilise insights and expertise of the rice industry to develop new value-added products and widen customer base

Market leadership – The Company is a market leader in most markets where it seeks to build on this leadership by innovating its portfolio and by catering to the evolving needs of the consumers.

Product portfolio – The product portfolio comprises both standard and niche products assuring integration and synergy in operating facilities.

Focused value-addition – The Company is an established player in the rice industry but in the last few years, the Company focused on widening its presence in the value-added segment by foraying in the rice-based new product segments such as healthy food segment.

Synergies – The Company lays great emphasis on synergies, which has augmented its quest for global leadership and helps to keep its competitive advantage.

Strong customer base – The Company has a strong customer base (both retail and institutional clients) spread across the globe. Several of these customers have been with the Company for over 25 years and have long-term and strong relationships with them.

Further, the company is also engaged in the business of power generation from renewable sources. Part of the power generated is utilised for captive consumption and rest is sold to the state distribution companies.

DETAILS OF KRBL'S POWER GENERATION CAPACITY

Installed Power Generation Capacity	
Particulars	2021-22
Total Wind power project capacity	112.25 MW
Total Solar power project capacity	17.00 MW
Total Biomass capacity	17.59 MW

Power Generated		
Details of Project	Details of Units Generated	
	2020-21	2021-22
(A) WIND		
Maharashtra		
Dhule (1.25 MW*10)	1,10,85,442	1,47,67,412
Sangli (2.10 MW*09)	3,38,13,156	3,43,14,048
Tamil Nadu		
Tirupur (1.50 MW*4)	1,07,90,870	1,12,13,245
Tirunelveli (2.10MW*1)	30,05,417	32,58,089
Karnataka		
Raichur & Koppal (1.50MW*6)	1,91,47,060	1,91,02,438
Bellary (2.10MW*1)	36,87,382	36,08,824
Rajasthan		
Jodhpur (1.50MW*4)	86,99,090	87,62,207
Jaisalmer (2.10MW*1)	26,40,656	33,06,886
Jodhpur (1.25MW*3)	48,43,949	50,29,767
Andhra Pradesh		
Kaddappa (2.10MW*1)	33,91,280	38,15,434
Anantapuram (2.10MW*4)	1,26,83,501	1,38,02,620
Madhya Pradesh		
Agar-Malwa (1.50MW*4)	87,08,281	1,00,96,595
Mandsaur (1.50MW*4)	69,25,367	80,88,260

Details of Project	Details of Units Generated	
	2020-21	2021-22
Gujarat		
Devbhoomi Dwarka (2.10MW*13)	5,74,67,780	6,82,77,316
Sub Total (A)	18,68,89,231	20,74,43,141
(B) SOLAR		
Madhya Pradesh		
Rajgarh (2.50MW)	38,70,865	36,84,722
Agar-Malwa (6.63MW)	1,05,46,109	99,35,303
Agar Malwa (5.60MW)	87,60,857	83,00,281
Sehore (0.27MW)	3,77,695	3,61,224
Haryana		
Siwani (2 MW)	14,94,831	26,10,359
Sub Total (B)	2,50,50,357	2,48,91,889
TOTAL (A+B)	21,19,39,588	23,23,35,030

Power Business		
Plant Location	Function	Capacity (MW)
Dhuri	Biomass	12.34
Gautam Budh Nagar	Biomass	5.25
Sub-Total (A)	Biomass	17.59
Maharashtra	Wind	31.40
Rajasthan	Wind	11.85
Tamil Nadu	Wind	8.10
Karnataka	Wind	11.10
Andhra Pradesh	Wind	10.50
Madhya Pradesh	Wind	12.00
Gujarat	Wind	27.30
Sub-Total (B)	Wind	112.25
Madhya Pradesh	Solar	15.00
Haryana	Solar	2.00
Sub-Total (C)	Solar	17.00
Total (A+B+C)	Biomass / Wind / Solar	146.84

RESEARCH AND DEVELOPMENT (R&D)

Realising that research and development is a key enabler of growth, KRBL embarked on the path developing an in-house research and development department. Over the years the department has ensured, through new product development and launches, KRBL continuously kept addressing the changing needs of its wider customer base. Further new product launches contributed to the efficiency and sustainability of product portfolio and improves profitability.

Known today for pioneering several cropping methodologies and harvesting techniques, KRBL's R&D team over the years have enormously helped the farmers to enhance their yield. Collaborating with some of the renowned agricultural academic/

research institutions of the nation, the core focus of KRBL's R&D unit is to develop new Basmati seed varieties which are of superior quality. With a keen eye on continuously upgrading the seed quality, KRBL's R&D team works closely with the Indian Agriculture Research Institute (IARI), New Delhi to develop new and improved seed varieties.

PIONEER

KRBL pioneered the development and use of premium PUSA 1121 Basmati seed variety. This variety is considered superior than the Pakistan Basmati seed variant.



CERTIFICATIONS ENDORSING KRBL'S QUALITY QUOTIENT



FSSC 22000 VERSION 5.1

Issued by Eurofins, an internationally recognized certification that confirms that the organization's food safety management system is in conformance with the scheme requirements and that the organization can maintain compliance with these requirements thus, establishing a high-end quality and safety attributes of the products.



HALAL PRODUCT CERTIFICATION

Issued by Halal Certification Services India Pvt. Ltd. Having a halal certification ensures that the food product is deemed safe for consumption.



SQF CODE EDITION 9

Issued by Eurofins. Safe Quality Food (SQF) Program is a rigorous and credible food safety and quality program that is recognized by retailers, brand owners and food service providers worldwide. This rigorous farm-to-fork food safety and quality certification also help food producers assure their buyers that their food products meet the highest possible global food safety standards.



USFDA REGISTERED



BRC CERTIFICATION

Issued by Eurofins. BRCGS is a leading brand and consumer protection organization, used by over 29,000 certificated suppliers over in 130 countries, with certification issued through a global network of accredited certification bodies. BRCGS' Standards guarantee the standardization of quality, safety and operational criteria and ensure that manufacturers fulfil their legal obligations and protect the end consumer. It promotes building a more coherent food safety culture within the organization and a food safety ecosystem.

FINANCE REVIEW

The company recorded total income of ₹4,25,327 lacs, higher by 6% as compared to the previous year. Revenue from operations increased by 5% while Other Income increased by 88%. EBIDTA of the company stood at ₹70,475 lacs as compared to ₹84,490 lacs in FY 21 – EBIDTA Margin is lower by 4% owing higher paddy price in the 2021 season, change in sales mix and higher logistic costs besides higher marketing expenses.



A. Summary of Consolidated Income Statement

₹ in lacs		
Description	FY22	FY21
Revenue		
Revenue from Operations	4,21,056	3,99,188
Other Income	4,271	2,268
Total Income	4,25,327	4,01,456
Expenses		
Material Cost	3,06,177	2,75,896
Material Cost / Total Income (%)	72%	69%
Gross Profit	1,19,150	1,25,560
Gross Profit Margin (%)	28%	31%
Employee Benefit Expenses	10,444	9,221
Depreciation & Amortization Expense	7,422	7,195
Other Expenses	38,231	31,849
Total Expenses	3,62,274	3,24,161
Total Expenses / Total Income (%)	85%	81%
EBITDA	70,475	84,490
EBITDA Margin (%)	17%	21%
Finance Cost	1,340	2,359
Profit Before Tax	61,713	74,936
PBT Margin (%)	15%	19%
Tax Expense		
Current Taxation	16,567	19,824
Deferred Taxation	(794)	(779)
Net Profit after Tax	45,940	55,891
Other Comprehensive income/ (expenses)	71	596
Total Comprehensive Income	46,011	56,487
Comprehensive Net Profit / Total Income (%)	11%	14%

B. Segmental Revenue

Share of domestic sales in Revenue from Operations increased to 63% in FY22 as against 50% in preceding year. The Company recorded the highest ever-domestic revenue in FY22.

₹ in lacs		
Description	FY22	FY21
Agri Segment		
- Export Sales	1,45,119	1,89,667
- Domestic Sales	2,64,783	2,00,225
Power Segment	11,154	9,296
Total	4,21,056	3,99,188

C. Other Key Ratios

The company's Net Profit stood at ₹45,940 lacs during the year, reflecting the year-on-year trend in EBITDA.

Description	FY22	FY21
Operating profit margin (%)	14.98	19.36
Net profit margin (%)	10.80	13.92
Return on net worth (%) ¹	11.84	16.39
Return on Capital Employed (%)	14.51	18.40

Inventory levels continue to reflect the company's strategy of ageing rice. The overall working capital position remains healthy.

₹ in lacs		
Description	FY22	FY21
Inventory	2,81,610	2,96,421
Trade Receivable	28,934	20,129
Trade Payable	18,057	21,906
Inventory turnover ratio ²	2.09	1.99
Debtor turnover ratio	17.16	18.50

Total borrowings of KRBL as of 31 March 2022 stood at ₹8,939 lacs vis-à-vis ₹30,780 lacs as on 31 March 2021. The company continues to be debt free on Net Bank Debt (₹39,021 lacs) basis.

Description	FY22	FY21
Debt Equity ratio ³	0.04	0.09
Current ratio ⁴	7.38	4.68
Interest Coverage ratio ⁵	47.05	32.77

1. The Return on Net Worth came down from 16% to 12% as the Net Profit declined from ₹56,487 lacs to ₹46,012 lacs.
2. As Basmati paddy crop season is from October to December, closing inventory as on 30th September has been considered for calculating Inventory turnover ratio.
3. Debt equity ratio of the Company improved from 0.09 times as of March 31, 2021 to 0.04 times as at 31st March 2022 on account of reduction in borrowings from ₹30,780 lacs to ₹8,939 lacs in the same period.
4. Current ratio of the Company improved by 58% during the year, from 4.68 to 7.38, owing to reduction in current liabilities by more than ₹24,139 lacs.
5. Interest Coverage ratio improved by 44% during the year from 32.77 to 47.05 owing to reduction in finance cost from ₹2,359 lacs to ₹1,340 lacs.

Formula used for calculation of the ratios

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

RISK MANAGEMENT AT KRBL LIMITED

At KRBL, we emphasise on establishing a comprehensive risk management system to facilitate our objectives, ensuring that risks that could have an impact on the organisation and its sustainability are identified, analysed, assessed, managed and controlled.

Risk Management is process driven by the Company's senior management, assisted by different committees, who regularly review and monitor the risks and the management process in accordance with the governance requirements.

Our risk management process aims to support the delivery of KRBL's strategy by managing the risk.



INDUSTRY RISK

A slowdown in the global rice industry may negatively impact the performance of the company.

Risk Mitigation

- The staple crop for over 50% of the global population, rice demand is expected to continue to rise with growing population. Further, food security concerns all over the world are likely to drive growth of the global and Indian rice industry.
- Several subsidy and export incentives are being given by the Central and State governments to reward the rice producers and exporters.
- The global rice market is expected to reach USD 334.24 billion by 2028, registering a CAGR of 2.2% in between 2022 to 2028.

REGULATORY RISK

Unfavourable government regulations, in the different countries where KRBL exports its products, could impact the Company's growth. Also, non-compliance with local laws and regulations may result in penalties being levied.

Risk Mitigation

- Every product manufactured by the Company is passed through extensive R&D checks and stringent quality control tests as per international norms.
- All manufacturing units of the company are in 100% conformance with the guidelines issued by the different regulatory bodies.
- The Company regularly invests in plant automation and R&D which has helped the Company meet its regulatory compliances.
- The Company recently introduced new seed varieties which have a higher resistance against pest attacks and climatic aberrations, resulting in lower usage of pesticides and chemicals. Thereby, ensuring a higher acceptability of products in the international markets.



RAW-MATERIAL PROCUREMENT RISK

Rice production can be threatened by adverse climatic conditions or crop switchover. A decline in rice production can affect the profitability as it may lead to a rise in the cost of raw material or higher procurement cost.

Risk Mitigation

- KRBL's manufacturing units are located in close proximity to some of the largest rice producing states of India.
- KRBL has built a widespread farmer network with over 95,000 farmers and spread over 250,000 acres of land. The Company has developed multi-decadal relationship with its farmer community, thus supporting a regular and timely supply of quality raw material.
- The Company trains farmers extensively in rice seed selection, procurement and latest farming techniques to counter probable climatic impact. The Company provides high yielding seed varieties to farmers, enhancing rice production and growth.
- Further, the Company conducts periodical field surveys, helps the farmers with best practices to protect their fields, undertakes detailed research analysis and monitoring of market before procuring the paddy, and deploys field purchasers to check all quality parameters to ensure quality consistency.

GEOGRAPHICAL RISK

Higher dependency on any one country may cause a dip in profitability

Risk Mitigation

- KRBL has product presence in over 90 countries across the world.
- KRBL commands a high market share in two of the largest rice markets in the Middle-East region.
- The Company deepened its presence in select countries with an objective to graduate from mere shop share to national share. This multi-country presence is likely to moderate the risks arising from geopolitical instability in select regions.

PRODUCT CONCENTRATION RISK

High concentration on any one product, specially in the rice trade, may adversely impact revenues and profitability

Risk Mitigation

- KRBL has several market leading brands under its banner.
- The Company has undertaken related product diversification strategy such as foraying into the FMCG segment with ready-to-eat products and health food portfolio, to minimize product concentration risk.
- The Company has also developed additional revenue generating streams such as energy as well as the solvent plant and furfural oil. Additionally, we are exploring new opportunities for further related diversification.

COMPETITION RISKS

The Company operates in a competitive environment and, as such, may experience increased competition that could adversely affect KRBL's sales, operating margins and market share.

Risk Mitigation

- KRBL has a continued focus on its operating performance from manufacturing to R&D to distribution to ensure that it continues to service the needs of its customers efficiently and in a timely manner.
- Enhanced focus on a 360° brand building exercise comprising successful brand promotions and engaging customers at multiple points, resulting in an integrated communication approach.
- Diversifying into the related product category to enhance its kitchen share and maintain its leadership position in the key markets.
- Attractive price-value propositions helping the Company in creating new product categories.
- The Company focused on a greater usage of customer data, to analyze the customer need and shopping patten, thus plan better in terms of showcasing the right product to the right customer at the right price in the right market.

FOREIGN CURRENCY RISKS

The Company is exposed to foreign currency risk arising primarily owing to its business presence in a number of foreign countries.

Risk Mitigation

- The Company has in place a well thought-out and well-structured foreign exchange risk management policy, which safeguards the Company from any unwanted foreign currency fluctuations by competently hedging all the foreign currency exposures.
- Open unhedged positions are regularly reported to the senior management of Company to take a conscious and information induced future course of action.

HUMAN CAPITAL RISK

Inability to attract and retain talent could adversely impact the company's growth.

Risk Mitigation

- KRBL invests in hiring organisation-fit talent, talent development and employee engagement. This helps provide fulfilling careers at KRBL.
- The Company enhanced its robust talent value proposition as one of the transformational areas to drive sustainable growth.

HUMAN RESOURCE (HR) DEVELOPMENT

At KRBL, core part of our business strategy is to provide an environment where all of our employees feel enabled, empowered, and committed. Our HR practices are aligned with industry best practices and have created a talent base, which helps us reinforce leadership across countries. These practices enable us to seamlessly integrate professionals from different socio-economic backgrounds, countries and culture and invest in their formal and informal training. The Company is focusing on diversity hiring and on boarding new talent from top FMCG Organizations.

During the reporting year, KRBL strived to strengthen its employee engagement across levels by providing an enriching work environment, undertook HR transformation projects at various levels and maintained an ongoing dialogue with our people. It prioritised employee safety amidst the pandemic, providing support to the employees.


KRBL believes that its people are fundamental to great products, service and a companys' reputation, therefore, it is a constant endeavour to build strong teams of passionate, dedicated and highly skilled workforce, both at corporate and plant level. The Company constantly introduces better systems and processes to enhance employee productivity.

KRBL has been working towards developing, grooming and training its employees for next level roles. It is inducting high-calibre talent to ensure that the company has the right people, teams and skills to grow its business. Its HR approach is to ensure overall growth of an employee. KRBL strives to ensures that its employees are well rounded, feel safe in the working environment, are motivated and productive in their personal and professional lives.

The Company's total employee strength as on 31st March, 2022 stood at 2,321.

INFORMATION TECHNOLOGY

Information technology (IT) has been an integral part of the process of the Company and has been one of the key driving forces behind the growth achieved by KRBL. Effective management of the Company's vast network of distribution channels is facilitated by its use of top-of-the-line technology. We are thus consistently scaling up our IT investments to upgrade our technological processes and evolve an infrastructure & IT security capable of maximising the potential of the countless growth opportunities in the digital universe.



The Company uses SAP to manage employee and distributor data, which also allows it to track information flows in real time at the distributor and sub-distributor level. This has greatly improved qualitative control and strengthened supply chain efficiencies. Further, processes have been standardised across the board in order to ensure streamlining of systems across the operational value chain. The Company is also investing heavily in data analytics to optimise its sales and distribution strategy.

AUDIT SYSTEMS

The Company puts the highest priority on transparency, ethics and good corporate governance and has established strong internal controls which have been integral to its growth process. It maintains proper accounting control and monitoring of operational efficiency; its policies ensure strict compliance with laws and it works towards maintaining reliable financial and

operational information. KRBL's Audit Committee is consistent in its periodic review of all audit reports, audit plans, audit findings of note, adequacy of internal controls and compliance with Indian Accounting Standards (Ind AS). Over and above this, the Audit Committee proposes improvements when necessary.

CAUTIONARY STATEMENT

Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, among others, which are valid only at the time of making the statements. A variety of factors known or unknown, expected or otherwise, may influence the financial results. These statements are not expected to be updated or revised to take care of any changes in the underlying presumptions. Readers may therefore appreciate the context in which these statements are made before making use of the same.





DIRECTORS' REPORT



DIRECTORS' REPORT

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

Your Directors are delighted to present the 29th (Twenty Ninth) Annual Report on Company's Business Operations along with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended 31 March 2022.

1. RESULTS OF OUR OPERATIONS

The Company's financial performance for the year under review has been encouraging on the backdrop of challenging conditions. Key aspects of Consolidated and Standalone Financial Performance of the Company for the current financial year 2021-22 along with the previous financial year 2020-21 are tabulated below:

Particulars	Consolidated		Standalone	
	Year Ended 31 March 2022	Year Ended 31 March 2021	Year Ended 31 March 2022	Year Ended 31 March 2021
Revenue from operations	4,21,056	3,99,188	4,21,056	3,99,188
Other income	4,271	2,268	4,246	2,243
Total income	4,25,327	4,01,456	4,25,302	4,01,431
Operating expenditure	3,54,852	3,16,966	3,54,768	3,16,808
Earnings before interest, tax, depreciation and amortization (EBITDA)	70,475	84,490	70,534	84,623
Finance costs	1,340	2,359	1,340	2,359
Depreciation and amortisation expense	7,422	7,195	7,417	7,190
Profit before tax (PBT)	61,713	74,936	61,777	75,074
Tax expense:				
Current tax	16,567	19,824	16,567	19,824
Deferred tax	(794)	(779)	(794)	(779)
Profit for the year	45,940	55,891	46,004	56,029
Other comprehensive income/(loss) for the year	71	596	39	630
Total comprehensive income for the year	46,011	56,487	46,043	56,659
Earning per share (Face Value of ₹1 each)				
- Basic (In ₹)	19.52	23.74	19.54	23.80
- Diluted (In ₹)	19.52	23.74	19.54	23.80

2. STATE OF COMPANY AFFAIRS

Your Company is focusing on the strategic pillars of cost efficiency programs, innovation, brand building and distribution in order to sustain growth and profitability. While the inflationary environment continues to pose a challenge, your Company maintained a stable outlook on demand and showcased a strong performance during the financial year 2021-22 under review. The highlights of the performance on a consolidated basis are as under:

- Company's Revenue from operations stood at ₹4,21,056 lacs (31 March 2021 ₹3,99,188 lacs).
- Company's Earnings before interest, tax, depreciation and amortisation (EBITDA) stood at ₹70,475 lacs (31 March 2021 ₹84,490 lacs).
- Company's Profit before tax (PBT) stood at ₹61,713 lacs (31 March 2021 ₹74,936 lacs).

Directors' Report

- The Company's Profit after tax (PAT) stood at ₹45,940 lacs (31 March 2021 ₹55,891 lacs).
- Company's total comprehensive income for the year stood at ₹46,011 lacs (31 March 2021 ₹56,487 lacs).
- Company's Return on Capital Employed (ROCE) stood at 15%.
- Net Worth of the Company increased by 10% to ₹4,07,024 lacs (31 March 2021 ₹3,69,251 lacs).
- The Company achieved 10% CAGR growth in net sales, 12% CAGR growth in EBITDA and 20% CAGR growth in Net Profit over the last decade.
- Earnings per Equity Share (EPS) for the year stood at ₹19.52 (31 March 2021 ₹23.74).
- The dividend proposed by the Company on the profits earned in FY 2021-22 was 350 % (i.e. ₹3.50 per equity share of face value of ₹1 each).

3. DIVIDEND

Premised on performance reported during the year along with strong financial position of the Company, the Board of Directors of the Company, in their meeting held on 27 May 2022, had recommended a Final Dividend @ 350% i.e. ₹3.50 per equity share on 23,53,89,892 equity shares having face value of ₹1 each for financial year 2021-22 absorbing a total dividend outgo of ₹8239 lacs (excluding taxes). The proposed Dividend shall be paid subject to the approval of shareholders in the ensuing Annual General Meeting (hereinafter referred to as "AGM") of the Company. The Final Dividend as recommended by the Company is in accordance with the Dividend Distribution Policy of the Company framed pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"). The Dividend Distribution Policy of the Company may be accessed on the Company's website at the weblink https://krblrice.com/policy-guidelines/REVISED_DIVIDEND_DISTRIBUTION_POLICY.pdf

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

During the financial year 2021-22, no entity became or ceased to be the Subsidiary, Joint Venture or Associate of the Company.

5. TRANSFER TO RESERVES

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

6. SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31 March 2022 is ₹2,354 lacs. There has been no change in the paid-up Equity Share Capital of the Company during the financial year. Further, the Company has no other type of securities except equity shares forming part of Equity Share Capital of the Company.

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

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules), all dividend which were unpaid or unclaimed for seven consecutive years or more are liable to be transferred to the Investors Education and Protection Fund (IEPF) Authority. Accordingly, the Company transferred an amount aggregating ₹7,60,446 to the Investor Education and Protection Fund during the financial year 2021-22. This amount was lying unclaimed with the Company for a period of seven years or more after the declaration of dividend for the financial year 2013-14.

Further, pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) during the financial year 2021-22, the Company has transferred 3,748 equity shares which belonged to a total of 29 shareholders whose dividend has not been paid or claimed for seven consecutive years or more to the demat account of IEPF Authority i.e. INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY, MINISTRY OF CORPORATE AFFAIRS, bearing DP ID IN300708 and Client ID 10656671, being maintained with NSDL. Before transferring the above-mentioned shares, the Company had published a newspaper advertisement and had also sent individual letters to the concerned shareholders who hadn't claimed or encashed their dividend for seven or more consecutive years.

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 hasn't been any change in the nature of the business of the Company during the financial year 2021-22.

10. SEGMENT REPORTING

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

11. CASH FLOW STATEMENT

The Cash Flow Statement of the Company for the financial year ended on 31 March 2022 has been prepared in accordance with Ind AS 7. The 'Statement of Cash Flows' is attached and forms part of the Financial Statements of the Company.

12. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company familiarizes its Directors about their role and responsibilities at the time of their appointment through a formal letter of appointment. Presentations and regulatory updates are regularly made available at the meetings of the Board and its various Committees on the relevant matters. All efforts are made to keep Independent Directors aware. The familiarization of Independent Directors may be accessed on the Company's website at the weblink <https://krblrice.com/wp-content/uploads/2022/06/Familiarization.pdf>

13. SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

The Company has two Subsidiaries viz., KRBL DMCC, Dubai (Comprises a step down Wholly Owned Subsidiary) and K B Exports Private Limited, India. There is no Associate Company within the meaning of Section 2(6) of the Companies Act, 2013. Further, there hasn't been any material change in the nature of the business of the Subsidiaries during the financial year 2021-22.

The Consolidated Financial Statements of the Company for the financial year 2021-22 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 Regulations. The Consolidated Financial Statements have been prepared by consolidating the audited Financial Statements of the Company and its Subsidiaries. Further, pursuant to the proviso of sub section (3) of section 129 of the 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 forming part of this Report.

Pursuant to the provisions of Companies Act, 2013, the Financial Statements of the Subsidiary Companies and the related information have also been made available for inspection by the members at the Corporate Office of the Company during business hours on all days except Sunday and Holiday, upto the date of ensuing AGM of the Company. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office/Corporate Office of the Company. The Financial Statements including the Consolidated Financial Statements, Financial Statements of Subsidiaries and all other documents are also available on the Company's website www.krblrice.com under the link Investor Relations.

14. BOARD OF DIRECTORS

Board Composition

As on 31 March 2022, the Company's Board has a strength of 9 (Nine) Directors including 2 (Two) Woman Directors. The Chairman of the Board is an Executive Director. The composition of the Board is as below:

Category	Number of Directors	% of Total Number of Directors
Executive Directors	4	44
Independent Non-Executive Directors	5	56

The detailed section on 'Board of Directors' is also given in the 'Report on Corporate Governance'.

Pursuant to the provisions of Section 149(13) of the Companies Act, 2013 and the Articles of Association of the Company, all Directors except Independent Directors are liable to retire by rotation. The Independent Directors of the Company are to hold office for 5 (Five) consecutive years starting from 14 September 2019 to 13 September 2024 (except for Ms. Priyanka Sardana who would hold the office for a period of 5 (Five) consecutive years w.e.f. 25 September 2019).

During the year, Mr. Alok Sabharwal, an Independent Non-Executive Director of the Company, ceased to be a Director on the Board of KRBL Limited w.e.f. the closure of business hours on 10 August 2021, due to the completion of his tenure. The Board placed on record their sincere appreciation for the guidance and contribution made by Mr. Alok Sabharwal during his tenure.

Declaration by Independent Directors

All Independent Directors of the Company have given their declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 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 Companies Act, 2013 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 152 of the Companies Act, 2013 and Article 126 of the Articles of the Association of the Company, all directors except Independent Directors shall be liable to retire by rotation and out of that, one-third of such directors shall retire from the office every year. The directors who shall retire by rotation at every AGM shall be those who have been longest in the office since their

last appointment. Further, pursuant to the provisions of Section 149(13) of the Companies Act, 2013, the retirement of directors by rotation shall not be applicable to the Independent Directors.

Accordingly, Mr. Anoop Kumar Gupta (DIN: 00030160), the Joint Managing Director of the Company, being longest in his office amongst the Directors is liable to retire by rotation this year. However, being eligible, he has offered his candidature for re-appointment. This shall not constitute a break in the office of Mr. Anoop Kumar Gupta as Joint Managing Director of the Company.

Re-appointment of Executive Director for a period of 5 (five) years

The Members at the 24th Annual General Meeting of the Company held on 26 September 2017, had approved the re-appointment of Ms. Priyanka Mittal (DIN: 00030479) as a Whole Time Director of the Company for a period of five years with effect from 26 September 2017 till 25 September 2022. The Board of Directors had based on the recommendation of Nomination and Remuneration Committee and subject to approval of the Members, approved the re-appointment of Ms. Priyanka Mittal as Whole Time Director of the company, for a further period of five years w.e.f. 26 September 2022 to 25 September 2027.

Brief resume of the Directors being re-appointed

As required, pursuant to the Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards-2 on General Meetings, the brief resume of Mr. Anoop Kumar Gupta and Ms. Priyanka Mittal seeking re-appointment, which inter-alia includes the particulars w.r.t. the experience and expertise, list of other Companies in which Mr. Anoop Kumar Gupta and Ms. Priyanka Mittal are holding Directorships, Committee Memberships/Chairmanships and Inter-se relationships with other Directors, is provided in the Notice calling AGM of the Company.

The Company is seeking approval of Shareholders for the re-appointment of Mr. Anoop Kumar Gupta and Ms. Priyanka Mittal and the same is included in the Notice calling AGM of the Company. The Board recommends the re-appointment of Mr. Anoop Kumar Gupta and Ms. Priyanka Mittal in the ensuing AGM of the Company.

15. 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 31 March 2022, the Audit Committee of KRBL Limited comprises of the following 5 (Five) Members, out of which 4 (Four) Members are Independent Non-Executive Directors and 1 (One) is Executive Director:

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

The recommendation made by the Audit Committee from time to time were accepted by the Board of Directors. The details of the Terms of Reference, Number of Audit Committee meetings held during the year and attendance of Audit Committee Members at such meetings etc. are provided in the Report on Corporate Governance.

16. KEY MANAGERIAL PERSONNELS

The details of Key Managerial Personnels (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 of KMPs	Designation
1.	Mr. Anil Kumar Mittal	Chairman & Managing Director
2.	Mr. Arun Kumar Gupta	Joint Managing Director
3.	Mr. Anoop Kumar Gupta	Joint Managing Director
4.	Ms. Priyanka Mittal	Whole Time Director
5.	Mr. Ashish Jain	Chief Financial Officer
6.	Mr. Raman Sapra	Company Secretary

During the year, Mr. Rakesh Mehrotra had retired from the position of Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. the closure of business hours on 31 October 2021 and Mr. Ashish Jain was appointed as Joint Chief Financial Officer under the category of Key Managerial Personnel of the Company w.e.f. 13 September 2021 and designated as Chief Financial Officer and Key Managerial Personnel w.e.f. 01 November 2021.

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

The remuneration paid to the Executive Directors is in accordance with the Nomination and Remuneration Policy of KRBL Limited formulated in accordance with Section 134(3)(e) and Section 178(3) of the Companies Act, 2013

read with Regulation 19 of the SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy has been outlined below:

- To identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at any Senior Management level and recommend to the Board his / her appointment.
- To devise 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 devise the criteria for evaluation of performance of the 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. Further, to determine whether to extend or continue the term of appointment of an Independent Director, on the basis of the report of performance evaluation of the Independent Directors.
- To recommend to the Board on all remuneration in whatever form, payable to the Directors, the Key Managerial Personnel and the Senior Management.
- To develop a succession plan for the Board and the Senior Management, and to regularly review the plan.
- To assist the Board in fulfilling all other responsibilities as may be expected from the Nomination and Remuneration Committee of the Company.

The full version of the Nomination and Remuneration policy of KRBL Limited may be accessed on the Company's website at the weblink <https://krblrice.com/policy-guidelines/nomination-remuneration-policy.pdf>

18. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS HELD DURING THE FINANCIAL YEAR 2021-22

During the financial year 2021-22, 5 (Five) Meetings of the Board of Directors were held on 29 June 2021, 13 August 2021, 04 September 2021, 08 November 2021 and 12 February 2022. For details thereof, kindly refer to the section 'Board Meetings and Procedures - Details of the Board Meetings held and attended by the Directors during the financial year 2021-22' in the Report on Corporate Governance.

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

The ultimate responsibility for sound governance and prudential management of a company dwains with its Board. Hence, the Board must remain continually energized, proactive and effective.

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

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

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

Following the framework, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the Board of Directors of the Company in its meeting held on 12 February 2022, had carried out the performance evaluation process.

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

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

The Board Members had submitted to the Nomination and Remuneration Committee, their response in the form of scaling from 5 (Excellent) to 1 (Performance Needs Improvement) for evaluating the entire Board, respective Committees of which they are members and of their peer Board Members, including Chairman of the Board.

The Nomination and Remuneration Committee has also evaluated every Director's performance.

The Directors expressed their satisfaction with the evaluation process.

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

20. DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the Annual Accounts for the financial year ending on 31 March 2022, the applicable

Indian Accounting Standards (Ind AS) have been followed, and that there are no material departures;

- that appropriate accounting policies have been selected and applied consistently. Further, judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs as at 31 March 2022 and of the profit of the Company for the financial year ending on 31 March 2022;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud or any other irregularities;
- that the Annual Financial Statements for the financial year ending on 31 March 2022 have been prepared on a going concern basis;
- that the Director's had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- that the Director's had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. OPERATIONS, PERFORMANCE AND FUTURE OUTLOOK OF THE COMPANY

A detailed review of the operations, the performance and future outlook of the Company are being given separately under the head 'Management Discussion and Analysis' Report pursuant to Regulation 34 read with Part B of Schedule V of the SEBI Listing Regulations, the same is annexed and forming part of this Report.

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

Pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013, read with rules framed thereunder, the details of activities in the nature of Conservation of Energy, Research and Development, Technology Absorption, Adaptation and Innovation and Foreign Exchange Earnings and Outgo are attached as 'Annexure 2' and forming part of this Report.

23. DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

The particulars regarding the remuneration of the Directors and the KMPs as per Section 197 of the Companies Act, 2013, read with rules framed thereunder, are attached as "Annexure 3" and forming part of this Report. In terms of the first proviso to Section 136(1) of the Companies Act, 2013,

the report and accounts are being sent to the members and others entitled thereto, excluding the information on Employees' remuneration particulars mentioned under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information is available for inspection by the Members during business hours on all days except Sunday and Holidays. Any Member interested in inspecting the same may write to the Company Secretary at the Registered Office/Corporate Office of the Company.

24. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, the draft Annual Return of the Company containing the particulars as prescribed under Section 92 of the Companies Act, 2013, in Form MGT-7, is available on the Company's website at the web link https://krblrice.com/fy-2022/annual-report/MGT-7_Annual-Return_FY-2021-22.pdf

25. AUDITORS AND AUDITORS' REPORT

I) STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. Walker Chandio & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), were appointed as the Statutory Auditors of the Company by the Shareholders in the 25th AGM of the Company held on 20 August 2018 for a period of 5 years i.e. to hold office till the conclusion of the 30th AGM to be held in the calendar year 2023. The requirement to place the matter relating to ratification of appointment by shareholders at every AGM has been done away by the Companies (Amendment) Act, 2017 w.e.f. 07 May 2018.

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

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

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

As stated in Note 48(A)(4) to the Standalone Financial Statements, the Enforcement Directorate ('ED') is investigating the Company's Joint Managing Director Mr. Anoop Kumar Gupta ('JMD') under the Prevention of Money Laundering Act, 2002,

for alleged involvement in Agusta Westland case. Further, the ED has filled criminal complaint and made certain allegations against the Company, KRBL DMCC (a subsidiary of the Company) and JMD. As further described in the said note, a review of the impact of allegations on the financial statement and its control environment was performed by an independent professional firm appointed by the Board of Directors and in our view as per their report, there is no conclusive evidence to ascertain impact of the aforesaid matter on the financial statement of the Company and its control environment. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to comment on any adjustment that may be required to the standalone financial statements in this respect.

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

As stated in Note 47(A)(4) to the Consolidated Financial Statements, the Enforcement Directorate ('ED') is investigating the Holding Company's Joint Managing Director Mr. Anoop Kumar Gupta ('JMD') under the Prevention of Money Laundering Act, 2002, for alleged involvement in Agusta Westland case. Further, the ED has filled criminal complaint and made certain allegations against the Holding Company, KRBL DMCC (a subsidiary of the Holding Company) and JMD. As further described in the said note, a review of the impact of allegations on the financial statement and its control environment was performed by an independent professional firm appointed by the Board of Directors and in our view, as per their report, there is no conclusive evidence to ascertain impact of the aforesaid matter on the financial statement of the Holding Company and its control environment. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to comment on any adjustment that may be required to the consolidated financial statements in this respect.

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

The Company's Joint Managing Director, Mr. Anoop Kumar Gupta ('JMD'), had been detained and released on bail by the Directorate of Enforcement ('ED') pursuant to certain allegations against the Company, KRBL DMCC (a subsidiary of KRBL Limited) and JMD. As per criminal complaint filed it is alleged that M/s Rawasi Al Khaleej General Trading LLC ('RAKGT') had received proceeds of crime of USD 24.62 million in AgustaWestland case during the period 2008-2010 which in turn had been transferred to KRBL Limited through KRBL DMCC. Basis the affidavit filed by Balsharaf Group (one of the Customer of the Company) in the Hon'ble High Court of Delhi in the said matter, the amount of USD 24.62 million had been received by

RAKGT in the account of Balsharaf Group. Pursuant to this, ED had attached 1,43,33,221 shares of Balsharaf Group held in KRBL Limited. Based on the opinion taken from the independent legal counsel, the management is of the view that since the investigation is still ongoing no adverse opinion can be drawn.

The Company had appointed an independent professional firm ('IP') to review the aforesaid allegations, to assess the impact, if any, on the financial statement and control environment of the Company. Subsequent to the year ended 31 March 2022, the IP has issued a report to the Board of Directors with respect to the aforesaid review. The board of the directors has discussed and approved the report, and has responded to the observation contained therein, basis that no further action is proposed.

II) COST AUDITORS

As per Section 148 of the Companies Act, 2013 read with notification issued by Ministry of Corporate Affairs regarding the Cost Audit of power segment, the Company is required to conduct the audit of its Cost Records pertaining to power segment by a Cost Accountant in Practice. In this connection, considering the recommendation of Audit Committee, the Board of Directors had approved the re-appointment of M/s. HVMN & Associates, Cost Accountants, having their office at, 1011, Pearls Best Heights-II, C-09, Netaji Subhash Place, Pitampura, Delhi-110 034, as Cost Auditors of the Company to conduct the Cost Audit for the financial year 2022-23.

As required under the provisions of Companies Act, 2013, a resolution seeking members approval for the Ratification and confirmation of remuneration of Cost Auditors for the financial year 2022-23, forms part of the Notice calling AGM of the Company.

The Company is maintaining the requisite cost records pertaining to power segment whose turnover for the financial year 2021-22 is ₹11,153 lacs (excluding inter-unit sale).

Further, the Cost Audit Report for the financial year 2020-21 has been filed with Ministry of Corporate Affairs.

III) SECRETARIAL AUDITORS

As required under Section 204(1) of the Companies Act, 2013, read with rules framed thereunder, M/s. DMK Associates, Company Secretaries, having their office at, 31/36 Basement, Old Rajender Nagar, Delhi-110 060, was appointed to conduct the Secretarial Audit Function of the Company.

The Secretarial Audit Report for the financial year 2021-22 as submitted by M/s DMK Associates in the prescribed form MR-3 is attached as 'Annexure 4' and forming part of this Report.

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

It is observed that certain statutory requirements of general laws applicable on the company's units located at Alipur, Delhi have not been complied with, however as per information provided, it was informed that only sorting / grading / packing of rice activity are done at the said unit and the unit has no production capacity.

The Company is taking all necessary steps to comply with the observations of the Secretarial Auditors as mentioned in the Secretarial Audit Report.

IV) INTERNAL AUDITORS

The Company has appointed M/s. S S Kothari Mehta & Co., Chartered Accountants, having their office at Plot No. 68, Okhla Industrial Area, Phase-III, New Delhi-110 020, as the Internal Auditor of the Company to focus on Internal Audit functions of the Company. The independence of the audit and compliance is ensured by direct reporting of Internal Audit Team to the Audit Committee of the Company.

26. CORPORATE GOVERNANCE

At KRBL Limited, it is our firm belief that the essence of good Corporate Governance lies in the phrase 'Your Company'. It is 'Your Company' because it belongs to you - the Stakeholders. The Chairman and the Directors are 'Your' fiduciaries and trustees.

Your Company has periodically updated its corporate governance guidelines. We have also sincerely followed the best practices to boost the long-term shareholder value and also to respect the minority rights. We also perceive 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 best global standards for providing good corporate governance. The Companies Act, 2013 and the SEBI Listing Regulations have strengthened the governance regime in the Country. Your Company complies with the governance requirements provided under SEBI Listing Regulations.

The Board has also evolved and implemented a Code of Conduct based on the principles of good corporate governance and best management practices adopted globally. The Code is available on the Company's website at the weblink: <https://krblrice.com/codes/Code-of-Business-Conduct-and-Ethics.pdf> A separate section titled 'Report on Corporate Governance' has been included in this Annual Report along with Secretarial Auditors Certificate on Corporate Governance.

The Company has also adopted the below mentioned policies and codes in line with the corporate governance requirements:

- Policy on Preservation of Documents and Archival.
- Policy on Sexual Harassment (Policy on POSH).
- Nomination and Remuneration Policy.
- Vigil Mechanism (Whistle Blower Policy).
- Corporate Social Responsibility Policy.
- Dividend Distribution Policy.
- Policy for Determination of Materiality for Disclosure of Event or Information.
- Policy on Related Party Transactions.
- Policy for Determining Material Subsidiaries.
- Policy on Board Diversity.
- Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information.
- Code of Conduct to Regulate, Monitor and Report Trading by Insiders.
- Code of Business Conduct and Ethics for the Board of Directors, Senior Management Personnel and Other Employees.

All the above-mentioned policies and codes are made available on the Company's website under the link <https://krblrice.com/>

27. CORPORATE SOCIAL RESPONSIBILITY (CSR)

KRBL Limited believes that sustainable business growth rests on the triple bottom line approach, the growth of our people, safeguarding the environment where we operate, and profit from our business operations. We also understand that the wellbeing of the community where we operate helps us grow our business and hence we value people around our operating facilities and promote inclusive growth.

We endeavour to serve society and achieve excellence. We emphasize on improving the quality of life and engage with the communities by ensuring environmental sustainability, promoting healthcare, education and other related activities.

Pursuant to Section 135 of the Companies Act, 2013, read with rules framed thereunder, the Company is having in place the Corporate Social Responsibility (CSR) Committee under the chairmanship of Mr. Anil Kumar Mittal, Chairman & Managing Director. The other Members of the Committee are Mr. Anoop Kumar Gupta, Joint Managing Director, Ms. Priyanka Mittal, Whole Time Director and Mr. Ashwani Dua and Mr. Vinod Ahuja, Independent Non-Executive Directors.

The Company's policy on CSR envisages expenditure in areas falling within the purview of Schedule VII of the Companies Act, 2013 and as permitted under the applicable laws. The detailed CSR policy is available on the Company's website at the weblink <https://krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf>

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

28. BUSINESS RESPONSIBILITY REPORT (BRR)

In compliance with the SEBI Listing Regulations, the BRR disclosures are part of the Annual Report. It aims at describing KRBL's initiatives in discharging responsibilities from an Environmental, Social and Governance perspective. The BRR is attached as 'Annexure 6' and forming part of this Report.

29. INTERNAL FINANCIAL CONTROL (IFC) SYSTEM AND THEIR ADEQUACY

Pursuant to the provisions of Section 134(3)(q) of the Companies Act, 2013 and Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014, the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has implemented an internal control system, commensurate with the size, scale and complexity of its operations. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The effectiveness of the IFC System of the Company is assessed by way of reporting by the independent professional firm on the testing of its design and operating effectiveness for the Financial Year ended 31 March 2022, who have confirmed in their report that the Company has, in all material respects adequate IFCs and such IFCs were operating effectively as of 31 March 2022, based on IFC criteria established by the Company, considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls issued by the Institute of Chartered Accountants of India.

Further, Audit Committee interacts with the aforementioned independent professional firm, the Statutory Auditors and the Management in dealing with matters within its terms of reference. During the year under review, such controls were assessed and no reportable material weakness in the design or operations was observed. Accordingly, the Board believes that the Company's IFCs were adequate and effective during Financial Year 2021-22.

Kindly refer Statutory Auditors Report on IFC forming part of the Financial Statements which is with qualified opinion.

30. RISK MANAGEMENT

Risk management is integral to the Company's strategy and for the achievement of the long-term goals. With the continuation of the COVID-19 pandemic, the challenges of uncertain lockdowns, unlock phases, health hazards and

supply chain disruptions across the globe continued to impact the business. The Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. The Board of Directors of the Company has constituted Risk Management Committee which has, inter alia, been entrusted with the responsibility of Overseeing implementation/Monitoring of Risk Management Plan and Policy; and continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed. The Board of Directors in consultation with the Risk Management Committee has also developed Risk Management Policy for the Company which articulates the Company's approach to address the uncertainties of elements of risk in its endeavour to achieve its stated and implicit objectives.

31. RATINGS

During the financial year 2021-22, the Company is holding various ratings, which are as follows:

- CARE:** In September 2021, "CARE" has reviewed and assigned "[CARE]A1+" rating for Commercial Paper (CP) Limits of KRBL Limited.
- ICRA:** In November 2021, "ICRA" has reviewed and assigned "[ICRA]AA- (Stable)" rating for Bank Limits on Long term scale, "[ICRA]A1+" rating for Bank Limits on Short term scale and Commercial Paper (CP) Limits of KRBL Limited.

32. DISCLOSURE ON DEPOSITS UNDER CHAPTER V

The Company has neither accepted nor renewed any Deposits during the financial year 2021-22 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 2021-22.

33. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed in providing a protective environment at the workplace for all its women employees. The Company dedicatedly emphasised on creating a work environment where every woman employee is treated with dignity and respect, as mandated under "The Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013". The Company has in place a formal policy on the prevention of Sexual Harassment at the Workplace (Policy on POSH) and has also constituted an Internal Complaint Committee at all its respective locations in compliance with the requirement of the Act. The policy is available on the Company's website at the weblink <https://krblrice.com/policy-guidelines/SEXUAL%20HARASSMENT%20POLICY.pdf>

The Company hasn't received any Complaints on Sexual Harassment during the financial year under review. The Internal Complaint Committees of the Company has also

submitted its Annual Report on Sexual Harassment to Mr. Anoop Kumar Gupta, Joint Managing Director and also to the Concerned District Officers where the Committee locates, declaring that no Complaints were received during the financial year.

34. DEPOSITORY SYSTEM

The Company's shares are compulsorily tradable in electronic form. As of 31 March 2022, 99.95% of the Company's Paid-up Equity Share Capital representing 23,52,62,540 equity shares 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). Considering the numerous advantages offered by the Depository System, members holding shares in physical mode are requested to avail the dematerialization facility with either of the Depositories.

The Company has appointed M/s. Alankit Assignments Limited, a Category-I SEBI registered RTA as its Registrar and Share Transfer Agent across a physical and electronic alternative.

35. CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

During the year under review, there was no change in Capital Structure and Listing of Shares. The Company's shares are listed and actively traded on the below mentioned Stock Exchanges:-

- National Stock Exchange of India Limited (NSE)**
"Exchange Plaza" C-1, Block G,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051
- BSE Limited (BSE)**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

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

During the financial year 2021-22, the Company has neither made any investment(s) nor given any loan(s) or guarantee(s) or provided any security as prescribed under Section 186 of the Companies Act, 2013.

37. PARTICULARS OF LOAN(S) FROM DIRECTORS UNDER SECTION 73 OF THE COMPANIES ACT, 2013, READ WITH COMPANIES (ACCEPTANCE OF DEPOSITS) RULES, 2014

During the financial year 2021-22, the Company has availed loan of ₹2,033 lacs from Directors. The declarations in writing to the effect that the amount is not being given out of funds acquired by them by borrowing or accepting loans or deposits from others has also been received by the Company from the concerned Directors.

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

During the financial year 2021-22, the Company has entered into transactions with Related Parties. The transactions as entered into by the Company with the Related Parties were in the ordinary course of business and on an arm's length basis are in accordance with the provisions of the Companies Act, 2013, read with the rules framed thereunder and SEBI Listing Regulations. Further, there were no transactions with Related Parties which qualify as Material Transactions under the SEBI Listing Regulations.

The Audit Committee of KRBL Limited has considered, approved and recommended to Board for Omnibus Approval and criteria for Omnibus Approval for entering into transactions with Related Parties for the financial year 2021-22, which was further approved by the Board. The transactions entered pursuant to the Omnibus Approval so granted and a statement giving details of all transactions with Related Parties are placed before the Audit Committee for their periodical review. The details of the Related Party Transactions as per Indian Accounting Standard (Ind AS) 24 are set out in Note 47 to the Standalone Financial Statements forming part of this Report.

Further, pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules framed thereunder, the disclosure of particulars of contracts/ arrangements with Related Parties in Form AOC-2 is attached as 'Annexure 7' and forming part of this Report.

The Company has also adopted a Policy on Related Party Transactions, the same is also available on the Company's website at the weblink <https://krblrice.com/wp-content/uploads/2022/03/1.-Policy-on-Related-Party-Transactions..pdf>

39. DISCLOSURE ON VIGIL MECHANISM (WHISTLE BLOWER POLICY)

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, the Company has established a mechanism called 'Vigil Mechanism (Whistle Blower Policy)' for Directors and Employees to report unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics, policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the Directors and Employees to report their concerns directly to the Chairman of the Audit Committee of the Company. The Company has not received any complaint from any Whistle Blower during the financial year 2021-22.

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

40. ENVIRONMENT, HEALTH AND SAFETY

The Company continues to focus on employee well-being, developing safe and efficient products and minimizing the environmental impact of our operations on society. The Company is conducting its operations in such a manner so as to ensure the safety of all concerned compliances of environmental regulations and preservation of natural resources.

For the safety and protection of Employees, the Company has formulated and implemented a policy on the prevention of Sexual Harassment at the Workplace with an effective mechanism of lodging complaints.

41. 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 and tribunals impacting the going concern status and the Company's operations in future.

42. DISCLOSURE ON MATERIAL LEGAL CASES

I) INCOME TAX DEMAND

During the year ended 31 March 2019, the Company had received assessment orders along with demand notices under Section 153A/143(3) of the Income-tax Act, 1961, with respect to assessment years 2010-11 to 2016-17, aggregating to ₹126,920 lacs (including interest), which was contested by the Company before CIT (Appeals), New Delhi. The Hon'ble CIT(Appeals) vide its order dated 11 March 2020, granted partial relief to the Company and reduced the said demand to ₹9,883 lacs (including interest). The Company had already deposited an amount of ₹18,990 lacs, (net of refund), under protest, in respect of tax demand raised by the Income Tax Department ('ITD').

Later, the Company and the 'ITD' had filed appeals before the Hon'ble Income Tax Appellate Tribunal (Hon'ble Tribunal), New Delhi, for the matters sustained and set-aside at the CIT (Appeals) levels, respectively. Further, the Company had also received penalty orders for AY 2010-11 to 2016-17 on the issues sustained by CIT(A) to the tune of \$ 11,896 lacs, against which appeals was filed before CIT(A).

Subsequent to the year ended 31 March 2022, the Hon'ble Tribunal vide its consolidated order dated 9 May 2022, has granted relief in favour of the Company reducing the liability to ₹96 lacs (including interest) and has dismissed all the appeals filled by ITD. The sustained matter by the Hon'ble Tribunal has been remanded back to the Income-tax officer for further review.

Simultaneously, CIT(A) has also quashed the demand of penalty, raised by the Assessing Officer of ₹11,896 lacs. At the year end, the management has assessed ₹96 lacs as contingent liability and is evaluating available legal remedies.

II) 9TH SUPPLEMENTARY COMPLAINT UNDER PMLA FILED BY THE DIRECTORATE OF ENFORCEMENT (ED)

The Company's Joint Managing Director, Mr. Anoop Kumar Gupta ('JMD'), had been detained and released on bail by the Directorate of Enforcement ('ED') pursuant to certain allegations against the Company, KRBL DMCC (a subsidiary of KRBL Limited) and JMD. As per criminal complaint filed it is alleged that M/s Rawasi Al Khaleej General Trading LLC ('RAKGT') had received proceeds of crime of USD 24.62 million in AgustaWestland case during the period 2008-2010 which in turn had been transferred to KRBL Limited through KRBL DMCC. Basis the affidavit filed by Balsharaf Group (one of the Customer of the Company) in the Hon'ble High Court of Delhi in the said matter, the amount of USD 24.62 million had been received by RAKGT in the account of Balsharaf Group. Pursuant to this, ED had attached 1,43,33,221 shares of Balsharaf Group held in KRBL Limited. Based on the opinion taken from the independent legal counsel, the management is of the view that since the investigation is still ongoing no adverse opinion can be drawn.

The Company had appointed an independent professional firm ('IP') to review the aforesaid allegations, to assess the impact, if any, on the financial statement and control environment of the Company. Subsequent to the year ended 31 March 2022, the IP has issued a report to the Board of Directors with respect to the aforesaid review. The board of the directors has discussed and approved the report, and has responded to the observation contained therein, basis that no further action is proposed.

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

Since a complaint has been filed, it will take its legal recourse however, Neither KRBL nor anyone associated with it ever, directly or indirectly indulged in any unethical practice, whatsoever. KRBL always believes in the highest standards of corporate governance and transparency and is determined to take effective steps.

43. INDUSTRIAL RELATIONS

The Company has been successfully maintaining a healthy, cordial and harmonious industrial relations at all levels. Despite the severe competition, the enthusiasm and unstinting efforts of the Employees have enabled the

Company to remain at the forefront of the industry. It has undertaken various measures to improve productivity across the organization.

The Company has continuously received co-operation and unstinted support from the distributors, retailers, stockists, suppliers and others associated with the Company as its Trading Partners. The Directors wish to place on record their appreciation for the support. The Company will continue its endeavor to build and nurture strong bonding with its trade partners based on mutuality, respect and co-operation with each other and consistent with consumer interest.

44. SECRETARIAL STANDARDS

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

45. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Pursuant to the Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, KRBL Limited is having the Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The said Code is available on the Company's website at the weblink <https://krblrice.com/wp-content/uploads/2022/02/Code-of-Conduct-to-Regulate-Monitor-Report-Trading-by-Insiders.pdf>

46. APPRECIATION

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in the future. The Board acknowledges with gratitude the co-operation and assistance provided to the Company by its Bankers, Financial Institutions, Government as well as Non-Government Agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the Company during the financial year under review. The Company has been successful in achieving impressive growth during the year, thanks to the competence, hard work, solidarity, cooperation and support of the employees at all levels. Your Directors give their sincere gratitude to the Customers, Clients, Vendors and other business associates for their continued support in the Company's growth journey.

The Board also takes this opportunity to express its sincere gratitude for the continued co-operation and support received from its valued shareholders.

For and on behalf of the Board of Directors

Anil Kumar Mittal

Place: Noida, Uttar Pradesh
Date: 08 August 2022

Chairman & Managing Director
DIN-00030100

ANNEXURE-1

FORM AOC-1

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

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

Part "A": Subsidiaries		(₹ in lacs except as stated)			
S. No.	Particulars	Name of the Subsidiaries			
		KRBL DMCC Group		K B Exports Private Limited	
		As on 31 March 2022	As on 31 March 2021	As on 31 March 2022	As on 31 March 2021
1.	Date since when subsidiary was acquired	08 October 2006		02 June 2010	
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	NA	NA	NA	NA
3.	Reporting currency	AED	AED	INR	INR
4.	Exchange rate to ₹ as on the last date of the relevant financial year in the case of foreign subsidiaries	20.62	19.90	NA	NA
5.	Share Capital	217	217	300	300
6.	Reserves & Surplus	671	736	(5)	(5)
7.	Total Assets	1007	1037	297	296
8.	Total Liabilities	86	84	2	1
9.	Turnover	291	318	1	1
10.	Profit/(Loss) before taxation*	(64)	(137)	0	(0)
11.	Provision for taxation	-	-	-	-
12.	Profit/(Loss) after taxation*	(64)	(137)	0	(0)
13.	Percentage (%) of Shareholding	100%	100%	70%	70%

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

Part B of the Form AOC-1 is not applicable as there are no Associate Companies/ Joint Ventures of the Company as on 31 March 2022.

For and on behalf of the Board of Directors

Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Raman Sapra
Company Secretary
M.No. F9233

Ashish Jain
Chief Financial Officer

Place: Noida, Uttar Pradesh
Date: 08 August 2022

ANNEXURE-2

Disclosure Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measures Taken:

The Company diligently emphasizes on reducing energy consumption across its units. Besides sustaining the previous year's initiatives, the Company implemented new measures during the year under review. The Company's focus has been to adopt different environment-friendly initiatives when implementing various energy-saving projects at its units. The list of initiatives taken in this regard are as under:

At Dhuri, Punjab Unit of KRBL Limited:

Following are the key changes that took place during the year to conserve energy and to provide automation for optimum production:

1. Installed 1 X 3KW on Cleaner - A in New 20 Ton
2. Installed 1 X 3KW on Cleaner - B in New 20 Ton
3. Installed 1 X 3.7KW on Elevator - 19 in New 20 Ton
4. Installed 1 X 18.5KW on CWC Pump in FA plant
5. Installed 2 X 55KW on Clear Water Pump in Water reservoir area
6. Installed 4 X 22KW on Sweep Aryur in Berico
7. Installed 1 X 200KW on Stand By Id Fan in Boiler no. 1
8. Installed 1 X 200KW on Stand By Id Fan in Boiler no. 2

9. Installed 4 X 11KW on Pipe Conveyors in Old 20 Ton
10. Installed 1 X 5.5KW on Blower in Solvent (Doc).
11. Installed 1 X 3.7KW on SB Pump in Solvent
12. Installed 1 X 3.7KW on MD Pump in Solvent
13. Installed 1 X 1.5KW on Grader in Rice mill Line no.2
14. Installed 1 X 7.5KW on Pipe Conveyors in 18 ton plant
15. Installed 1 X 1.5KW on Screw Feeder in 6 Ton plant
16. Installed 1 X 22KW on Airation Blower No. 6 in ETP
17. Installed 1 X 37KW on CWC Pump in Furfural
18. Installed 1 X 18.5KW on Blower in 6 Ton plant
19. Installed 2 X 2.2KW on Grader in New 20 Ton
20. Installed 1 X 4KW on Elevator No. 24 in New 20 Ton

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

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



Disclosure of Particulars with Respect to Conservation of Energy: 2021-22
(a) Power and Fuel Consumption

S. No.	Particulars	Current Year	Previous Year	Reason for Variation
1.	Electricity			
	(A) Purchased (Including Captive Solar Power)			
	Unit	1,28,55,400	1,42,64,820	Reduction in Paddy Milling as compared to the previous year.
	Total Amount	9,64,77,350	10,23,53,183	
	Rate/Unit	7.50	7.18	
	(B) Own Generation			
	(i) Through Diesel Generator (DG)			
	Unit	5,39,314	9,30,141	Dependency on diesel-generated electricity has reduced as compared to the previous year.
	Units Per Itrs. of Diesel Oil	3.31	3.49	
	Cost/Unit	26.23	18.15	
	(ii) Through Steam Turbine			
	Unit	5,87,28,176	6,21,24,610	Reduction in Paddy Milling as compared to the previous year.
	Husk/Unit (in KG)	1.03	1.11	
	Cost/Unit	3.98	3.94	
	(iii) Through Captive Solar Power			
	Unit	13,34,724	7,79,028	Current year generation was for entire year however the same was for partial months in the previous year.
	Cost/Unit	0.49	0.12	
				The O&M charges were not payable during the previous year however the same were partly payable during the current year.
2.	Other/Internal Generation			
	Quantity	-	-	-
	Total Cost	-	-	-

(b) Total Energy Consumption and Energy Consumption per MT of Production:
Total Energy Consumption is as under:

Particulars	(In Units)	
	As at 31 March 2022	As at 31 March 2021
Production Unit-Gautam Budh Nagar, Uttar Pradesh	1,94,06,245	1,84,09,482
Production Unit-Dhuri, Punjab	4,18,93,049	4,89,68,653
Packaging Unit-Barota, Haryana	56,78,913	49,53,703

Energy Consumption per MT of Production is as under:

Particulars	(In Units)	
	As at 31 March 2022	As at 31 March 2021
Production Unit - Gautam Budh Nagar, Uttar Pradesh		
Rice	125	131
Production Unit - Dhuri, Punjab		
Rice Bran Oil	182	192
Rice	116	109
Packaging Unit - Barota, Haryana		
Rice	35	36

B. RESEARCH AND DEVELOPMENT (R & D)
Disclosure of Particulars with respect to Research and Development (R&D): 2021-22
a) The Company continues to pursue innovation and applied research as means to sustain its global leadership in a competitive environment. Following are the areas in which R&D has been carried out by the Company in the Financial Year 2021-22:

- Development, testing and specification setting of packaging materials.
- Formulation and evaluation of agricultural inputs to enhance farm productivity, crop quality and other such applications.
- Development of new product line, identifying the changing market need, conceptualising and developing the product, creating a product roadmap, developing a minimum viable product (MVP), releasing the MVP to users and brainstorming of remodification based on user feedback.
- Process optimization and developing research methodologies for better process and product characteristics.

b) Benefits derived as a result of the above R&D:

- Cost reduction, import substitution and strategic resource management.
- Quality evaluation and management of finished products and raw materials.
- Ensuring product quality and aesthetics.
- Entering new market segments and exploring diversification channels.
- Building competitive edge and business collaborations.

c) Future plan of action:

The Company's research & innovation team will continue to work on energy efficient processes like:

- Reducing packaging weight / volume.
- Roll out of new range of differentiated products matching international standards and quality.
- Improvement of process and efficient utilisation of resources.
- Enlarge the scope of agri-inputs options.
- All the efforts are being continued in the directions of product/process development as mentioned above.

d) Expenditure on R&D (₹ in lacs):

The Company has incurred the following expenditure on R&D in the Financial Year 2021-22 as compared to previous year:

	2021-22	2020-21
i) Capital	Nil	Nil
ii) Recurring	553	526
iii) Total	553	526
iv) Total R&D expenditure as a percentage of total turnover	0.13%	0.13%

e) Certifications:

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

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

Further, the Company is also certified with SQF Food Safety Code for Manufacturing Edition 9, issued by Eurofins. Safe Quality Food (SQF) Program is a rigorous and credible food safety and quality program, recognized by retailers, brand owners, and food service providers across the globe. This stringent farm-to-fork food safety and quality certification helps food producers assure the buyers that the food products meet the highest possible global food safety standards.

The Company is also USFDA registered.

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

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

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Disclosure of particulars with respect to Technology Absorption, Adaptation and Innovation: 2021-22

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

Technologies were successfully absorbed, resulting in attaining the desired production level and in meeting the existing and new customer requirements.

Technology innovations were successfully implemented to achieve the desired production, while ensuring the efficient use of raw material, energy and utilities.

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

Reduction in manufacturing cost despite an increase in the input costs.

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

I) Technology Imported (during the financial year 2021-22):

- During the financial year 2021-22, the Company has imported some spare parts and accessories from Austria.
- Has technology been fully absorbed: Yes, Technology imported was fully absorbed.
- If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N.A.

II) Technology Imported (during the financial year 2020-21):

- During the financial year 2020-21, the Company has imported capital goods such as Sortex and Electric Forklift and other spare parts and accessories from UK and Japan.
- Has technology been fully absorbed: Yes, Technology imported was fully absorbed.
- If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N.A.

III) Technology Imported (during the financial year 2019-20):

- During the financial year 2019-20, the Company has imported capital goods such as Sortex, Electric Forklift, plastic pallet along with other spare parts and accessories from UK, Japan, Germany and Malaysia.
- Has technology been fully absorbed: Yes, Technology imported was fully absorbed.
- If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N.A.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Disclosure of particulars with respect to Foreign Exchange initiatives taken, Earnings and Outgo: 2021-22

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

The Company's primary income is derived from the manufacturing and selling of rice across the globe. The Company's highly qualified professional teams in Marketing, Distributors, Dealers and Retailers have helped the Company develop a sustainable growth strategy across different global markets. The Company's brand India Gate continues to command a significant premium over most other brands in the global industry. The Company's other brands have also garnered an overwhelming response in the overseas market.

ii) Total Foreign Exchange used and Earned:

The Company on Standalone basis, spent ₹13,547 lacs (P.Y. ₹10,106 lacs) in Foreign Exchange while Earnings in Foreign Exchange on mercantile basis were ₹1,43,356 lacs (P.Y. ₹1,19,582 lacs). Thus the net inflow in Foreign Exchange was ₹1,29,809 lacs (P.Y. ₹1,09,476 lacs) during the year under review.

For and on behalf of the Board of Directors

Anil Kumar Mittal

Place: Noida, Uttar Pradesh
Date: 08 August 2022

Chairman & Managing Director
DIN-00030100

ANNEXURE-3

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

PARTICULARS OF REMUNERATION

A. The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2021-22:

S. No.	Nature of Directorships Held & Name of Directors	Ratio of Median Remuneration
1	Executive Directors	
a)	Mr. Anil Kumar Mittal	79.76:1
b)	Mr. Arun Kumar Gupta	91.70:1
c)	Mr. Anoop Kumar Gupta	79.76:1
d)	Ms. Priyanka Mittal	62.85:1
2	Non-Executive Directors*	
a)	Mr. Alok Sabharwal@	0.22:1
b)	Mr. Ashwani Dua	1.22:1
c)	Mr. Devendra Kumar Agarwal	1.22:1
d)	Ms. Priyanka Sardana	1.22:1
e)	Mr. Shyam Arora	1.22:1
f)	Mr. Vinod Ahuja	1.22:1

B. The percentage increase in Remuneration of each Director, Chief Financial Officer and Company Secretary in the Financial Year 2021-22:

S. No.	Name	% Increase in remuneration
1.	Mr. Anil Kumar Mittal	26%
2.	Mr. Arun Kumar Gupta	26%
3.	Mr. Anoop Kumar Gupta	26%
4.	Mr. Alok Sabharwal@	Nil
5.	Mr. Ashwani Dua*	Nil
6.	Mr. Devendra Kumar Agarwal*	Nil
7.	Ms. Priyanka Mittal	25%
8.	Ms. Priyanka Sardana*	Nil
9.	Mr. Shyam Arora*	Nil
10.	Mr. Vinod Ahuja*	Nil
11.	Mr. Rakesh Mehrotra, Chief Financial Officer#	Nil
12.	Mr. Ashish Jain, Chief Financial Officer#	Nil
13.	Mr. Raman Sapra, Company Secretary	60%

@ Mr. Alok Sabharwal, an Independent Non-Executive Director of the Company, ceased to be a Director on the Board of KRBL Limited w.e.f. the closure of business hours on 10 August 2021, due to the completion of his tenure.

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

Mr. Rakesh Mehrotra retired from the position of Chief Financial Officer w.e.f. closure of business hours on 31 October 2021 and Mr. Ashish Jain was appointed as Joint Chief Financial Officer of the Company w.e.f. 13 September 2021 and designated as Chief Financial Officer w.e.f. 01 November, 2021.

C. **The percentage increase in the Median Remuneration of Employees in the Financial Year 2021-22:** There was an increase of 8% in the Median Remuneration of Employees in the financial year 2021-22.

D. **The Number of Permanent Employees on the rolls of the Company:** 2,321

E. **Average Percentile increase already made in the Salaries of Employees other than the Managerial Personnel in the last Financial Year and its Comparison with the Percentile Increase in the Managerial Remuneration:** The average increase in salary of employees other than Managerial Personnel in 2021-22 was 10%, the average percentage increase in the Managerial Remuneration for the year was 26%.

F. **Affirmation that the Remuneration is as per the Remuneration policy of the Company:** The success of the Company's Remuneration policy is derived from the success and performance of the individual employees and the Company. Through its compensation package, the Company intends to attract, retain, develop and motivate high-performing employees. Individual performance pay is determined by the overall business performance. The performance of the individuals is measured through the annual appraisal process. During the year, no Managing Director / Whole-time Director of the Company received any remuneration or commission from any of its Subsidiaries. The Company affirms that the remunerations are as per the Nomination and Remuneration Policy of the Company.

- G. Employees employed throughout the financial year ended on 31 March 2022 and was in receipt of Remuneration for that financial year, in the aggregate not less than Rupees One Crore Two Lacs only or for a part of the financial year, was in receipt of remuneration for any part for that financial year, in the aggregate, not less than Rupees Eight Lacs and Fifty Thousand only per month:-

Name	Designation	Remuneration (in ₹)	Age (In years)	Date of Commencement of Employment	Qualifications	Experience (In Years)	Name of Previous Employer	Nature of Employment
Mr. Anil Kumar Mittal	Chairman & Managing Director	1,80,39,600	71	30 March 1993	Arts Graduate from Delhi University	46	-	Contractual
Mr. Arun Kumar Gupta	Joint Managing Director	2,07,39,600	65	30 March 1993	Commerce Graduate from Delhi University	40	-	Contractual
Mr. Anoop Kumar Gupta	Joint Managing Director	1,80,39,600	63	30 March 1993	Science Graduate from Delhi University	36	-	Contractual
Ms. Priyanka Mittal	Whole Time Director	1,42,14,600	45	28 November 2000	Graduate from Harvard Business School's OPM programme, BS in Business Management from University of Southern California	25	-	Contractual
Mr. Ashish Jain	Chief Financial Officer	74,81,562	48	13 September 2021*	Bachelors in BA-Economic Honors, MBA-Finance, CFO program from The Wharton School.	25	Delightful Gourmet Pvt Ltd.	Contractual

* Mr. Ashish Jain was appointed as Joint Chief Financial Officer under the category of Key Managerial Personnel of the Company w.e.f. 13 September 2021 and designated as Chief Financial Officer w.e.f. 01 November 2021, consequent upon retirement of Mr. Rakesh Mehrotra w.e.f. 31 October 2021.

For and on behalf of the Board of Directors

Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Place: Noida, Uttar Pradesh
Date: 08 August 2022

ANNEXURE-4

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,
M/s KRBL Limited
CIN: L01111DL1993PLC052845
5190, Lahori Gate,
Delhi - 110006

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31 March 2022 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure-A** attached to this report.

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

- The Companies Act, 2013 (the "**Act**") and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment ("FDI"), Overseas Direct Investments

("ODI") and External Commercial Borrowings ("ECB");
(No FDI and ECB was taken and no ODI was made by the Company during the Audit Period);

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:-
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred as "**SEBI LODR**");
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the review period)**
 - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 **(Not applicable to the Company during the review period)**
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the review period)**
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the review period)**
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit Period).**

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

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

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

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

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

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

- It is observed that certain statutory requirements of general laws applicable on the company's units located at Alipur, Delhi have not been complied with, however as per information provided, it was informed that only sorting / grading / packing of rice activity are done at the said unit & the unit has no production capacity.*

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

- The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Women and Independent Directors. The changes in the composition of the Board of Directors

that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notices of at least seven days were given to all the directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.
- All decisions at Board Meetings and Committee Meetings have been carried out with requisite majority of the members of the Board or committees as the case may be. Further, as informed and verified from minutes, no dissent was given by any director in respect of the resolutions passed in the Board and the Committee Meetings.

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

We further report during the audit period, the Company has not incurred any specific event / action that can have major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

**For DMK Associates
Company Secretaries**

(Deepak Kukreja)
FCS, LLB., ACIS (UK), IP,
PARTNER
CP No.8265
FCS No. 4140
Peer Review No. 779/2020

Date: 08 August 2022
Place: New Delhi
UDIN: F004140D000760381

ANNEXURE-A

To,

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

Sub: Our report for the Audit Period is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
- The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
- 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.
- As per the information provided by the Company, there are certain disputes / cases filed by or against the Company, which are currently lying pending with the various Courts/authorities inter-alia including:
 - For the year ended 31 March 2019, the Company had received assessment orders along with demand notices under Section 153A/143(3) of the Income-tax Act, 1961, with respect to assessment years 2010-11 to 2016-17, aggregating to ₹126,920 lacs (including interest), which was contested by the Company before CIT (Appeals),

New Delhi. The Hon'ble CIT(Appeals) vide its order dated 11 March 2020, granted partial relief to the Company and reduced the said demand to ₹9,883 lacs (including interest). The Company had already deposited an amount of ₹18,990 lacs, (net of refund), under protest, in respect of tax demand raised by the Income Tax Department ('ITD').

Later, the Company and the ITD had filed appeals before the Hon'ble Income Tax Appellate Tribunal (Hon'ble Tribunal), New Delhi, for the matters sustained and set-aside at the CIT (Appeals) levels, respectively. Further, the Company had also received penalty orders for AY 2010-11 to 2016-17 on the issues sustained by CIT(A) to the tune of ₹11,896 lacs, against which appeals was filed by the Company before CIT(A). The above said matter is lying pending as on the close of the Financial Year.

Subsequent to the year ended 31 March 2022, the Hon'ble Tribunal vide its consolidated order dated 09 May 2022, has granted relief in favour of the Company reducing the liability to ₹96 lacs (including interest) and has dismissed all the appeals filed by ITD. The sustained matter by the Hon'ble Tribunal has been remanded back to the Income-tax officer for further review. Simultaneously, CIT(A) has also quashed the demand of penalty, raised by the Assessing Officer of ₹ 11,896 lacs.

- The Enforcement Directorate ("ED") had provisionally attached a portion of land and parcel and building thereupon situated at Dhuri, Tehsil Sangrur District of Punjab to the extent of value of ₹1,532 lacs in connection with its money laundering investigation. The Appellate Tribunal, PMLA, New Delhi, ("Appellate Tribunal") had restored the possession of the attached land on interim basis in favour of the Company. However, aforesaid attachment would continue till conclusion of the matter. Against the order of the Appellate Tribunal, ED had filed an appeal before the Hon'ble High Court of Delhi, which is pending for hearing. The Company filed an application before the Hon'ble High Court of Delhi for restoration of possession of the land in favour of the Company and High court allowed the Company to take physical possession of the said land parcels and building thereupon for specified purpose against the deposit of ₹1,113 lacs,

(deposited on 5 November 2020), as an interim relief until conclusion of the aforesaid matter, without prejudice to the rights and contentions of the parties to be decided in the appeal.

(iii) The Company's Joint Managing Director, Mr. Anoop Kumar Gupta had been detained and released on bail by the Directorate of Enforcement ('ED') with regard to an ongoing investigation under the Prevention of Money Laundering Act, 2002, for alleged involvement in Agusta Westland case, pursuant to the order of Special Judge, Rouse Avenue Courts dated 30 January 2021 and dated 5 April 2021, respectively. ED vide their criminal complaint dated 30 March 2021 has made certain allegations against the Company, KRBL DMCC, a subsidiary of the Company and Mr. Anoop Kumar Gupta, Joint Managing Director. The

above said matter is lying pending as on the close of the Financial Year and the details of same are disclosed at note no. 48A to standalone financial statements of the Company for the financial year ending 31 March 2022.

For **DMK Associates**
Company Secretaries

(**Deepak Kukreja**)
FCS, LLB., ACIS (UK), IP.
PARTNER
CP No.8265
FCS No. 4140
Peer Review No. 779/2020

Date: 08 August 2022
Place: New Delhi
UDIN: F004140D000760381

ANNEXURE-5

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

1. Brief outline on CSR Policy of the Company:

In accordance with the provisions of Section 135 of the Companies Act, 2013 ("Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules"), as amended and modified from time to time, the Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society. The CSR Policy of the Company specifies the projects and programmes that can be undertaken by the Company, directly or indirectly, the modalities of execution and the monitoring thereof. The CSR Policy

has been uploaded on the website of the Company at <https://krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf>

Our CSR Vision:

Endeavour to serve the society and achieve excellence.

Our CSR Mission:

Play an active role in transforming the lives of communities by improving their socio-economic conditions.

2. Composition of CSR Committee and Attendance Record:

The Composition of CSR Committee of KRBL Limited along with the attendance details of CSR Committee members for the financial year 2021-22 are as follows:

S. No.	Name	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Anil Kumar Mittal	Chairman - Executive & Chairman & Managing Director	4	4
2.	Mr. Anoop Kumar Gupta	Member - Executive & Joint Managing Director	4	4
3.	Mr. Alok Sabharwal*	Member - Independent Non-Executive Director	4	-
4.	Mr. Ashwani Dua	Member - Independent Non-Executive Director	4	4
5.	Ms. Priyanka Mittal#	Member - Executive & Whole-Time Director	4	2
6.	Mr. Vinod Ahuja	Member - Independent Non-Executive Director	4	3

* Mr. Alok Sabharwal, an Independent Non-Executive Director of the Company, ceased to be a member of CSR Committee and Director on the Board of KRBL Limited w.e.f. the closure of business hours on 10 August 2021, due to completion of his tenure.

Ms. Priyanka Mittal, ceased to be a member of CSR Committee of KRBL Limited w.e.f. 27 May 2022 due to pre-occupations.

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:

CSR Committee
<https://krblrice.com/committees-of-board-of-directors/>
CSR Policy
<https://krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf>
CSR Programmes
<https://krblrice.com/CSR-Projects-Programmes/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

The Company at present is not required to carry out impact assessment of its CSR Projects in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, since the CSR project of Maharaja Agrasen Technical Education Society for the Construction of Civil Structure Building at Maharaja Agrasen Institute of Technology, New Delhi and the CSR project of The Akshaya Patra Foundation for Setting up the Centralized Kitchen in Gautambudh Nagar, Uttar Pradesh, with the capacity to

serve 25,000 mid-day meals per day to school childrens, are under progress.

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

S. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be setoff for the financial year, if any
		NIL	

6. Average Net Profit of the Company as per section 135(5): ₹ 74,552 lacs

7. (a) Two percent of average net profit of the Company as per section 135(5) : ₹ 1491 lacs

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

- (c) Amount required to be set off for the financial year, if any: Nil

- (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 1,491 lacs

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

Total Amount Spent for the Financial Year	Amount Unspent (₹ in lacs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
308	1,314	25 April 2022	-	-	-

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

(₹ in lacs)

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project District, State	Project Duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR Registration Number
1.	Promoting health care including preventive health care										
	Setting up the Diagnostic Centre	(i)	Yes	Delhi	1+3 Years	1,250	-	1,250	No	KRBL Foundation	CSR00020301
2.	Eradicating hunger, poverty and malnutrition, Promoting health care including Preventive health care and Promoting education										
	Sponsorship of cost gap for mid-day meals in government-aided schools and karuna hospital meals	(i) & (ii)	No	Pan India	1+1 Years	64	-	64	No	Annamrita Foundation	CSR00001973
TOTAL						1,314		1,314			

Directors' Report

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

(₹ in lacs)

S. No	Name of the Project	Project Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project District, State	Amount spent for the project	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR registration Number
Promoting education including special education								
1.	Assistance in construction of Civil Structure Building at Maharaja Agrasen Institute of Technology, New Delhi.	(ii)	Yes	Delhi	100	No	Maharaja Agrasen Technical Education Society	CSR00006254
2.	Providing assistance in the expansion of skill development centre.	(ii)	Yes	Delhi	30	No	Kartavya Janhit Foundation	CSR00006674
Promoting education including special education, Eradicating Hunger, Poverty and Malnutrition and Promoting health care including preventive health care								
3.	Rehabilitation Program for Special Needed Children and promoting health care	(i) & (ii)	Yes	Delhi	85	No	JSR Charitable Trust	CSR00012616
4.	Promoting education by way of conducting awareness sessions, Construction of School/College building and Fooding for the poor	(i) & (ii)	Yes	Delhi	90	No	Manav Kalyan Foundation	CSR00007224
TOTAL					305			

- (d) Amount spent in Administrative Overheads: ₹ 3 lacs

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

- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 1,622 lacs

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

S. No.	Particular	Amount (₹ in lacs)
i.	Two percent of average net profit of the company as per Section 135(5)	1,491
ii.	Total amount spent for the financial year	1,622
iii.	Excess amount spent for the financial year [(ii)-(i)]	131
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)]	131

9. (a) Details of Unspent CSR amount for the preceding three financial years: (₹ in lacs)

S. No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the Reporting financial year	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
				Name of the Fund	Amount
				Date of transfer	
				NIL	

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

S. No.	Project Id	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount Allocated for the project	Amount spent on the project in the reporting financial year	Cumulative amount spent at the end of reporting financial year	Status of the project - Completed /Ongoing
1.	FY31.03.2021_1	Setting up the Centralized Kitchen with the capacity to serve 25,000 mid-day meals per day to school childrens	2020-21	1+3 years	1,282	141	152	Ongoing

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

(a) Date of creation or acquisition of the capital asset(s) : Nil

(b) Amount of CSR spent for creation or acquisition of capital asset(s) : Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) : Not Applicable

For and on behalf of the Board of Directors

Anil Kumar Mittal
Chairman & Managing Director
and Chairman-CSR Committee
DIN-00030100

Place: Noida, Uttar Pradesh

Date: 08 August 2022

ANNEXURE-6

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L01111DL1993PLC052845
2. Name of the Company	KRBL Limited
3. Registered Address	5190, Lahori Gate, Delhi – 110006
4. Website	www.krblrice.com
5. E-mail ID	investor@krblindia.com
6. Financial Year reported	2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	<p>Agri Division-Group: 106 & Group: 011</p> <p><u>Group: 106</u> Rice, Rice Products and Other By-products (Class: 1061, Sub-Class: 10612 - Rice milling)</p> <p><u>Quinoa</u> (Class: 1061, Sub-Class: 10614 - Grain milling other than wheat, rice and dal)</p> <p><u>Seed</u> Class: 1061, Sub-Class: 10619 - Other Grain milling and processing)</p> <p><u>Glucose</u> (Class: 1062, Sub-Class: 10623 - Manufacture of glucose, glucose syrup, maltose etc.)</p> <p><u>Group: 011</u> <u>Chia Seed and Flax Seed</u> (Class: 0111, Sub-Class: 01119- Other Oil Seeds)</p> <p>Energy Division- Group: 351 <u>Solar Power Plant</u> (Class: 3510, Sub-Class: 35105- Electric power generation using Solar Energy)</p> <p><u>Wind Power Plant</u> (Class: 3510, Sub-Class: 35106 - Electric power generation using other non-conventional sources)</p>

8. List three key products/services that the Company manufactures/ provides	<p>1) Rice - India Gate, Unity, Nur Jahan and other rice brands along with other by-products</p> <p>2) Healthy Food Products - Quinoa, Chia Seeds, Flax Seeds, Amaranth and Sprouted Brown Rice</p> <p>3) Solar Power Plant</p> <p>4) Wind Power Plant</p>
9. Number of locations where business activities are undertaken by the Company	<p>The Company's business and operations are spread across the Country and in other geographies.</p> <p>The details of plant and business locations are provided here-in below:</p> <p>Agri division: Manufacturing facilities: Gautam Budh Nagar, Uttar Pradesh Dhuri, Punjab</p> <p>Other facilities (grading, sorting and packaging): Gautam Budh Nagar, Uttar Pradesh Dhuri, Punjab Sonipat, Haryana Alipur, Delhi</p> <p>Energy Division: Wind Division Maharashtra (Dhule, Sangli), Rajasthan (Jodhpur, Jaisalmer), Tamil Nadu (Tirupur, Tirunelveli), Karnataka (Raichur & Koppal, Bellary), Andhra Pradesh (Kaddappa, Anantapuram), Madhya Pradesh (Agar-Malwa, Mandsaur), Gujarat (Devbhoomi-Dwarka)</p> <p>Solar Division: Madhya Pradesh (Rajgarh, Agar-Malwa, Sehore), Haryana (Siwani)</p> <p>Biomass: Dhuri Gautam Budh Nagar</p> <p>Corporate Office - Noida, Uttar Pradesh</p> <p>Registered Office - Lahori Gate, Delhi</p>

10. Markets served by the Company Local / State / National / International	KRBL has a strong distributor network spread across India. The Company exports its products to more than 90 countries spread across the globe. The Company is also a market leader in the Basmati Rice consumer market in the branded rice segment.
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Section B: Financial Details of the Company

1. Paid Up Equity Share Capital (₹)	: ₹2,354 lacs
2. Total Turnover (₹)	: ₹4,21,056 lacs
3. Total Profit after Taxes (₹) and Other comprehensive income (₹)	: ₹46,043 lacs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	: The Company's total CSR contribution for FY 2021-22 is ₹1,622 lacs which is 3.5% of Profit after tax of the last three financial years. The Company has spent a total of ₹308 lacs (Including ₹3 lacs on Administrative Overheads) on CSR activities during the financial year in the following areas: • Promoting education including special education and • Eradicating Hunger, Poverty and Malnutrition and Promoting health care including preventive health care Since, the Company during the year has initiated the CSR Project of ₹64 Lacs with M/s Annamrita Foundation for sponsorship of cost gap for mid-day meals in government-aided schools and karuna hospital meals and also initiated the CSR Project of ₹1250 Lacs with M/s KRBL Foundation for setting up the Diagnostic Centre, the total amount aggregating to ₹1314 lacs shall be spent on these ongoing project.
5. List of activities in which the expenditure in 4 above has been incurred	: Please refer Board Report Section "Annual Report on Corporate Social Responsibility (CSR) Activities".

Section C: Other Details

1. Does the Company have any Subsidiary Company / Companies?

The Company has two Subsidiaries viz., KRBL DMCC, Dubai, UAE (includes step down Wholly Owned Subsidiary) and K B Exports Private Limited, India.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s)?

The Subsidiary Companies do not participate in the BR Initiatives of the Company.

3. Do any other entity/ entities (e.g. Supplier, Distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? (Less than 30%, 30 – 60% and more than 60%)?

No, however, KRBL works with its farmers to ensure that they participate in sustainable agricultural practices. The Company ensures that the farmers undertake sustainable agricultural practices by providing them with training on the latest agricultural practices and supplies them with high-quality seeds to ensure optimal resource consumption and maximum rice production. The other entities e.g. Suppliers, Distributors, etc. with whom the Company does business, do not participate in the BR Initiatives of the Company.

Section D: BR Information

1. Details of Director responsible for BR

The Details of the Director and Business Responsibility Head responsible for implementation of the Business Responsibility Policy/Policies are as follows:

- DIN : 00030100
- Name : Mr. Anil Kumar Mittal
- Designation : Chairman & Managing Director
- Telephone : +91-120-4060300
- E-mail : investor@krblindia.com

2. Principle-wise (as per NVGs) BR Policy/Policies:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

- **Principle 1** - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- **Principle 2** - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- **Principle 3** - Businesses should promote the wellbeing of all employees.

Directors' Report

- **Principle 4** - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- **Principle 5** - Businesses should respect and promote human rights.
- **Principle 6** - Businesses should respect, protect, and make efforts to restore the environment.

- **Principle 7** - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- **Principle 8** - Businesses should support inclusive growth and equitable development.
- **Principle 9** - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

S.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
(a)	Details of Compliances (Reply in Y/N)									
1.	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Relevant internal and external stakeholders were consulted, as deemed appropriate, during the formulation of the policies								
3.	Does the policy conform to any national/international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Refer list of policies below								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

Apart from the internal policies of the Company in the nature of Employment, Leave, Quality, which are available on Company's intranet, the policies on all the aforementioned 9 principles are available on Company's website www.krblrice.com under the link Investor Relations.

S.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
(b)	If answer to the question at serial number 1 against any principle, is 'No', please explain why:									
1.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
3.	The company does not have financial or manpower resources available for the task	NA	NA	NA	NA	NA	NA	NA	NA	NA
4.	It is planned to be done within next 6 months	NA	NA	NA	NA	NA	NA	NA	NA	NA
5.	It is planned to be done within the next 1 year	NA	NA	NA	NA	NA	NA	NA	NA	NA
6.	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Governance related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year.

KRBL Limited assesses the BR performance annually.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

As required under SEBI Listing Regulations, The Business Responsibility Report is published annually. The same is forming part of Directors' Report in Annual Report 2021-22 and is available on Company's website www.krblrice.com under the link Investor Relations.

Section E: Principle Wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

KRBL's Anti-Bribery & Anti-Corruption Policy includes the Company's policy on Ethics, Bribery and Corruption which covers the Company and all its Vendors, Contractors, Suppliers, Associates along with other Stakeholders. The Company's Code of Business Conduct and Ethics for the Board of Directors, Senior Management Personnel and other Employees of the Company is followed and practiced by its permanent staff. All the Employees sign this Code at the time of joining the Company. Further, the Company has also established a mechanism called Vigil Mechanism (Whistle Blower Policy) to report unethical behaviour, malpractices, fraud and other incidents of misconduct. Under Whistle Blower Policy all the Directors, Employees and Business Associates can directly report the incidents of misconduct with the Chairman of Audit Committee. In addition to this, the Company is having a mechanism to develop a supply chain policy to ensure that best practices are followed throughout its supply chain.

2. How many Stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management?

During the year, the Company has received 2 (Two) complaints from Stakeholders which were resolved within stipulated time.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/ or opportunities.

- (a) All Rice Brands- India Gate, Unity, NurJahan etc.
- (b) Healthy Food Products- Quinoa, Chia Seeds, Flax Seeds, Amaranth and Sprouted Brown Rice.
- (c) Solar Power Plant.
- (d) Wind Power Plant.

2. For each product, provide the following details:

- (i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Division	Resources	Reduction
Rice	Energy Savings	8,63,412 kwh
	Carbon Reduction	7,06,478 Co2

For more details on Energy Conservation Measures please refer to the **Annexure-2** of this Report.

- (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year? Not Applicable

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Since, the Company is extensively involved in rice processing, our major suppliers are farmers. In this regard, the KRBL has a policy for sustainable sourcing through which the Company chooses its farmers through a stringent selection and engagement procedure. Further, the Company also ensures that farmers follow best agricultural practices to optimise resource consumption during the agricultural phase. By implementing modern agricultural techniques, the farmers have been able to achieve a reduction in the usage of energy and water along with efficient utilization of materials like fertilizer and reduced usage of pesticides. KRBL ensures that farmers maintain good soil conditions throughout agricultural processes.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

KRBL procures rice only from local farmers since the Company works with the Indian farming communities in the Basmati Rice-growing regions. To ensure harvest and grain quality, the Company provides the farmers with superior quality seeds that are a result of extensive research and development. Apart from this, the Company also helps them with adequate training on agricultural techniques and best practices to optimize production and minimize the usage of pesticides and fertilizer. The Company also paid appropriate prices for their agricultural produce. KRBL ensures that its farmer community is a part of its CSR activities too. Further, the Company has also put various projects into place to improve their livelihood.

5. Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling products and waste?

KRBL has in place a mechanism to recycle waste and ensures that none of the operational by-products are wasted. The Company uses state-of-the-art processing technologies within its divisions to ensure the minimal amount of waste generation across its facilities. The main by-products generated in KRBL's facilities are Rice Bran and Paddy Husk. Rice Bran is used in making edible oil, and paddy husk is used in the manufacture of rice husk boards, silica gel, and manufacture of furfural. Further, Soluble Rice Bran is used as cattle feed. KRBL uses the by-product rice husk to produce non-conventional power, used to meet its power requirements. Any excess energy generated is sold to the Punjab State Electricity

Board. All of the Company's by-products are recycled. In the energy division, the cotton waste and the oil waste are distributed to the recycling vendors.

Principle 3: Businesses should promote the wellbeing of all Employees

1. Please indicate the total number of employees.
2,321
2. Please indicate the total number of employees hired on temporary/ contractual/casual basis.
768
3. Please indicate the number of permanent women employees
82
4. Please indicate the number of permanent employees with disability.
Nil
5. Do you have an employee association that is recognized by Management?
No unions within the Company.
6. What percentage of the permanent employees are a member of this recognized employee association?
Not Applicable
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

KRBL has not received any complaints on any labour issues including child labor, forced labour, involuntary labour and sexual harassment during the reporting period.

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

8. What percentage of the under mentioned Employees were given safety and skill up-gradation training in the last year?

KRBL provides training to all employees for enhancement of performance and skill development. In the year 2021-22, training sessions of 6-8 hours/month were conducted for

the employees. Different types of training programs were undertaken - ISO / SQF / BRC, Personal Hygiene, Quality Parameter, Stock Rotation, Fire Safety, First Aid, Machine Operation, Regular Affairs, Site Security, maintenance related to Food Safety, Pest Control, Rice Grain Identification, Industrial Relation, Problem Solving, etc.

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all Stakeholders, especially those who are disadvantage vulnerable, and marginalized

1. Has the Company mapped its Internal and External Stakeholders? Yes/No
Yes, the Company has mapped its internal and external stakeholders.
2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized Stakeholders?
Yes
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized Stakeholders? If so, provide details thereof. Also, if yes, whether any environmental compliance report is filed?

Yes, the Company had undertaken special initiatives like funding education of children studying in government schools, interacting with farmers to consult them on various agricultural aspects, rural development projects in the form of construction of roads and sewage lines, etc. The Company has filed the environmental statement for the same.

Principle 5: Businesses should respect and promote Human Rights

1. Does the policy of the Company on Human Rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

KRBL's Human Rights Policy extends across all its operating facilities and covers all employees, suppliers, farmers and contractors associated with the Company. The Company has also extended its Human Rights Policy across different Stakeholder groups.

2. How many Stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

The Company has not received any complain related to human rights violation during the reporting period.

Principle 6: Business should respect, protect, and make efforts to restore the Environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others?

The Company has Environment Protection Policy which aims to ensure that environmental considerations are taken into account across all our operations which includes

reduction of environmental footprint and protection of environment at different levels. Further, the policy extends to employees, service partners, vendors and farmers.

2. **Does the Company have strategies/ initiatives to address Global Environmental Issues such as Climate Change, Global Warming, etc? Y/N. If yes, please give hyperlink for webpage etc?**

KRBL is actively involved in addressing issues in relation to Environment. In order to reduce energy consumption within its Rice division, KRBL has undertaken various initiatives- the major one being setting up a Biomass Energy Generation facility that uses Rice Husk (by product generated at KRBL's facility) as fuel.

The Company is also committed to continuously reduce energy consumption at its various units. List of initiatives taken in this regard are mention in "Annexure 2" of Directors' Report.

Moreover, KRBL recycles waste water within its facilities.

KRBL's Energy division was started to reduce dependency on fossil fuels, with wind and solar energy assets. Further details can be viewed on the hyperlink <http://krblrice.com/value-added-by-products/>

3. **Does the Company identify and assess potential Environmental Risks?**

Yes, KRBL has identified and assessed potential Environmental Risks in relation to its operations. The key risks are:

- Climate change risks;
- Water availability risks;
- Agricultural risks;
- Risk pertaining to Raw Material.

The Company has Environment Protection Policy which identified the environment risks and took steps to reduce negative environment impact on the business.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if Yes, whether any Environmental Compliance Report is filed?**

Yes, KRBL has a project in relation to Clean Development Mechanism for its Biomass Energy Generation facility.

With a vision to reduce energy consumption and GHG impact, KRBL implemented Rice Husk-based cogeneration plants in Dhuri and Gautam Buddh Nagar. These cogeneration facilities have helped reduce the energy cost in the Company's Dhuri as well as Gautam Buddh Nagar Unit by reducing the amount of diesel and grid electricity that would otherwise have been consumed. The Biomass powered plants also displace possible GHG emissions

from use of DG. Through the Biomass powered plants, KRBL's requirement of thermal energy is being met.

Baseline emissions (tons CO2)	Emissions (tons per GWh)	Energy displaced (GWh)
16,934	800	21.168

5. **Has the Company undertaken any other initiatives on-Clean Technology, Energy Efficiency, Renewable Energy, etc. Y/N. If yes, please give hyperlink for web page etc?**

KRBL's Rice division has Biomass Power Generation Units to supplement its energy requirements, thus helping the Company reduce its dependency on grid electricity and DG.

KRBL is committed to continuously reduce its energy consumption at its various units. List of initiatives taken in this regard are mentioned in "Annexure 2" of Directors' Report.

KRBL's Energy division is completely focused on generation of energy from renewable sources such as Wind, Solar, Biomass and others. In this direction, KRBL has built up a sizeable portfolio of renewable energy plants with the capacity of 146.84 MW till now.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?**

Yes, KRBL's emission and generated waste are within the permissible limits given by CPCB/SPCB.

7. **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year**

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is the Company a member of any Trade and Chamber or Association? If Yes, Name only those major ones that the business deals with:**

The Company has been associated with Indian Basmati Farmers from past many decades. Even in the face of severe competition, the company continues to receive the support from its network of Farmers, Distributors, Retailers, Stockists, Suppliers and Trading Partners.

The Company is member of various trade and chamber associations, some of the major are listed below:

- AIREA (All India Rice Exporters Association).
- Federation of Indian Export Organisations (FIEO).
- The PHD Chamber of Commerce and Industry (PHDCCI).
- Confederation of Indian Industry (CII).
- The Federation of Indian Chambers of Commerce & Industry (FICCI).

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)?**

Yes, KRBL is associated with various Indian Basmati Farmers with whom it works to improve basmati rice agricultural process at different levels, by providing them with high quality seeds, providing them with training to ensure that sustainable agricultural practices are followed, that reduce resource consumption- water, energy, pesticide, fertilizers and at the same time, increase the rice that is produced.

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof?**

KRBL has a CSR Committee, which is responsible for the development of the Company's CSR activities and to monitor and review various CSR initiatives as specified under Companies Act, 2013 pertaining to environmental protection as well as community involvement and development. At KRBL, CSR projects and programs are undertaken after identifying the communities that require development.

The Company undertook several initiatives for supporting inclusive growth and equitable development through its CSR activities. Details of CSR initiatives taken by Company are given in "Annexure 5" of Directors' Report.

2. **Are the programmes / projects undertaken through in-house team/own foundation/external NGO / government structures / any other organization?**

KRBL has a dedicated in-house team which undertakes CSR activities and initiatives. To drive the maximum value for the society, the Company believes in doing things on its own and through engagement with external partners like NGOs and Government bodies, etc.

3. **Have you done any impact assessment of the initiative?**

The Company at present is not required to carry out impact assessment of its CSR Projects in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, since the CSR project of Maharaja Agrasen Technical Education Society for the Construction of Civil Structure Building at Maharaja Agrasen Institute of Technology, New Delhi and the CSR project of The Akshaya

Patra Foundation for Setting up the Centralized Kitchen in Gautambudh Nagar, Uttar Pradesh with the capacity to serve 25,000 mid-day meals per day to school childrens, are under progress.

4. **What is the Company's direct contribution to Community Development Projects- Amount in INR and the details of the projects undertaken?**

The Details of CSR initiatives undertaken by Company during the year are given in "Annexure 5" of this Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the Community?**

Yes, KRBL frequently monitors its initiatives and projects to ensure that it's successfully adopted by the Community. It also conducts regular feedback surveys to ensure the successful implementation of its projects. KRBL's CSR policy ensures effective implementation of various CSR programs by monitoring them periodically.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of Financial Year?**

The Company has a robust system for addressing customer complaints. As on 31 March 2022, there are no customer complaint pending, however, total 5 consumer cases are pending at Pan India level

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A./ Remarks (additional information)?**

Yes, product information details are always displayed on the label over and above what is being mandated as per local laws. Being a Rice Processing Company, product safety is of extreme importance to KRBL.

3. **Is there any case filed by any Stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of Financial Year? If so, provide details thereof, in about 50 words or so?**

No

4. **Did the Company carry out any consumer survey/ consumer satisfaction trends?**

Yes, The Company regularly conducts consumer survey to understand their feedback on product quality and its acceptance by the people at large.

ANNEXURE-7

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

None; during the reporting period, all transactions were at arm's length basis.

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

2. Details of material contracts or arrangement or transactions at arm's length basis:

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

(*As defined under SEBI Listing Regulations and adopted by the Board of Directors in the Policy on Related Party Transactions of the Company, "Material Related Party Transaction" means a transaction with a related party if the transaction/ transactions to be entered into individually or taken together with previous transactions during a Financial Year, exceeds ₹1000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited Financial Statements of the Company, whichever is lower)

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

For and on behalf of the Board of Directors

Place: Noida, Uttar Pradesh
Date: 08 August 2022

Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100



REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

"Corporate Governance - It's more about principles than rules"

KRBL Limited ('KRBL' or 'the Company') believes that good corporate governance is all about ensuring that the Company is managed at optimal efficiency keeping in mind the interest of all the stakeholders. Efficient corporate governance requires a clear understanding of the respective roles and responsibilities of the Board of Directors and the Senior Management and their relationships with others in the corporate structure. The relationship of the Board of Directors and the Senior Management shall be characterized by their sincerity; their relationship with employees shall be characterized by their fairness; their relationship with the communities in which they operate shall be characterized by how responsibly they act as a good citizen and their relationship with the Government shall be characterized by their ability to act in compliance with the rules set by the Government.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

In KRBL, the Corporate Governance philosophy stems from the belief that corporate governance is an integral element in improving efficiency, driving growth and enhancing investor confidence levels. The Board of Directors has an important role to play in overseeing the Management performance on behalf of the Stakeholders. Stakeholders necessarily have little voice in the day-to-day management of corporate operations but have the right to elect representatives (Directors) to look out for their interests and to receive the information they need to make investment and voting decisions.

Over the last few years, the Board of Directors of your Company has periodically undertaken different corporate governance practices to enable the Directors to effectively and efficiently discharge their responsibilities individually and collectively to the shareholders of the Company. The key focus areas of these practices revolves around areas such as fiduciary duties, oversight of the Management, evaluation of the Management's performance and support and guidance in shaping Company policies and business strategies.

For KRBL, Corporate Governance has been a high priority both in the letter as well as in spirit. The Company's Board of Directors represents the Stakeholder's interest in perpetuating a successful business and optimizing long-term financial returns in a manner consistent with applicable legal requirements and ethical considerations. The Board is responsible for identifying and taking reasonable actions to help and assure that the Company is managed in a way designed to achieve this result.

The Company is compliant with the mandatory requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations") formulated by the Securities and Exchange Board of India.

2. BOARD OF DIRECTORS

A. SIZE AND COMPOSITION OF BOARD

The present policy of KRBL regarding the size and composition of the Board is to have an optimum combination of Executive and Non-Executive Directors along with Woman Director which demarcates the functions of Governance and Management.

As on 31 March 2022, the Board comprises of 9 (Nine) members, 5 (Five) of which are Independent Non-Executive Directors including 1 (One) Independent Woman Director, constituting 56% of the Board's strength and the remaining 4 (Four) are Executive Directors including 1 (One) Woman Director. Out of 4 (Four) Executive Directors, 1 (One) is Chairman & Managing Director, 2 (Two) are Joint Managing Directors and 1 (One) is Whole Time Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations as well as the Companies Act, 2013 read with the rules issued thereunder.

As per Regulation 17(1)(b) of the SEBI Listing Regulations, where the listed entity does not have a regular Non-Executive Chairperson, at least half of the Board of Directors shall comprise Independent Directors. Since the Chairperson on the Board of KRBL Limited is an Executive Director and Promoter, more than half of the Board of KRBL Limited comprises of Independent Non- Executive Directors.

Mr. Alok Sabharwal, ceases to be an Independent Non-Executive Director of the Company, on the Board of KRBL Limited w.e.f. the closure of business hours on 10 August 2021, due to the completion of his tenure. The Board placed on record his sincere appreciation for the guidance and contribution made by Mr. Alok Sabharwal during his tenure as an Independent Non-Executive Director.

B. ROTATION/REAPPOINTMENT OF DIRECTORS

Retirement by rotation and subsequent re-appointment
Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Article 126 of the Articles of the Association of the Company, all directors except Independent Directors shall be liable to retire by rotation and out of that, one-third of such directors shall retire from the office every year. The directors who shall retire by rotation at every Annual General Meeting (AGM) shall be those who have been longest in the office since their last appointment. Further pursuant to the provisions of Section 149(13) of the Companies Act, 2013, the retirement of directors by rotation shall not apply to the Independent Directors.

Accordingly, Mr. Anoop Kumar Gupta (DIN: 00030160), the Joint Managing Director of the Company, being the longest in his office amongst the rotational Directors is liable to retire by rotation and will retire from the Board by rotation this year. However, being eligible, he has offered his candidature for re-appointment. This shall not constitute a break in his office as the Joint Managing Director of the Company.

Re-appointment of Executive Director for a period of 5 (five) years

The Members at the 24th Annual General Meeting of the Company held on 26 September 2017, had approved the re-appointment of Ms. Priyanka Mittal (DIN: 00030479) as a Whole Time Director of the Company for a period of five years with effect from 26 September 2017 till 25 September 2022. The Board of Directors had based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, approved the re-appointment of Ms. Priyanka Mittal as Whole Time Director of the company, for a further period of five years w.e.f 26 September 2022 to 25 September 2027.

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 Companies

Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the Management. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics for the Board of Directors, Senior Management Personnel and other employees.

All Independent Directors are drawn from eminent professionals with relevant expertise in Business/ Finance/Law/Public Enterprises and another allied field.

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

As mandated by Regulation 26 of the SEBI Listing Regulations, none of the Directors 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 and the previous AGM during the financial year under review along with their Directorships and Memberships/Chairmanships in other committees are given below:

Composition of the Board, Attendance Record, Directorships and Committee Membership for the Financial Year 2021-22:

Brief Information about Directors		Attendance record during Financial Year 2021-22			Directorship/Memberships /Chairmanship as on 31 March 2022		
Name of the Directors	Directors Identification Number (DIN)	Number of Board meeting held and attended		Attendance at the last AGM	Number of Directorships in all Companies* as on 31 March 2022	Number of Committee Positions held in all Companies** as on 31 March 2022	
		Held	Attended			Chairman	Member
Executive Directors							
Mr. Anil Kumar Mittal	00030100	5	5	Yes	13	2	2
Mr. Arun Kumar Gupta	00030127	5	4	Yes	13	1	2
Mr. Anoop Kumar Gupta	00030160	5	5	Yes	13	-	4
Ms. Priyanka Mittal	00030479	5	5	Yes	2	-	1
Independent Non-Executive Directors							
Mr. Ashwani Dua	01097653	5	5	Yes	5	2	5
Mr. Alok Sabharwal#	03342276	5	1	NA	-	-	-
Mr. Devendra Kumar Agarwal	06754542	5	5	Yes	1	1	1
Ms. Priyanka Sardana	00049811	5	5	Yes	3	-	1
Mr. Shyam Arora	00742924	5	5	Yes	2	-	3
Mr. Vinod Ahuja	00030390	5	5	Yes	15	-	4

*This includes Directorships in all Companies (Listed, Unlisted Public and Private Limited Companies incorporated in India) including KRBL 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 KRBL Limited are 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 Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Borrowing and Investment Committee were also taken into consideration.

Mr. Alok Sabharwal ceased to be the Independent Non-Executive Director of KRBL Limited w.e.f. closure of business hours on 10 August 2021 due to the completion of his tenure.

D. LIMIT ON THE NUMBER OF DIRECTORSHIPS

Pursuant to the provisions of Section 165 of the Companies Act, 2013, no person shall hold the office as a Director, including any directorship in more than 20 (Twenty) Companies at the same time, provided that the maximum number of Public Companies in which a person can be appointed as a Director shall not exceed 10 (Ten).

Pursuant to the provisions of Regulation 17A of the SEBI Listing Regulations, a person shall not be a Director in more than 7 (Seven) listed entities and in case he/she is serving as an Independent Director on the Board of the Company, shall not hold the position as an Independent Director in more than 7 (Seven) listed entities and in case he/she is serving as a Whole Time Director/Managing Director in any listed entity, shall not hold the position as an Independent Director in more than 3 (Three) Listed entities.

Accordingly, all the Directors of KRBL Limited are holding directorships in compliance with the above-mentioned provisions of the Companies Act, 2013 and SEBI Listing Regulations.

E. MAXIMUM TENURE OF INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company has been fixed for a period of 5 (Five) consecutive years commencing from 14 September 2019 to 13 September 2024 (except Ms. Priyanka Sardana). The tenure of Ms. Priyanka Sardana has been fixed for a period of 5 (Five) consecutive years commencing from 25 September 2019 to 24 September 2024.

Mr. Alok Sabharwal ceased to be the Independent Non-Executive Director of KRBL Limited w.e.f. closure of business hours on 10 August 2021 due to the completion of his tenure.

F. FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS

- In accordance with the provisions of the SEBI Listing Regulations 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 the weblink <https://www.krbllrice.com/Terms-&Conditions-of-Appointment-of-Independent-Directors.pdf>

G. PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee of the Company, in its meeting held on 12 February 2022, has cited the criteria for performance evaluation of the Board

of Directors, Committees of Board of Directors and the individual Board Members, including Independent Directors.

The performance evaluation of the 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 on 22 February 2022, at Hotel Taj Mahal, Number One, Man Singh Road, Delhi-110 011, wherein inter-alia the 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 the performance of Independent Directors, Non-Independent Directors and the Board as a whole and the Committees of the Board;
- Review of the performance of the Chairman of the Company taking into consideration the views of the Executive and Non-Executive Directors; and
- Assess the quality, quantity and timeliness of the flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. Vinod Ahuja was appointed as the Chairman 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 Regulations, all Independent Directors are familiarized with 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 the Independent Directors;
- Board Governance & Leadership Development; and
- Any other information relevant to the Independent Directors.

The policy on the familiarization programs for Independent Directors along with the details of familiarization programs imparted to Independent Directors has been uploaded on the Company's website at the weblink <https://krbllrice.com/wp-content/uploads/2022/06/Familiarization.pdf>

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

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

- 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 the optimal balance of skills and experience, along with the balance of Executive and Non-Executive Directors in consistent with the requirements of the law;

- Professional qualifications, expertise and experience in the specific area of relevance to the Company;
- Balance of skills and competencies given the objectives and activities of the Company;
- Avoidance of any present or potential conflict of interest;
- Availability of time and other commitments for diligently executing the duties;
- Personal characteristics are in line with the Company's values, such as integrity, honesty, transparency and pioneering mindset.

In terms of the 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:

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. Anil Kumar Mittal	Mr. Arun Kumar Gupta	Mr. Anoop Kumar Gupta	Mr. Ashwani Dua	Mr. Devendra Kumar Agarwal	Ms. Priyanka Mittal	Ms. Priyanka Sardana	Mr. Shyam Arora	Mr. Vinod Ahuja
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, complex business processes and regulatory environment, strategic planning and risk management, understanding of the emerging local and global trends along with management of accountability and performance.

** **Experience in 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 managing the finances of a well-governed organization, along with a good understanding of accounting and financial statements.

**** **Experience of large Companies and understanding of the changing regulatory landscape** - Experience in serving 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 does not have any convertible instruments.

L. ROLES AND RESPONSIBILITIES OF THE BOARD

The primary role of the Board is that of trusteeship i.e. to protect and enhance shareholder's value by providing strategic direction to the Company. As a trustee, the Board of Directors has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder's interests and its growth. The Board exercises its duties with care, skill, due diligence and independent judgment. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholder's aspirations and societal expectations.

• **Disclosure of Information**

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

• **Key functions of the Board**

- The Board members review and guide Corporate Strategy, Critical Plans of Action, Key Policies, Annual Budgets, and Business Plans to set up performance objectives; monitor implementation and corporate performance; oversee major capital expenditures, acquisitions and divestments.
- The Board members monitor the effectiveness of the Company's governance practices and implements changes whenever necessary.
- The Board members Select, Compensates, Monitors and when necessary, replace key executives and oversees the succession planning.
- The Board ensures that a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board shall be in place.
- The Board members monitors and manages potential conflicts of interest of Management,

Board Members and Shareholders including misuse of corporate assets and abuse of Related Party Transactions, if any.

- The Board ensures the integrity of the Company's accounting and financial reporting systems, including the Independent Audit. Further, the Board ensures that appropriate system controls, Risk Management mechanisms, financial and operational control systems are in place, and are in compliance with the law and relevant standards.
- The Board oversees the process of disclosure and communications.
- The Board monitors Board evaluation framework.
- The Board aligns the Key Managerial Personnel and remuneration of the Board of Directors with the long-term interests of the Company and its Shareholders.
- The Board assists the Company in establishing Committees of the Board of Directors along with their respective mandates in which their composition and working procedures shall defined clearly.

• **Other responsibilities**

- The Board provides strategic guidance and direction to the Company in ensuring effective monitoring of the Management and should be accountable to the Company and the Shareholders.
- The Board sets the corporate culture and the values by which executives throughout a group behave.
- The 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 Directors training to ensure that the Board Members are kept up to date.
- Where the decision of Board members affects different shareholder groups differently, the Board treats all Shareholders fairly.
- The Board applies high ethical standards taking into account the interests of stakeholders.
- The Board can exercise objective independent judgment on Corporate Affairs.
- The Board considers assigning a task to a sufficient number of Non-Executive Board Members, capable of exercising Independent Judgment when 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 recognized or exposes the Company to excessive risk.

- The Board has the authority 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.
- The Board Members commit themselves effectively to their responsibilities.
- In order to fulfill their responsibilities, Board Members shall be allowed to have access to accurate, relevant and timely information.
- The Board Members and the Senior Management shall facilitate the Independent Directors in performing their roles effectively as Board Members 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 considered as an effective deterrent to fraud and mismanagement, misuse of resources, inequality and unaccountability of decisions and as a harbinger for striking the right balance between individuals and economic and social interests.

Independent Directors play a key role in the decision-making process of the Board. The Independent Directors are committed to performing their duties 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. Their wide knowledge in the respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from its inputs in achieving its strategic direction.

M. INTER-SE RELATIONSHIP AMONGST DIRECTORS

Mr. Anil Kumar Mittal, Chairman & Managing Director and Mr. Arun Kumar Gupta, Mr. Anoop Kumar Gupta, both Joint Managing Directors, all three are brothers and Ms. Priyanka Mittal, Whole Time Director is the daughter of Mr. Anil Kumar Mittal.

3. BOARD MEETINGS AND PROCEDURES

A. BOARD MEETINGS

The Company's Corporate Governance requires the Board to meet at least four times in a financial year. The maximum gap between two Board Meetings should not be more

than 120 (One Hundred and Twenty) days as prescribed under Section 173(1) of the Companies Act, 2013 read with Regulation 17(2) of the SEBI Listing Regulations, or a such number of days as may be extended by the regulatory authorities vide their respective notifications/circulars. 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 the resolutions by circulation as permitted under the Companies Act, 2013.

B. BOARD PROCEDURE

The meeting of the Board of Directors and Committees of the Board are governed by a structured agenda. The agenda of the meeting is to be prepared in consultation with the Chairman of the Board/Committees of the Board and other Board/Committee Members. The Agenda for the Meetings of the Board/Committees of the 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, Regulatory updates and related details by the Management and other permitted invitees. All necessary information including but not limited to those as mentioned in Part-A Schedule II of the SEBI Listing Regulations are placed before the Board/Committee Members to enable them to discharge their responsibilities at the best of their abilities and for the strategic supervision of the Company. The Board/Committee Members also review periodical compliances of all laws, rules and regulations as applicable to the Company. At the Board/Committees Meeting, the members have full freedom to express their views and decisions are taken after detailed deliberations. Members of the Senior Management team are also invited to attend the Board/Committees Meetings, which provides additional inputs to the items being discussed in the Board/Committees Meetings.

C. DETAILS OF BOARD MEETINGS HELD AND ATTENDED BY THE DIRECTORS DURING THE FINANCIAL YEAR 2021-22:

S. No.	Date of Board Meetings	Board Strength	Number of Directors Present	% of attendance
1.	Tuesday, 29 June 2021	10	10	100.00
2.	Friday, 13 August 2021	9	9	100.00
3.	Saturday, 04 September 2021	9	8	88.89
4.	Monday, 08 November 2021	9	9	100.00
5.	Saturday, 12 February 2022	9	9	100.00

D. SHAREHOLDING OF DIRECTORS

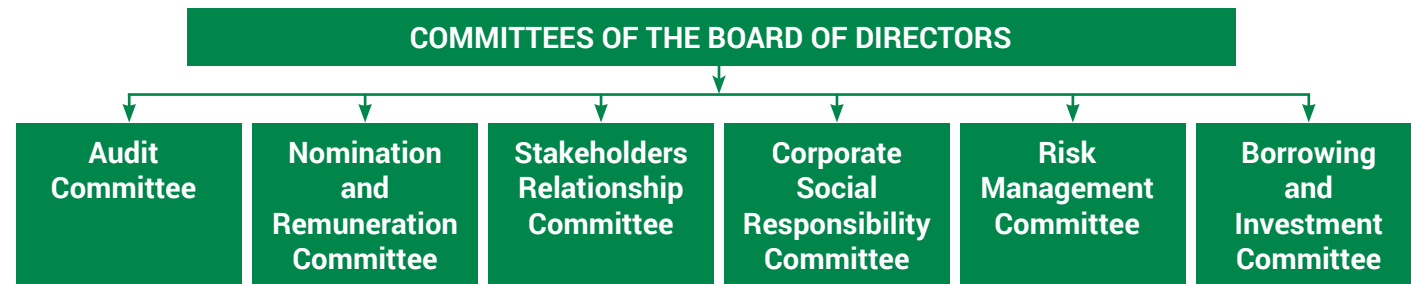
The Shareholding of Directors (In individual capacity) as on 31 March 2022 is given below:

Name	Number of Shares Held
Mr. Anil Kumar Mittal	100
Mr. Arun Kumar Gupta	100
Mr. Anoop Kumar Gupta	100
Ms. Priyanka Mittal	100

The Independent Non-Executive Directors of the Company were not holding any shares in the Company as on 31 March 2022.

4. COMMITTEES OF THE BOARD

KRBL has 6 (Six) 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 31 March 2022, the Audit Committee of KRBL comprises of following Members:

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

All the Members of Audit Committee of the Company are financially literate have good knowledge of Finance, Accounts and Business Management. The Chairman of the Committee, Mr. Devendra Kumar Agarwal, has considerable Accounting and related Financial Management Expertise. The Statutory Auditors, the Internal Auditors and the Cost Auditors of the Company attend the meetings of the Committee, as and when required, at the invitation of the Chairman.

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 Regulations.

The primary objective of the Audit Committee is to monitor and provide 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.

Mr. Raman Sapra, Company Secretary, acts as Secretary to the Audit Committee.

II. Terms of Reference

The terms of reference and the ambit of powers of Audit Committee of KRBL Limited are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with allied rules framed thereunder and Regulation 18 and Part-C of Schedule II of the SEBI Listing Regulations.

The Powers of the Audit Committee inter-alia include the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure the attendance of outsiders with relevant expertise, if considered necessary.
- The Audit Committee may call for the Auditor's comments about internal control systems and the scope of the audit, including the observations of the Auditors and review of financial statements before submission to the Board. The Audit Committee may also discuss any related issues with the Internal

and Statutory Auditors and the Management of the Company.

- The Audit Committee shall have the authority to investigate any matter concerning the items specified above or referred to it by the Board. For this purpose, the Audit Committee shall have the power to obtain professional advice from external sources and have full access to the information contained in the records of the Company.

The Roles, Duties and Responsibilities of the Audit Committee inter-alia include the following:

- Discussion with Statutory Auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern.
- Review with the management, performance of Statutory Auditors and Internal Auditors.
- The recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Review and monitor the Auditor's independence, performance and effectiveness of the audit process.
- Examination of the financial statement and the Auditors' report thereon.
- Scrutiny of Inter-Corporate Loans and Investments.
- Valuation of undertakings or assets of the Company, wherever necessary.
- Evaluation of Internal Financial Controls and Risk Management Systems.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation to Board, the appointment, re-appointment and remuneration of the Statutory Auditors.
- Approval for payment to the Statutory Auditors for any other services rendered by them.
- Reviewing with the Management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement and in the Board's Report in terms of Section 134(5) of the Companies Act, 2013.
 - Changes, if any, in accounting policies, practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by Management.

- Significant adjustments were made in the Financial Statements arising out of Audit Findings.
- Compliance with Listing and Other Legal requirements relating to Financial Statements.
- Disclosure of Related Party Transactions.
- Qualifications in the Audit Report.
- Reviewing with the Management, the Quarterly Financial Statements before submission to the Board for approval.
- Approval or any subsequent modification of transactions of the Listed Entity with Related Parties.
- 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.
- Discussion with Internal Auditors any significant findings and follow up there on.
- Reviewing the findings of any Internal Investigations into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board.
- To 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.
- To review the functioning of the Vigil Mechanism / Whistle Blower Policy.
- Approval for the appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
- Reviewing the utilization of loans and/or advances from / investment by the Holding Company in the Subsidiary in case if exceeds ₹100 crores (Rupees One Hundred Crores) or 10% of the asset size of the Subsidiary, whichever is lower including existing loans/advances.
- Carrying out any other function as mentioned in the Terms of Reference of the Audit Committee.

The Audit Committee inter-alia reviews the following information from time to time:

- Management Discussion and Analysis of financial condition and result of operations;
- Statement of significant Related Party Transactions (as defined by the Audit Committee) submitted by Management;
- Management letter / letter of internal control weaknesses issued by the Statutory Auditors;

- Internal Audit Reports relating to internal control weakness; and
- The appointment, removal and terms of remuneration of the Internal Auditor.

III. Meetings and Attendance

During the financial year 2021-22, 5 (Five) meetings of Audit Committee were held. The details of Audit Committee Meetings held and attended by the Members are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Tuesday, 29 June 2021	5	5	100.00
2.	Friday, 13 August 2021	5	5	100.00
3.	Saturday, 04 September 2021	5	5	100.00
4.	Monday, 08 November 2021	5	4	80.00
5.	Saturday, 12 February 2022	5	5	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.	Mr. Devendra Kumar Agarwal	Chairman	5	5	100.00
2.	Mr. Anoop Kumar Gupta	Member	5	5	100.00
3.	Mr. Ashwani Dua	Member	5	4	80.00
4.	Mr. Shyam Arora	Member	5	5	100.00
5.	Mr. Vinod Ahuja	Member	5	5	100.00

B. NOMINATION AND REMUNERATION COMMITTEE

I. Composition of the Committee

As on 31 March 2022, the Nomination and Remuneration Committee of KRBL Limited comprises of following Members:

Name	Designation	Category
Mr. Ashwani Dua	Chairman	Independent Non-Executive Director
Mr. Shyam Arora	Member	Independent Non-Executive Director
Mr. Vinod Ahuja	Member	Independent Non-Executive Director
Ms. Priyanka Sardana*	Member	Independent Non-Executive Director

* Ms. Priyanka Sardana was inducted to the Nomination and Remuneration Committee w.e.f. 08 November 2021.

The primary objective of the Nomination and Remuneration Committee is to screen and review individuals who are qualified to serve as an Executive Director, Non-Executive Director Independent Director, Key Managerial Personnel and as a part of the Senior Management Team of the Company and to recommend their appointment/re-appointment/change in their remuneration to the Board of Directors from time to time.

Mr. Raman Sapra, Company Secretary, acts as Secretary to the Nomination and Remuneration Committee.

II. Terms of Reference

The terms of reference and the ambit of powers of the Nomination and Remuneration Committee of KRBL Limited are by the provisions of 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.

The Roles, Duties and Responsibilities of the Nomination and Remuneration Committee inter-alia include the following:

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- To Recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and Senior Management Personnel of the Company.
- To formulate the criteria for evaluation of performance of the Independent Directors and the Board of Directors. To Evaluate the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective.
- To devise a policy on diversity of the Board of Directors.
- To identify the persons who are qualified to become the Directors. To identify who may be appointed in Senior Management as per the criteria laid down and recommend to the Board of Directors for their appointment and removal.

- To determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.
- To approve and recommend to the Board for approval, all remuneration, in whatever form, payable to the Directors, Key Managerial Personnel and Senior Management and to maintain a balance between fixed and variable pay (if any) reflecting short and long-term performance objectives appropriate to the working of the Company.
- To ensure that there is an appropriate induction and training program in place for the new Directors and members of the Senior Management and to review its effectiveness.
- To ensure that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the guidelines provided under the Companies Act, 2013.
- To Identify and recommend the Directors who are to be put forward for retirement by rotation.
- To set-up a formal and transparent procedure for selecting the new Directors for appointment to the Board.
- To develop a succession plan for the Board members and Senior Management and to review the plan periodically.
- To determine the appropriate size, diversity and composition of the Board.
- To delegate any of its powers to one or more of its members or the Secretary of the Committee.

III. Meetings and Attendance

During the financial year 2021-22, 4 (Four) meetings of Nomination and Remuneration Committee were held. The details of Nomination and Remuneration Committee Meetings held and attended by the Members are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Friday, 13 August 2021	3	3	100.00
2.	Saturday, 04 September 2021	3	3	100.00
3.	Monday, 08 November 2021	3	2	66.67
4.	Saturday, 12 February 2022	4	4	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.	Mr. Ashwani Dua	Chairman	4	3	75.00
2.	Mr. Shyam Arora	Member	4	4	100.00
3.	Mr. Vinod Ahuja	Member	4	4	100.00
4.	Ms. Priyanka Sardana*	Member	4	1	25.00

* Ms. Priyanka Sardana was inducted to the Nomination and Remuneration Committee w.e.f. 08 November 2021.

IV. Remuneration Policy

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

The remuneration paid to Executive Directors and Relative of Directors holding Office or Place of Profit in the Company 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 Key Managerial Personnel and Senior Management Personnel 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 sitting fees up to the limit as specified under the Companies Act, 2013 read with SEBI Listing Regulations.

The Nomination and Remuneration policy of KRBL Limited is available on the Company's website at the weblink <https://krblrice.com/policy-guidelines/nomination-remuneration-policy.pdf>

V. Remuneration of Directors

I. Remuneration to Non- Executive Directors

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

Details of Sitting Fees paid to the Independent Non- Executive Directors during the Financial Year 2021-22 are as follows:
(Amount in ₹ lacs)

Name of the Directors	Sitting Fees Paid FY 2021-22*	No. of shares held as on 31 March 2022
	Board Meeting	
Mr. Ashwani Dua	2.75	Nil
Mr. Alok Sabharwal#	0.50	Nil
Mr. Devendra Kumar Agarwal	2.75	Nil
Ms. Priyanka Sardana	2.75	Nil
Mr. Shyam Arora	2.75	Nil
Mr. Vinod Ahuja	2.75	Nil

* The same is excluding GST.

Mr. Alok Sabharwal ceased to be the Independent Non-Executive Director of KRBL Limited w.e.f. closure of business hours on 10 August 2021 due to completion of his tenure.

The Company has also taken a Directors & Officers Liability insurance policy in order to provide protection to the Directors and Officers from liability arising from the duties performed connected to their corporate responsibilities.

II. Remuneration to Executive Directors

The remuneration paid to the Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company. The remuneration is based on criteria such as industry benchmarks, Company's performance, responsibilities shouldered by the Director, performance / track record of the Director etc.

The Company pays remuneration to its Executive Directors together with other benefits, perquisites, allowances, amenities and facilities following the policy of the Company, within the limits as approved by the Shareholders of the Company and taking into consideration the overall limits as prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

Details of Remuneration on account of salary and perquisites paid to the Executive Directors during the Financial Year 2021-22 are as follows:

(₹ in lacs)

Name & Designation of Director	Salaries	Perquisites	Total
Mr. Anil Kumar Mittal Chairman & Managing Director	180.00	0.40	180.40
Mr. Arun Kumar Gupta Joint Managing Director	180.00	27.40	207.40
Mr. Anoop Kumar Gupta Joint Managing Director	180.00	0.40	180.40
Ms. Priyanka Mittal Whole Time Director	112.50	29.65	142.15

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

I. Composition of the Committee

As on 31 March 2022, the Stakeholders Relationship Committee of KRBL Limited comprises of following Members:

Name	Designation	Category
Mr. Ashwani Dua	Chairman	Independent Non-Executive Director
Mr. Shyam Arora	Member	Independent Non-Executive Director
Mr. Vinod Ahuja	Member	Independent Non-Executive Director

Mr. Raman Sapra, Company Secretary, acts as Secretary to the Stakeholders Relationship Committee.

II. Terms of Reference

The terms of reference and the ambit of powers of Stakeholders Relationship Committee of KRBL Limited are in accordance with the provisions of Section 178 of the Companies Act, 2013, read with allied rules framed thereunder and Regulation 20 and Part-D of Schedule II of the SEBI Listing Regulations.

The Role, Duties and Responsibilities of the Stakeholders Relationship Committee inter-alia include the following:

- To approve or deal with applications related to transmission, transposition and mutation of Share Certificates including duplicate, split, sub-division and consolidation of Share Certificates.
- Resolving the grievances of the security holders including complaints related to transfer/ transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review the measures undertaken for effective exercise of voting rights by the Shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

III. Meetings and Attendance

During the financial year 2021-22, 4 (Four) meetings of Stakeholders Relationship Committee were held. The

details of Stakeholders Relationship Committee Meetings held and attended by the Members are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Tuesday, 29 June 2021	3	3	100.00
2.	Friday, 13 August 2021	3	3	100.00
3.	Monday, 08 November 2021	3	2	66.67
4.	Saturday, 12 February 2022	3	3	100.00

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

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mr. Ashwani Dua	Chairman	4	3	75.00
2.	Mr. Shyam Arora	Member	4	4	100.00
3.	Mr. Vinod Ahuja	Member	4	4	100.00

IV. INVESTORS GRIEVANCE REDRESSAL

Pursuant to the provisions of Regulation 13 of SEBI Listing Regulations, KRBL Limited has submitted with the recognized Stock Exchange(s) on a quarterly basis, within 21 (Twenty-One) days from the end of each quarter, the statement giving the number of Investor Complaints pending at the beginning of the quarter, those received during the quarter, disposed off during the quarter and those remaining unresolved at the end of the quarter.

No complaints were pending at the beginning of the year, also the Company received only 2 (Two) complaints during the year, which was resolved within the stipulated time. No complaints were outstanding as on 31 March 2022. No requests for Transfer/Transmission and Dematerialization were pending for approval as on 31 March 2022. The Registrar and Share Transfer Agent (RTA), M/s. Alankit Assignments Limited, dealt with all grievances of the Shareholders and Investors received directly through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving

complaints/queries of the Shareholders/ Investors and also takes initiatives for solving critical issues. Shareholders are requested to furnish/update their telephone numbers and/or e-mail addresses to facilitate prompt action. The Company has designated the e-mail id: investor@krblindia.com exclusively for the purpose of registering complaints by investors electronically. All other investors' information is available on the Company's website at the weblink <https://www.krblrice.com/krbl-investors-information.pdf>.

D. 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 CSR Policy of the Company from time to time.

I. Composition of the Committee

As on 31 March 2022, the CSR Committee of KRBL Limited comprises of following Members:

Name	Designation	Category
Mr. Anil Kumar Mittal	Chairman	Executive & Chairman & Managing Director
Mr. Anoop Kumar Gupta	Member	Executive & Joint Managing Director
Mr. Alok Sabharwal*	Member	Independent Non-Executive Director
Mr. Ashwani Dua	Member	Independent Non-Executive Director
Ms. Priyanka Mittal#	Member	Executive & Whole Time Director
Mr. Vinod Ahuja	Member	Independent Non-Executive Director

*Mr. Alok Sabharwal ceased to be the member of CSR Committee of KRBL Limited w.e.f. closure of business hours on 10 August 2021 due to completion of his tenure.

#Ms. Priyanka Mittal, ceased to be a member of CSR Committee of KRBL Limited w.e.f. 27 May 2022 due to pre-occupations.

Mr. Raman Sapra, Company Secretary, acts as Secretary to the CSR Committee.

II. Terms of Reference

The terms of reference and the ambit of powers of CSR Committee of KRBL Limited are in accordance with the provisions of Section 135 of the Companies Act, 2013 read with allied rules framed thereunder.

The Roles, Duties and Responsibilities of the CSR Committee inter-alia include the following:

- To formulate, modify and recommend to the Board the CSR Policy along with the Annual Action Plan as per the requirements under the Act, which shall include the following:
 - To identify the list of CSR projects/programmes or activities, that are approved to be undertaken as specified under Schedule VII of the Act;
 - The manner of execution of CSR projects or programmes;
 - The modalities of utilization of funds and implementation schedules for the CSR projects or programmes;
 - To monitor the execution of CSR projects or programmes and adherence to the CSR Policy from time to time; and
 - To conduct impact assessment, if required.
- To hold meetings at regular intervals to review and monitor the progress of the various projects/activities undertaken.
- To recommend to Board, the projects that are in line with the CSR Policy.
- To recommend to the Board the amount of expenditure to be incurred on CSR projects or programmes.
- To ensure that any surplus arising out of the CSR projects/programmes or activities will not form part of the business profit of the Company and will be dealt with in accordance with the Act.
- To regularly monitor the implementation of the CSR projects/programmes or activities undertaken by the Company.
- To perform any other functions and ensure due compliance of the provisions of the Act, its Rules, the SEBI Listing Regulations, and any other laws or regulations from time to time.
- To obtain the views of the CSR Monitoring Committee and the Unit CSR Teams in developing annual activity plans, budgets and to ensure effective execution of the approved annual plans.

The Company's policy on CSR envisages expenditure in areas falling within the purview of Schedule VII of the Companies Act, 2013 and as permitted under the applicable laws. The Committee take note and incorporate all the amendments as notified by the

Ministry of Corporate Affairs. The detailed CSR policy is available on the Company's website at the web link <https://krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf>

The detailed Annual Report on Corporate Social Responsibility is disclosed as **Annexure-5** in the Directors' Report section, forming part of this Report.

III. Meetings and Attendance

During the financial year 2021-22, 4 (Four) meetings of Corporate Social Responsibility Committee were held. The details of Corporate Social Responsibility Committee Meetings held and attended by the Members are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Friday, 18 June 2021	6	5	83.33
2.	Monday, 13 September 2021	5	4	80.00
3.	Wednesday, 03 November 2021	5	4	80.00
4.	Thursday, 24 February 2022	5	4	80.00

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.	Mr. Anil Kumar Mittal	Chairman	4	4	100.00
2.	Mr. Anoop Kumar Gupta	Member	4	4	100.00
3.	Mr. Alok Sabharwal*	Member	4	0	0.00
4.	Mr. Ashwani Dua	Member	4	4	100.00
5.	Ms. Priyanka Mittal#	Member	4	2	50.00
6.	Mr. Vinod Ahuja	Member	4	3	75.00

* Mr. Alok Sabharwal ceased to be the member of CSR Committee of KRBL Limited w.e.f. closure of business hours on 10 August 2021 due to completion of his tenure.

Ms. Priyanka Mittal, ceased to be a member of CSR Committee of KRBL Limited w.e.f. 27 May 2022 due to pre-occupations.

E. RISK MANAGEMENT COMMITTEE

Pursuant to the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 dated 05 May 2021, the Company has revised the Risk Management Policy and reconstituted Risk Management Committee w.e.f. 04 August 2021 to frame, implement and monitor the Risk Management Plan for the Company and ensures its effectiveness.

The role of the Risk Management Committee is to assist the Board in identifying the internal and external risks specifically faced by a listed entity. The Committee identify risks relating to financial, operational, sectoral, sustainability (particularly, ESG related risks), information, legal, cyber security risks or any other risk as may be determined by the Risk Management Committee. Further, the Committee also suggests measures for risk mitigation, including systems and processes for internal control for identifying risks and formulating business continuity plan etc.

I. Composition of the Committee

As on 31 March 2022, the Risk Management Committee of KRBL Limited comprises of following Members:

S. No.	Name	Designation	Category
1.	Mr. Arun Kumar Gupta	Chairman	Executive & Joint Managing Director
2.	Mr. Anoop Kumar Gupta	Member	Executive & Joint Managing Director
3.	Mr. Ashwani Dua*	Member	Independent Non-Executive Director
4.	Mr. Ashish Jain@	Member	Chief Financial Officer
5.	Mr. Rakesh Mehrotra#	Member	Chief Financial Officer

*Mr. Ashwani Dua was inducted to the Risk Management Committee w.e.f. 04 August 2021.

@Mr. Ashish Jain was inducted to the Risk Management Committee w.e.f. 08 November 2021.

#Mr. Rakesh Mehrotra ceased to be a member of Risk Management Committee w.e.f. closure of business hours on 31 October 2021 due to his retirement as Chief Financial Officer.

Mr. Raman Sapra, Company Secretary, acts as Secretary to the Risk Management Committee.

II. Terms of References

The terms of reference and the ambit of powers of Risk Management Committee of KRBL Limited are in accordance with the provisions of Regulation 21 and Part-D of Schedule II of the SEBI Listing Regulations.

The role of the Risk Management Committee of KRBL Limited is to identify the risks impacting Company's business and formulate and administer Policies / Strategies aimed at risk minimization and risk mitigation as part of risk management.

The Roles, Duties and Responsibilities of the Risk Management Committee inter-alia include the following:

- To identify the risks inherent to the business operations of the Company and provides guidelines to define, measure, report, control and mitigate the identified risks;
- To understand and better manage the uncertainties which may impact the performance, achievement of objectives and existence of the Company;
- To formulate the detailed risk management policy and to establish a framework for identification of internal and external risks specifically faced by the Company. The risks identified should include but not limited to financial risks, operational risks, sectoral risks, sustainability risks (particularly, ESG related risks), information risks, legal risks, cyber security risks or any other risk as may be determined by the Risk Management Committee for the company's risk management process and to ensure its implementation.
- To measure the risk mitigation measures including the systems and processes for Internal Control of identified risks
- To formulate an effective Business Continuity Plan;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate the risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To contribute to safeguard the Company's value and interest of shareholders;
- To ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk;
- To define long and short term strategic and business plan.
- To approve mitigation plans and budgets required for implementation of the same.
- To improve compliance with good corporate governance guidelines and practices as well as laws & regulations.

III. Meetings and Attendance

During the financial year 2021-22, 3 (Three) Meetings of the Risk Management Committee were held. The details of Risk Management Committee Meetings held and attended by the Members are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Friday, 06 August 2021	4	3	75.00
2.	Wednesday, 03 November 2021	3	3	100.00
3.	Thursday, 24 February 2022	4	4	100.00

The attendance details of the Risk Management Committee Members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mr. Arun Kumar Gupta	Chairman	3	3	100.00
2.	Mr. Anoop Kumar Gupta	Member	3	3	100.00
3.	Mr. Ashwani Dua*	Member	3	3	100.00
4.	Mr. Ashish Jain@	Member	3	1	33.33
5.	Mr. Rakesh Mehrotra#	Member	3	-	0.00

* Mr. Ashwani Dua was inducted to the Risk Management Committee w.e.f. 04 August 2021.

@ Mr. Ashish Jain was inducted to the Risk Management Committee w.e.f. 08 November 2021.

Mr. Rakesh Mehrotra ceased to be a member of Risk Management Committee w.e.f. closure of business hours on 31 October 2021 due to his retirement as Chief Financial Officer.

F. BORROWING AND INVESTMENT COMMITTEE

The Board of Directors of the Company in its meeting held in September 2016, had constituted a non-mandatory committee namely "Borrowing and Investment Committee", to formulate the timely and effective decisions related to availing of Borrowings and Investments made by the Company from time to time.

I. Composition of the Committee

As on 31 March 2022, the Borrowing and Investment Committee of KRBL Limited comprises of following members:

S. No.	Name	Designation	Category
1.	Mr. Anil Kumar Mittal	Chairman	Executive Chairman & Managing Director
2.	Mr. Arun Kumar Gupta	Member	Executive & Joint Managing Director
3.	Mr. Anoop Kumar Gupta	Member	Executive & Joint Managing Director
4.	Mr. Ashish Jain*	Member	Chief Financial Officer
5.	Mr. Rakesh Mehrotra#	Member	Chief Financial Officer

* Mr. Ashish Jain was inducted to the Borrowing and Investment Committee w.e.f. 08 November 2021.

Mr. Rakesh Mehrotra ceased to be a member of Borrowing and Investment Committee w.e.f. closure of business hours on 31 October 2021 due to his retirement as Chief Financial Officer.

Mr. Raman Sapra, Company Secretary, acts as Secretary to the Borrowing and Investment Committee.

II. Terms of References

The Role, Duties and Responsibilities of the Borrowing and Investment Committee inter-alia include the following:

- To approve and recommend to the Board, wherever necessary, all investment and borrowings proposals and execution of instruments in relation thereto.
- To approve and recommend to the Board, wherever necessary, any significant disposition of any investment that would have strategic implication for an asset or a class of asset when deemed appropriate.
- To identify and assess the risks associated with taking the decisions of investments and borrowings and to introduce the measures to mitigate such risks.
- To ensure that the Company is taking appropriate measures to achieve prudent balance between investments and borrowings.
- To form and delegate authority to sub-committees when deemed appropriate. The Committee shall regularly report to the Board.
- To obtain advice and assistance from internal or external legal, accounting or other advisors.
- The Committee shall have access to any internal information necessary to fulfill its oversight role and to successfully perform their duties.

III. Meetings and Attendance

During the financial year 2021-22, 3 (Three) Meetings of the Borrowing and Investment Committee were held. The details of Borrowing and Investment Committee Meetings held and attended by the Members are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Wednesday, 14 July 2021	4	3	75
2.	Wednesday, 03 November 2021	3	3	100
3.	Thursday, 24 February 2022	4	4	100

The attendance details of the Borrowing and Investment Committee Members are as follows:

S. No.	Name	Position held	Meeting held	Meeting attended	% of attendance
1.	Mr. Anil Kumar Mittal	Chairman	3	3	100.00
2.	Mr. Arun Kumar Gupta	Member	3	3	100.00
3.	Mr. Anoop Kumar Gupta	Member	3	3	100.00
4.	Mr. Ashish Jain*	Member	3	1	33.33
5.	Mr. Rakesh Mehrotra#	Member	3	-	0.00

* Mr. Ashish Jain was inducted to the Borrowing and Investment Committee w.e.f. 08 November 2021.

Mr. Rakesh Mehrotra ceased to be a member of Borrowing and Investment Committee w.e.f. 31 October 2021 due to his retirement as Chief Financial Officer.

5. SUBSIDIARY COMPANIES – MONITORING FRAMEWORK

KRBL 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

6. 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
28 th AGM – 2021	01.00 P.M. Thursday 30 September 2021 Through Video Conferencing, 5190, Lahori Gate, Delhi -110006 was the deemed venue	No Special Resolution was passed in AGM
27 th AGM – 2020	12.00 Noon Wednesday 30 September 2020 Through Video Conferencing, 5190, Lahori Gate, Delhi -110006 was the deemed venue	No Special Resolution was passed in AGM
26 th AGM -2019	11.00 A.M. Friday 13 September 2019 Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi -110 003	<ul style="list-style-type: none"> Re-appointment of Mr. Devendra Kumar Agarwal (DIN: 06754542) as an Independent Non-Executive Director. Re-appointment of Mr. Ashwani Dua (DIN: 01097653) as an Independent Non-Executive Director. Re-appointment of Mr. Shyam Arora (DIN: 00742924) as an Independent Non-Executive Director. Re-appointment of Mr. Vinod Ahuja (DIN: 00030390) as an Independent Non-Executive Director. Re-appointment of Mr. Anil Kumar Mittal (DIN: 00030100) as Chairman & Managing Director of the Company and revision in remuneration. Re-appointment of Mr. Arun Kumar Gupta (DIN: 00030127) as Joint Managing Director of the Company and revision in remuneration. Re-appointment of Mr. Anoop Kumar Gupta (DIN: 00030160) as Joint Managing Director of the Company and revision in remuneration.

B. SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT DURING THE FINANCIAL YEAR 2021-22

During the Financial Year 2021-22, no Special Resolution was passed through Postal Ballot.

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 the weblink: <https://krblrice.com/policy-guidelines/Policy-For-Determining-Material-Subsidiaries.pdf>

7. DISCLOSURES

A. MANAGEMENT DISCUSSION AND ANALYSIS

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

B. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

All Related Party Transactions entered into by the Company were in the ordinary course of business and at arm's length price. Further, the same was not having any potential conflict with the interest of the Company. In addition, there were no transactions with Related Parties, which qualify as Material Related Party Transactions under the SEBI Listing Regulations.

The Company has disclosed the Related Party Transactions as per Indian Accounting Standard (Ind AS) 24 forming part of Note 46 to the Standalone Financial Statements.

The Company has also formulated a Policy on Related Party Transactions in accordance with the provisions of the Companies Act, 2013 read with SEBI Listing Regulations. The same is available on the Company's website at the weblink <https://krblrice.com/wp-content/uploads/2022/03/1.-Policy-on-Related-Party-Transactions..pdf>

C. 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 as notified by the Ministry of Corporate Affairs in preparation of its Financial Statements. The Basis of preparation, measurement and significant accounting policies are disclosed in Note 2 of the Financial Statements.

D. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

Your Company has complied with all applicable provisions of the SEBI Listing Regulations and other applicable regulations and guidelines issued by the SEBI and Stock Exchanges. Further, no penalties or strictures were imposed by any Stock Exchange or SEBI or any other Statutory Authorities for any violation related to the capital market during the last 3 (Three) years.

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

During the year, your Company has not raised any proceeds from public issue, rights issue, preferential issues, etc. and hence, there are no unutilized issue proceeds.

F. VIGIL MECHANISM POLICY

The Company promoted ethical behavior in all its business activities and is in line with the best international governance practices. The Company has also established a system through which Directors, Employees and Business Associates may report via email or via physical mode any complaint related to any unethical behavior, malpractices, wrongful conduct, fraud or violation of the 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 the weblink [https://krblrice.com/policy-guidelines/Vigil-Mechanism-\(Whistle-Blower%20Policy\).pdf](https://krblrice.com/policy-guidelines/Vigil-Mechanism-(Whistle-Blower%20Policy).pdf)

G. 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.

H. DISCLOSURE REGARDING APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

The disclosure regarding the 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.

I. 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 it operates.

J. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a protective environment at workplace for all its employees and to ensure that every employee is treated with dignity and respect. As mandated under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has also formulated policy on prevention of Sexual Harassment at the workplace (Policy on POSH). The same is available on the Company's website at the weblink <https://krblrice.com/policy-guidelines/SEXUAL%20HARASSMENT%20POLICY.pdf>

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

S. No.	Particulars	No. of Complaints
1.	No. of complaints received during the financial year	Nil
2.	No. of complaints disposed of during the financial year	Nil
3.	No. of complaints pending as on end of the financial year	Nil

K. CEO/ CFO CERTIFICATION

The CEO and CFO certification on the Financial Statements is attached as 'Annexure 1' and forming of this Report.

8. MEANS OF COMMUNICATION

FINANCIAL RESULTS AND ANNUAL REPORTS ETC.

The extracts of the Quarterly Unaudited Financial Results and the Annual Audited Financial Results as approved and took on record by the Board of Directors of the Company are published quarterly in leading National Newspapers, i.e. Economic Times, Nav Bharat Times, Business Standard (English & Hindi) and Financial Express.

The full format of the Quarterly Financial Results is 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.krblrice.com under the head - Investor Relations.

INVESTOR RELEASES/ PRESENTATIONS

Company press releases, presentations made to the Media, Analysts, Investors, Conference Call Transcripts and all other information which is mandatorily required to be placed on the website as per SEBI Listing Regulations may be retrieved by Investors from the website of the Company www.krblrice.com under the Head - Investor Relations.

9. GENERAL SHAREHOLDER'S INFORMATION

I. ANNUAL GENERAL MEETING

Day, Date & Time	: Monday, 26 September 2022, 12.00 Noon
Financial Calendar	: The Financial year of the Company start from 1st April each year and ends on 31st March of the following year.

II. FINANCIAL REPORTING

Financial Year	April 1 to March 31
For the Financial Year 2021-22 results were announced on:	
1st Quarter ended 30 June 2021	13 August 2021
2nd Quarter and Half Year ended 30 September 2021	08 November 2021
3rd Quarter ended 31 December 2021	12 February 2022
4th Quarter and Year ended 31 March 2022	27 May 2022

For the Financial Year 2022-23, results are likely to be announced on:

(Tentative and subject to change)

1st Quarter ended 30 June 2022	By Second week of August 2022
2nd Quarter and Half Year ended 30 September 2022	By First week of November 2022
3rd Quarter ended 31 December 2022	By First week of February 2023
4th Quarter and Year ended 31 March 2023	By Second week of May 2023

10. CODE OF CONDUCT

The Company has adopted a Code of Business Conduct and Ethics for the Board of Directors, the Senior Management Personnel and Other Employees. The same is available on the Company's website at the weblink <https://www.krblrice.com/codes/Code-of-Business-Conduct-and-Ethics.pdf>

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

Declaration as required under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

All Board of Directors, Senior Management personnel and other employees of the Company have affirmed compliance with the KRBL's Code of Business Conduct and Ethics for the financial year ended 31 March 2022.

Anil Kumar Mittal

Noida, Uttar Pradesh
08 August 2022

Chairman & Managing Director
DIN: 00030100

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

Pursuant to the provisions of 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 Company has adopted a Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information in adherence to the principles set out in Schedule A to the said Regulations. The same is available on the Company's website at the weblink <https://www.krblrice.com/codes/Code-of-Fair-Disclosure.pdf>

Further, pursuant to the provisions of Regulation 9 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, the Company is having the Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The same is available on the Company's website at the weblink <https://krblrice.com/codes/Code-of-Conduct-to-Regulate-Monitor-and-Report-Trading-by-Insiders.pdf>

12. DATE OF BOOK CLOSURE

The dates of Book Closure shall be from Saturday, 10 September 2022 to Monday, 26 September 2022 (both days inclusive).

13. DIVIDEND

The Board of Directors of the Company in their meeting held on 27 May 2022, had recommended the Final Dividend @ ₹3.50 i.e. 350% per equity share of face value of ₹1 each aggregating to ₹8,239 lacs for the financial year 2021-22. The Final Dividend shall be paid to those Shareholders whose names will be provided by the Depositories after the close of business hours on Friday, 09 September 2022, being record date fixed for the purpose. The Final Dividend as recommended by the Board of Directors and if approved by the shareholders in the ensuing AGM will be paid on or before Tuesday, 25 October 2022.

14. REGISTRAR AND SHARE TRANSFER AGENT

The Company has appointed M/s. Alankit Assignments Limited, having its office at Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055, as its Registrar and Share Transfer Agent (RTA) for transfer of shares via both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company's shares are traded in the Stock Exchanges compulsorily in Demat format. Pursuant to the changes made in provisions of Regulation 40(1) of the 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 amendment dated 08 June 2018 amended Regulation 40 of the 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 or Manager-Corporate Affairs, who have been delegated with the 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, bank mandates and nomination.

15. DEMATERIALIZATION OF SHARES AND LIQUIDITY

Pursuant to the provisions of Regulation 31 of the SEBI Listing Regulations, the Company's shares are required to be traded compulsorily in the dematerialized form and are available for trading under both the Depositories i.e. NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's Equity Shares under the depository system is INE001B01026. The Annual Custodial Fees for the Financial Year 2021-22 have been paid to both the Depositories.

During the year under review 34,000 equity shares of the Company covered in 6 requests were converted into dematerialized form and 1,000 equity shares of the Company, which were in physical form, were transferred to the Demat account of IEPF Authority. As on 31 March

2022, 23,52,62,540 equity shares of the Company constituting 99.95% of the Paid-up equity share capital are in Dematerialized form.

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)
Trade World, A Wing 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai-400 013 Tel.: 1800-1020-990 E-mail: info@nsdl.co.in Website: www.nsdl.co.in	Marathon Futurex, A-Wing, 25th Floor, N.M. Joshi Marg, Lower Parel, Mumbai-400 013 Tel.: 1800-22-5533 E-mail: helpdesk@cdslindia.com Website: www.cdslindia.com

16. SHARE TRANSFER SYSTEM

All communications regarding share certificates, change of address, dividends, 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 is placed in the subsequent meeting of the Stakeholders Relationship Committee of the Company for information and noting. All share transmissions, if any, are completed within the statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. 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 a 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 Exchanges:

I. NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

"Exchange Plaza" C-1, Block G,
Bandra Kurla Complex,
Bandra (East), Mumbai-400 051
Website: www.nseindia.com
Symbol: KRBL, Series: Eq.

II. BSE LIMITED (BSE)

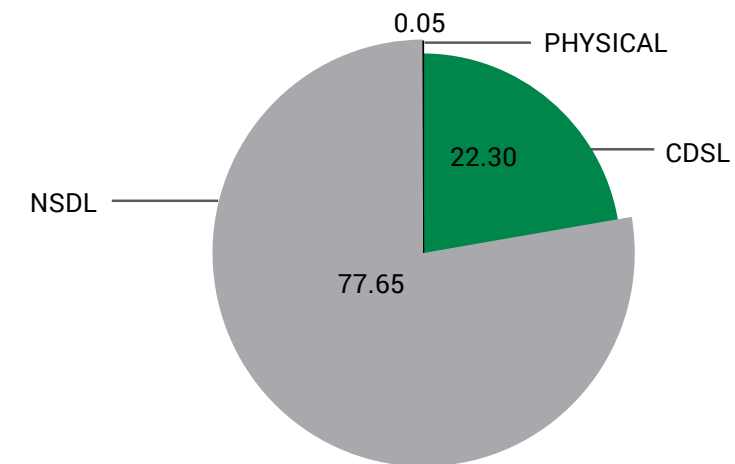
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001
Website: www.bseindia.com
Stock Code: 530813

Your Company has paid the Annual Listing Fees to NSE and BSE for the Financial Year 2021-22.

18. DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH 2022

Number of Shares held (₹1 each Fully Paid-up)	Folios		Shares of ₹ 1 each Fully Paid-up	
	Numbers	%	Numbers	%
1 – 50	37,739	52.85	7,32,151	0.31
51 – 100	11,235	15.73	9,64,200	0.41
101 – 500	14,789	20.71	37,85,218	1.61
501 – 1,000	3,569	5.00	28,44,323	1.21
1,001 – 5,000	3,156	4.42	69,73,490	2.96
5,001 – 10,000	442	0.62	33,36,076	1.42
10,001 – 50,000	371	0.52	79,82,276	3.39
50,001 – 1,00,000	50	0.07	36,31,645	1.54
1,00,001 & above	58	0.08	20,51,40,513	87.15
Total	71,409	100.00	23,53,89,892	100.00

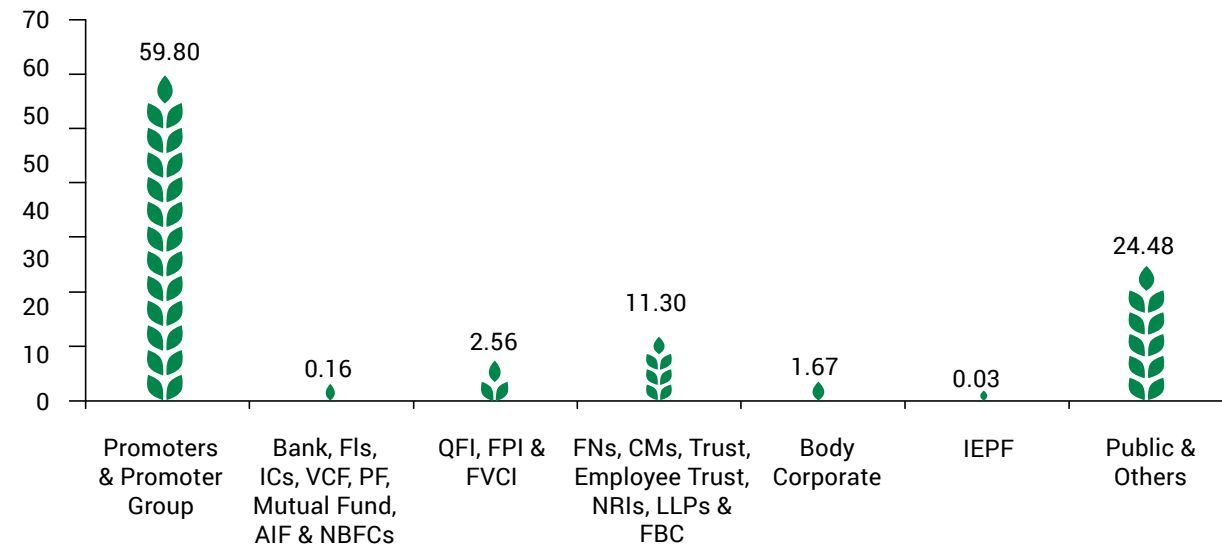
19. SHARES HELD IN PHYSICAL AND DEMATERIALIZED FORM AS ON 31 MARCH 2022 (IN %)



20. CATEGORY OF SHAREHOLDING AS ON 31 MARCH 2022

Category	Number of Shares held	%
Promoter & Promoter Group	14,07,54,296	59.80
Banks, Financial Institutions (FIs), Insurance Companies (ICs), Venture Capital Fund (VCF), Provident Fund (PF), Mutual Fund, Alternate Investment Fund (AIF) & NBFCs	3,71,155	0.16
Qualified Foreign Investor (QFI), Foreign Portfolio Investor (FPI) & Foreign Venture Capital Investor (FVCI)	60,22,345	2.56
Foreign Nationals (FNs), Clearing Members (CMs), Trust, Employee Trust, NRIs, LLPs, Foreign Body Corporate (FBC)	2,65,88,990	11.30
Body Corporate	39,43,297	1.67
Investor Education and Protection Fund (IEPF)	73,437	0.03
Public and Others	5,76,36,372	24.48
Total	23,53,89,892	100.00

Category of Shareholders (%)



21. TOP TEN SHAREHOLDERS (OTHER THAN PROMOTERS) AS ON 31 MARCH 2022

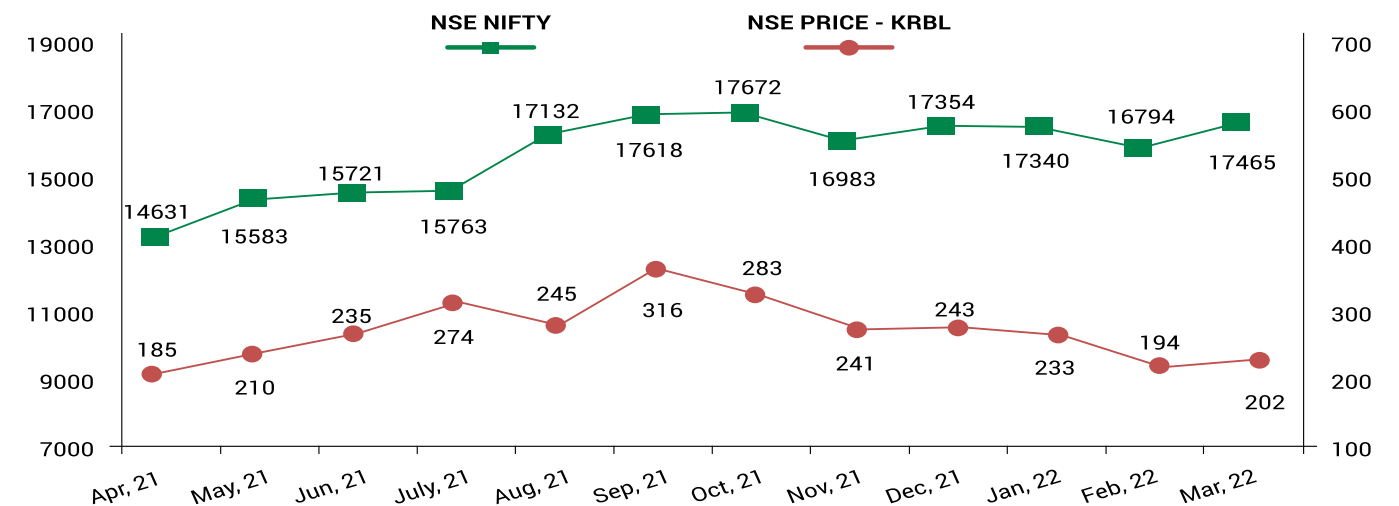
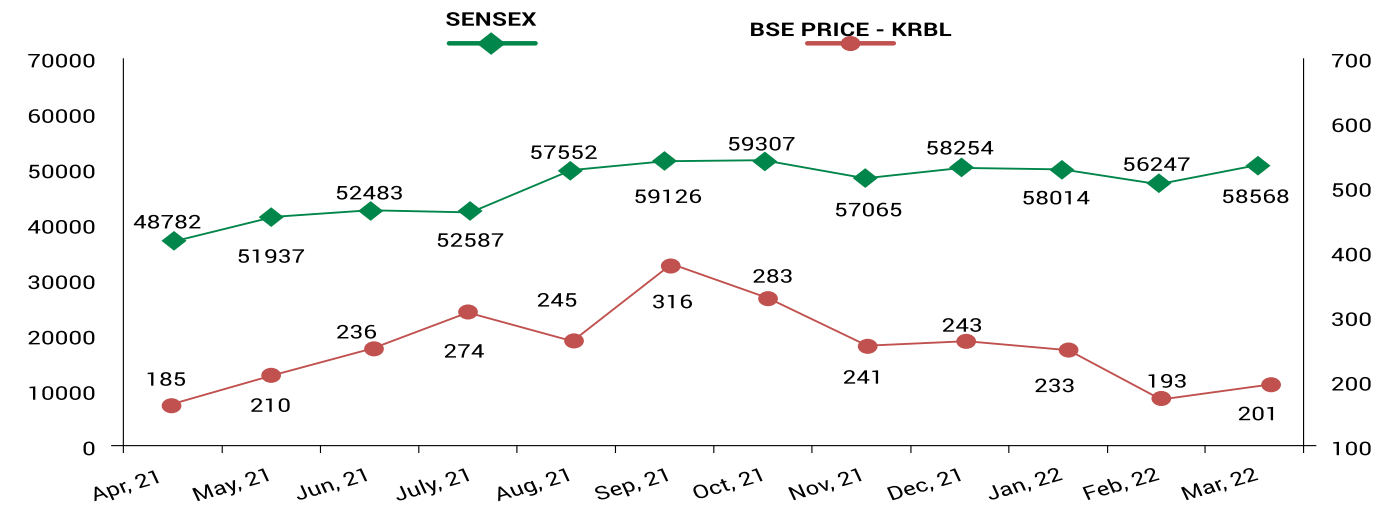
S. No.	Name	Number of Shares
1.	Reliance Commodities DMCC	2,29,00,000
2.	Joint Director of Enforcement, Central Region	1,43,33,221
3.	Anil Kumar Goel	65,00,000
4.	Som Nath Aggarwal	36,55,182
5.	Seema Goel	28,48,000
6.	Vanguard Total International Stock Index Fund	12,35,812
7.	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	12,35,255
8.	Government Pension Fund Global	7,75,373
9.	Ashish Kacholia	7,50,000
10.	Hussam Ali Obeid Balsharaf	7,00,000

22. MARKET PRICE DATA

Monthly High and Low quotes and volume of shares traded on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) :

Month	National Stock Exchange of India Limited				BSE Limited			
	High (₹)	Low (₹)	Number of Shares Traded	Turnover (₹ in Lacs)	High (₹)	Low (₹)	Number of Shares Traded	Turnover (₹ in Lacs)
April, 2021	199	173	78,60,914	14,635	200	173	6,29,165	1,164
May, 2021	249	183	2,86,32,579	63,647	249	182	28,05,908	6,262
June, 2021	265	202	3,88,77,633	93,237	266	201	55,69,846	13,224
July, 2021	304	237	4,29,79,105	1,21,681	306	236	56,34,534	15,888
August, 2021	292	226	1,39,59,520	36,858	292	226	14,27,401	3,777
September, 2021	331	242	2,55,89,178	73,289	331	243	16,87,362	4,806
October, 2021	338	268	1,58,75,033	49,531	337	268	19,61,325	6,024
November, 2021	307	233	1,28,75,222	34,618	306	233	13,53,861	3,567
December, 2021	262	231	75,40,185	18,648	262	232	8,06,981	1,983
January, 2022	269	231	93,98,335	23,998	270	231	7,67,149	1,940
February, 2022	245	185	1,73,34,786	34,719	245	185	13,26,508	2,697
March, 2022	226	189	1,22,14,536	25,422	226	189	11,21,144	2,328

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



24. RECONCILIATION OF SHARE CAPITAL AUDIT

Mr. Deepak Kukreja, Proprietor, Deepak Kukreja & Associates, FCS Number 4140, CP Number 8265, Practicing Company Secretaries, carries out the Reconciliation of Share Capital Audit of the Company as mandated by SEBI and issues report 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 a quarterly basis and the report thereof as required pursuant to Circular No. D&CC/FITTC/CIR-16/2002 dated 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 a quarterly basis and is also placed before the Stakeholders Relationship Committee Members and Board of Directors of the Company for noting, comments and advice.

25. UNPAID DIVIDEND

Pursuant to the provisions of Section 124 read with Section 125 of the Companies Act, 2013, the Company is required to transfer the Dividend unpaid for a period of 7 (Seven) years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, the unclaimed Final Dividend for the year ended 2013-14 have been transferred and necessary Statement in Form IEPF-1 pursuant to rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 has been filed.

The Time frame for transfer of Unclaimed Dividends, which are lying in the Unclaimed Dividends Accounts of the Company, to Investor Education and Protection Fund (IEPF) is as below:

Date of Declaration of Dividend	Dividend for the year	Due Date of transfer to IEPF
28 September 2015	2014-15	05 November 2022
10 March 2016	2015-16 (Interim)	16 April 2023
26 September 2017	2016-17	02 November 2024
20 August 2018	2017-18	26 September 2025
13 September 2019	2018-19	20 October 2026
27 February 2020	2019-20 (Interim)	04 April 2027
30 September 2021	2020-21	06 November 2028

Attention is drawn that the Unclaimed Final Dividend for the Financial Year 2014-15, will be due for transfer to IEPF later this year. Communication has been sent by the Company to the concerned shareholders advising them to lodge their claim with respect to Unclaimed Dividend. Once Unclaimed Dividend is transferred to IEPF, no claims will lie in respect thereof with the Company.

26. DETAILS OF DEMAT/ UNCLAIMED SUSPENSE ACCOUNT:

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

27. FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Pursuant to the provisions of Regulation 17(7) read with Part A of Schedule II of SEBI Listing Regulations, the Company placed before the Board of Directors on Quarterly basis, the quarterly details of Foreign Exchange Exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

During the year 2021-22, the Company had managed the foreign exchange risk and hedged it to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of financial risk management under the head financial instruments are disclosed in Note 45 to the Financial Statements for the financial year 2021-22.

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

The Company has received the certificate from Mr. Deepak Kukreja, Proprietor, Deepak Kukreja & Associates FCS Number 4140, CP Number 8265, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of

Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority. The same is attached as 'Annexure 2' and forming part of this Report.

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

The Company has received the certificate from Mr. Deepak Kukreja, Partner, DMK Associates, FCS Number 4140, CP Number 8265, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations. The same is attached as 'Annexure 3' and forming part of this Report.

30. AUDITORS' REMUNERATION

The Company has appointed M/s. Walker Chandio & Co LLP, Chartered Accountants (Firm Registration No.001076N/ N500013) as the Statutory Auditors. The particulars of payment to Statutory Auditors by the Company during the financial year 2021-22 are as below:

Particulars	Amount (₹ in Lacs)
Statutory Audit (including fees for limited reviews)	63
Tax Audit	5
Total	68

31. RATINGS

During the financial year 2021-22, the Company is holding various ratings, which are as follows:

- CARE:** In September 2021, "CARE" has reviewed and assigned "[CARE]A1+" rating for Commercial Paper (CP) Limits of KRBL Limited.
- ICRA:** In November 2021, "ICRA" has reviewed and assigned "[ICRA]AA- (Stable)" rating for Bank Limits on Long term scale, "[ICRA]A1+" rating for Bank Limits on Short term scale and Commercial Paper (CP) Limits of KRBL Limited.

32. 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:

Shareholders' Rights

Within the next few days from the announcement of the audited/unaudited, quarterly/half yearly/annual financial results, the Company generally organizes investor conference calls and the media interactions with the Management, where the Management responds to the various queries of stakeholders at large.

33. COMPLIANCE OFFICER

Raman Sapra
Company Secretary
Add: C-32, 5th & 6th Floor,
Sector 62, Noida, Gautam Budh Nagar,
Uttar Pradesh - 201 301
Telephone: +91-120-4060300
E-mail: investor@krblindia.com

34. REGISTERED OFFICE & ADDRESS FOR CORRESPONDENCE

REGISTERED OFFICE:
5190, Lahori Gate,
Delhi-110 006

ADDRESS FOR CORRESPONDENCE CORPORATE OFFICE:

C-32, 5th & 6th Floor,
Sector 62, Noida, Gautam Budh Nagar,
Uttar Pradesh - 201 301
Telephone: +91-120-4060300
Fax: +91-120-4060398

35. PLANT LOCATIONS

- 9th Milestone, Post-Dujana, Bulandshahr Road, Dist. Gautambudh Nagar, Uttar Pradesh-203 207.
- Village Bhasaur, (Dhuri), Distt. Sangrur, Punjab-148 024.
- Village Akbarpur Barota, Distt. Sonapat, Haryana-131 104.
- 29/15-29/16, Village Jindpur, G. T. Karnal Road, Alipur, Delhi-110 036.
- Plot Number 258-260, Extended Lal Dora, Alipur, Delhi-110 036.

36. ADDRESS OF REDRESSAL AGENCIES TO LODGE THE GRIEVANCES

MINISTRY OF CORPORATE AFFAIRS

'A' Wing, Shastri Bhawan, Rajendra Prasad Road,
New Delhi - 110 001
Telephone.: +91-11-23386110
Website: www.mca.gov.in

SEBI

Plot No.C4-A, 'G' Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051, Maharashtra
Telephone: +91-22-26449000 / 40459000
Fax: +91-22-26449019-22 / 40459019-22
Toll Free Investor Helpline: 1800-22-7575
E-mail: sebi@sebi.gov.in
Website: www.sebi.gov.in

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The Investors' Complaints are also being processed through the centralized web base complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company.

Through SCORES the investors can view online, the action taken and current status of the complaints. SEBI vide its Circular dated 26 March 2018 have streamlined

the process of filing investor grievances in the SCORES in order to ensure speedy and effective resolution of complaints filed therein. The said Circular can be accessed on the website of SEBI at the weblink: https://www.sebi.gov.in/legal/circulars/mar-2018/investor-grievance-redress-mechanism-new-policy-measures_38481.html

STOCK EXCHANGES

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051
Telephone: +91-22-26598100/8114
Fax: +91-22-26598120
Website: www.nseindia.com

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Telephone: +91-22-22721233/34,
+91-22-66545695 (Hunting)
Fax: +91-22-22721919
Email: corp.comm@bseindia.com
Website: www.bseindia.com

DEPOSITORIES

National Securities Depository Limited (NSDL)

Trade World, A Wing, 4th Floor,
Kamala Mills Compound,
Lower Parel, Mumbai - 400 013
Telephone: 1800-222-990
E-mail: info@nsdl.co.in
Website: www.nsdl.co.in

CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (CDSL)

Marathon Futurex, A-Wing, 25th Floor,
NM Joshi Marg, Lower Parel,
Mumbai 400 013
Telephone: 1800-225-533
E-mail: helpdesk@cdslindia.com
Website: www.cdslindia.com

REGISTRAR & SHARE TRANSFER AGENT

M/s. Alankit Assignments Limited
Alankit House
4E/2, Jhandewalan Extension
New Delhi-110 055
Telephone: +91-11-42541234 / 23541234
Fax: +91-11-41543474
Email id- rta@alankit.com
Website: www.alankit.com

For and on behalf of the Board of Directors

Anil Kumar Mittal

Place: Noida, Uttar Pradesh
Date: 08 August 2022

Chairman & Managing Director
DIN-00030100

ANNEXURE 1

CEO'S AND CFO CERTIFICATION

We, Anil Kumar Mittal, Chairman & Managing Director and Ashish Jain, Chief Financial Officer, responsible for finance function certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended on 31 March 2022 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (b) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on 31 March 2022 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. The Company's other certifying Officers and we have disclosed, based on our recent evaluation, wherever applicable, to the Company's Auditors and through them to the Audit Committee of the Company's Board of Directors:
 - i. Significant changes in internal control over financial reporting during the year 2021-22.
 - ii. Significant changes in accounting policies during the year 2021-22 and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having a significant role in the Company's internal control system over financial reporting.

Place : Noida, Uttar Pradesh

Date : 27 May 2022

Anil Kumar Mittal

Chairman & Managing Director

Ashish Jain

Chief Financial Officer

ANNEXURE 2

PRACTICING COMPANY SECRETARIES' CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
M/s KRBL Limited
5190, Lahori Gate, Delhi-110006

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s KRBL Limited** having CIN: **L01111DL1993PLC052845** and having registered office at 5190, Lahori Gate, Delhi-110006 (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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	Anil Kumar Mittal	00030100	30/03/1993
2.	Arun Kumar Gupta	00030127	30/03/1993
3.	Anoop Kumar Gupta	00030160	30/03/1993
4.	Vinod Ahuja	00030390	05/08/2002
5.	Priyanka Mittal	00030479	28/11/2000
6.	Shyam Arora	00742924	09/06/2007
7.	Ashwani Dua	01097653	09/06/2007
8.	Devendra Kumar Agarwal	06754542	16/01/2014
9.	Priyanka Sardana	00049811	25/09/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR **DEEPAK KUKREJA & ASSOCIATES**
COMPANY SECRETARIES

(DEEPAK KUKREJA)
 FCS, LLB., ACIS (UK), IP.
 PARTNER
 CP No. 8265
 FCS No. 4140

Date : 08 August 2022
Place : New Delhi
UDIN : F004140D000760390

ANNEXURE 3

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Regulations 17 to 27, Clauses (b) to (i) of Sub Regulation (2) of Regulation 46 and Paragraph C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
M/s. KRBL Limited
5190, Lahori Gate, Delhi- 110006

We have examined the compliance of the conditions of Corporate Governance by KRBL Limited ('the Company') for the year ended on 31 March 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraph C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31 March 2022.

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

FOR DEEPAK KUKREJA & ASSOCIATES
COMPANY SECRETARIES

Date : 08 August 2022
Place : New Delhi
UDIN : F004140D000760434


(DEEPAK KUKREJA)
FCS, LLB., ACIS (UK), IP.
PARTNER
CP No. 8265
FCS No. 4140



STANDALONE FINANCIAL STATEMENTS

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Independent Auditor's Report on the Standalone Financial Statements of KRBL Limited for the year ended 31 March 2022

To the Members of KRBL Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

- We have audited the accompanying standalone financial statements of KRBL Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

- As stated in Note 48(A)(4) to the standalone financial statements, the Enforcement Directorate ('ED') is investigating the Company's Joint Managing Director Mr. Anoop Kumar Gupta ('JMD') under the Prevention of Money Laundering Act, 2002, for alleged involvement in Agusta Westland case. Further, the ED has filed criminal complaint and made certain allegations against the Company, KRBL DMCC (a subsidiary of the Company) and JMD. As further described in the said note, a review of the impact of allegations on the financial statement and its control environment was performed by an independent professional firm appointed by the Board of Directors and in our view as per their report, there is no conclusive evidence to ascertain impact of the aforesaid matter on the financial statement of the Company and its control environment. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to comment on any adjustment that may be required to the standalone financial statements in this respect.

- We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

- We draw attention to Note 48(A)(3) to the standalone financial statements, wherein it is stated that a portion of land parcels and building thereupon owned by the Company as identified in the aforesaid note has been attached by the Directorate of Enforcement ('ED'), which is being contested by the Company. The Company had filed an appeal with the Appellate Tribunal, PMLA (Government of India), New Delhi, ('Appellate Tribunal') and vide its order dated 17 January 2020, the Appellate Tribunal had ordered to restore the possession in favor of the Company while the aforesaid attachment would continue till the conclusion of the matter. The matter is being contested in the Hon'ble High Court of Delhi ('High Court'). The High Court vide its order dated 23 October 2020 has restored the physical possession of the aforesaid land parcels and building thereupon for specified purposes against a deposit of ₹1,113 lacs, as an interim relief until conclusion of the aforesaid matter. Based on the legal assessment of the outcome of the aforesaid matter, the management is of the view that no adjustment is required to the accompanying standalone financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matter

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditor's Report on the Standalone Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – Sale of Goods Refer Note 2(g) in the Summary of significant accounting policies and other explanatory information The Company recognised an amount of ₹421,056 lacs revenue for the year ended 31 March 2022, as disclosed in Note 29 to the standalone financial statements. Revenue for the Company primarily comprises of revenue from sale of manufactured goods (rice) and by products. In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Accordingly, occurrence and existence of revenue is a key focus area on account of the multiplicity of Company's products, multiple channels for sales, various categories of customers having varying terms of contracts and the volume of the sales made to them. Due to the above factors, we have identified testing of revenue recognition as a key audit matter.	Our audit work included, but was not limited to, the following procedures: <ul style="list-style-type: none"> Obtained an understanding of the process of each revenue stream, particularly of sale of rice and by products; Evaluated the design and implementation and tested the operating effectiveness of controls over revenue recognition including around quantity sold, pricing and accounting of revenue transactions; Performed substantive analytical procedures on revenue which includes ratio analysis, product mix analysis, region wise analysis; Evaluated the terms and conditions of the contracts, including incoterms, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the accounting standards; On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the period before and after year-end with supporting documents, such as invoices, agreements with customers, proof of deliveries, and subsequent collection of payment; Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis, reviewed the subsequent collection of payment and proof of deliveries document of such selected debtors. Further, reconciling revenue recorded during the year with statutory returns; Tested, on sample basis, manual journal entries recorded in revenue accounts, credit notes and claims, to the relevant approvals and the supporting documents; Evaluated disclosures made in the standalone financial statements for revenue recognition from sale of goods for appropriateness in accordance with the accounting standards.
Inventory existence and valuation Refer Note 2(f) in the Summary of significant accounting policies and other explanatory information. Inventory of the Company consists primarily of variety of rice, paddy and their by-products, manufactured during the process of conversion of paddy into rice.	Our audit work included, but was not limited to the following procedures: Existence: <ul style="list-style-type: none"> Obtained an understanding of the management's process of inventory management and inventory physical verification performed subsequent to year-end; Evaluated the design effectiveness of controls over inventory management process/ inventory physical verification and tested key controls for their operating effectiveness;

Independent Auditor's Report on the Standalone Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p>The Company held inventories amounting to ₹ 281,610 lacs as at 31 March 2022. The inventory primarily comprises of Paddy as raw material and finished goods in the form of rice and by-products. Inventory holding is generally significant considering the finished goods are aged for 18-24 months and also due to seasonality of the purchase/produce. Such inventory is stored in plants, warehouses, silos, and storage bags. High quantity of inventory makes inventory physical verification an extensive procedure for the management, at the year end.</p> <p>The valuation of finished rice and by products is a complex exercise and is carried out manually. The valuation process involves estimation around determination of –</p> <ul style="list-style-type: none"> • Allocable overheads and their absorption rates; • Determination of net realisable value of by-products such as husk, bran, etc, and • Determination of net realisable value of the different variety of rice. <p>Accordingly, existence and valuation of the year-end inventory balance, which is significant with respect to the total assets held by the Company, is considered to be one of the areas which required significant auditor attention owing to the complexity and judgements involved in the process of physical count and valuation.</p>	<ul style="list-style-type: none"> • Reviewed the instructions given by senior management to stock count teams, including ensuring proper segregation of stock, use of calibration scales/charts, identification of damaged inventory, if any, etc.; • Observed physical count carried out by the management at locations selected based on materiality and risk factors; • During the above said observation, noted whether the instructions given by senior management to stock count teams were followed. • Recounted inventory, on sample basis, to match with inventory records and results of management conducted count; • Obtained inventory records and results of management conducted count; • Reviewed reconciliation of differences, if any, between management physical count and inventory records, and tested the necessary adjustment made in the inventory records by the management; <p>Valuation:</p> <ul style="list-style-type: none"> • Obtained an understanding of management process of inventory valuation; • Evaluated design effectiveness of controls over inventory valuation process and tested key controls for their operating effectiveness; • Tested inputs into the valuation process from source documents/ general ledger accounts; • Tested reconciliation of opening inventory, purchase/ production, sales and year-end inventory to validate the amount of yield during the year and to identify any abnormal production loss; • Compared key estimates, including those involved in computation of allocable overheads and their absorption rate, to prior years and enquired reasons for any significant variations, • Checked net realisable value of rice and by-products from actual sale proceeds near/ subsequent to the year-end; • Tested arithmetical accuracy of valuation calculations; and • Evaluated appropriateness of disclosure of inventory year-end balance in the financial statements.

Independent Auditor's Report on the Standalone Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

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

8. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

9. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for

ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

13. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Independent Auditor's Report on the Standalone Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, Under section 143(3) (i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial

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

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
19. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) The matter described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;

Independent Auditor's Report on the Standalone Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

- f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed a modified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the possible effects of the matter described in paragraph 3 of the Basis for Qualified Opinion section, the Company, as detailed in note 48 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 52 (vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or

entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 52 (viii) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. As stated in note 44 (B) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 22504774AJSUMB3432

Place: Noida
Date: 27 May 2022

Annexure A referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of KRBL Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment, right of use assets and investment property under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable

having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment, right of use assets and investment property were verified during the year and no material discrepancies were noticed on such verification.

- (c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:

Description of property	Gross carrying value (₹ in lacs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Land	61	K B Overseas	Partnership Firm in which Directors were partners	Since Financial Year 1990-91 to 1994-95	Refer Note 3 to the Standalone Financial Statements.
Land	195	Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta	Directors	Since Financial Year 2000-01 to 2002-03	Refer Note 3 to the Standalone Financial Statements.
Land	63	Mr. Anil Kumar Mittal	Directors	Since Financial Year 2006-07	Refer Note 3 to the Standalone Financial Statements.
Land	80	Mr. Arun Kumar Gupta	Directors	Since Financial Year 2003 – 04	Refer Note 3 to the Standalone Financial Statements.
Land	160	Mr. Anoop Kumar Gupta	Directors	Since Financial Year 2003-04 and 2004-05	Refer Note 3 to the Standalone Financial Statements.
Land	246	Mr. Ashish Mittal	Relative of Director	Since Financial Year 2001-02 and 2002-03	Refer Note 3 to the Standalone Financial Statements.
Building	153	-	-	Since Financial Year 2015-16	Refer Note 3 to the Standalone Financial Statements.

Annexure A referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of KRBL Limited on the standalone financial statements for the year ended 31 March 2022 (Cont'd)

However, for title deeds of immovable properties in the nature of land with gross carrying values of ₹6,996 lacs as at 31 March 2022, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the Consortium bank.

- (d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.
- (b) The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such returns are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- (iii) (a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clauses 3(iii)(a) of the Order is not applicable to the Company.
- (b) The Company has not provided any guarantee or given any security or granted any loans or advances in the nature of loans during the year. However, the Company has made investment in 2 entities amounting to ₹427 lacs (year-end balance ₹427 lacs) and in our opinion, and according to the information and explanations given to us, such investments made are, prima facie, not prejudicial to the interest of the Company.

(c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act only in respect of specified products of the Company. For such products, we have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under the aforesaid section, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Annexure A referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of KRBL Limited on the standalone financial statements for the year ended 31 March 2022 (Cont'd)

Name of the statute	Nature of dues	Gross Amount (₹ in lacs)	Amount paid under protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Punjab Value Added tax Act, 2005	Value added tax	3,199	-	Financial years 2009-10	Hon'ble Punjab and Haryana High Court Chandigarh
Punjab Value Added tax Act, 2005	Value added tax	1,708	641	Financial years 2005-2007 and 2010-2014	VAT Tribunal Chandigarh
Central Excise Act, 1944	Excise duty	684	185	Financial years 2014-17	Deputy Excise and Taxation Commissioner, Patiala
Central Sales Tax Act, 1956	Sales tax	39	39	Financial years 2014-16	Deputy Commissioner of Sales Tax (Appeal), Mumbai
Central Sales Tax Act, 1956	Sales tax	2	1	Financial years 2017-18	Deputy Commissioner of Sales Tax, Greater Noida
Central Sales Tax Act, 1956	Sales tax	2	2	Financial years 2013-14	Additional Commissioner Grade-2 (Appeal), Noida
Income-tax Act, 1961	Income-tax	96	19,000	Financial years 2009-16	Remanded back to Income-tax officer by the Hon'ble Income Tax Appellate Tribunal, New Delhi

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

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

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

Annexure A referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of KRBL Limited on the standalone financial statements for the year ended 31 March 2022 (Cont'd)

(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 including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and 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) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(a) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company.

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us, there is no unspent amount pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) The Company has transferred the remaining unspent amount under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner

Membership No.: 504774
UDIN: 22504774AJSUMB3432

Place: Noida
Date: 27 May 2022

Annexure B to the Independent Auditor's Report on the internal financial controls with reference to standalone financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of KRBL Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing

the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Annexure B to the Independent Auditor's Report on the internal financial controls with reference to standalone financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act') (Cont'd)

Qualified opinion

8. According to the information and explanation given to us in the previous year, the ED vide their criminal complaint has made certain allegations against the Company, KRBL DMCC (a subsidiary of the Company) and Mr. Anoop Kumar Gupta (Joint Managing Director) as fully explained in Note 48(A) (4) of the standalone financial statements. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to obtain sufficient appropriate audit evidence that adequate internal financial controls with reference to financial statements relevant to prevention and timely detection of management override of controls were established and maintained, and if such controls operated effectively in all material respects, which could potentially result in the Company not providing for adjustment, if any, that may be required to the accompanying standalone financial statements.
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, adequate internal financial controls

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

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2022, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a modified opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 22504774AJSUMB3432

Place: Noida
Date: 27 May 2022

Standalone Balance sheet

as at 31 March 2022

(All amounts stated in ₹ lacs, unless otherwise stated)			
Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	85,002	86,862
Capital work-in-progress	3	192	891
Right of use assets	4	5,627	6,469
Investment property	5	329	-
Other intangible assets	6	172	143
Intangible assets under development	6	43	16
Financial assets			
- Investments	7	427	427
- Loans	8	4	23
- Other financial assets	9	465	1,060
Other non-current assets	10	22,266	25,562
Sub total non-current assets		114,527	121,453
Current assets			
Inventories	11	281,610	296,421
Financial assets			
- Investments	12	2,079	1,889
- Trade receivables	13	28,934	20,129
- Cash and cash equivalents	14	18,607	15,873
- Other bank balances	15	20,429	233
- Loans	16	9	30
- Other financial assets	17	2,426	2,900
Other current assets	18	5,309	2,993
Sub total current assets		359,403	340,468
TOTAL ASSETS		473,930	461,921
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	2,354	2,354
Other equity	20	403,966	366,162
Sub total equity		406,320	368,516
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	21	-	597
- Lease liabilities	4	5,049	5,324
Provisions	22	925	874
Deferred tax liabilities (net)	23	13,015	13,809
Sub total non-current liabilities		18,989	20,604
Current liabilities			
Financial liabilities			
- Borrowings	24	8,938	30,181
- Lease liabilities	4	530	828
- Trade payables	25		
- Total outstanding due of micro enterprises and small enterprises		1,198	698
- Total outstanding dues of creditors other than micro enterprises and small enterprises		16,859	21,238
- Other financial liabilities	26	16,417	15,445
Other current liabilities	27	4,013	2,688
Provisions	28	278	419
Current tax liabilities (net)		388	1,304
Sub total current liabilities		48,621	72,801
TOTAL EQUITY AND LIABILITIES		473,930	461,921
The accompanying notes form an integral part of these standalone financials statements.	1-55		

This is the Standalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place : Noida
Date: 27 May 2022

For and on behalf of the Board of Directors of KRBL Limited

Anil Kumar Mittal
Chairman and Managing Director
DIN-00030100

Raman Sapra
Company Secretary
Membership No. F9233

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Ashish Jain
Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended 31 March 2022

(All amounts stated in ₹ lacs, unless otherwise stated)			
Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	29	421,056	399,188
Other income	30	4,246	2,243
Total income		425,302	401,431
Expenses			
Cost of materials consumed	31	295,682	314,515
Purchase of stock-in-trade	32	553	681
Changes in inventories of finished goods and stock-in-trade	33	9,942	(39,300)
Employee benefits expenses	34	10,138	8,847
Finance costs	35	1,340	2,359
Depreciation and amortisation expense	36	7,417	7,190
Other expenses	37	38,453	32,065
Total expenses		363,525	326,357
Profit before tax		61,777	75,074
Tax expense	40		
Current tax		16,567	19,824
Deferred tax credit		(794)	(779)
Total tax expense		15,773	19,045
Profit for the year		46,004	56,029
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		117	(66)
Tax on above		(31)	18
Items that will be reclassified to profit or loss			
Cash flow hedge reserve		(64)	922
Tax on above		17	(244)
Other comprehensive income for the year		39	630
Total comprehensive income for the year		46,043	56,659
Earnings per share (face value of ₹ 1 each)	38		
- Basic (in ₹)		19.54	23.80
- Diluted (in ₹)		19.54	23.80
The accompanying notes form an integral part of these standalone financials statements.	1-55		

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place : Noida
Date: 27 May 2022

For and on behalf of the Board of Directors of KRBL Limited

Anil Kumar Mittal
Chairman and Managing Director
DIN-00030100

Raman Sapra
Company Secretary
Membership No. F9233

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Ashish Jain
Chief Financial Officer

Standalone Cash flow Statement

for the year ended 31 March 2022

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A Cash flow from operating activities		
Profit before tax	61,777	75,074
Adjustment for :		
Depreciation and amortisation expenses	7,417	7,190
(Gain)/Loss on sale of property, plant and equipment	(42)	14
Unrealised foreign exchange (net)	(125)	(31)
Net gain on redemption and fair valuation of investments	(1,733)	(1,046)
Balances credit impaired	21	245
Liabilities/provisions no longer required, written back	(470)	(67)
Gain on modification/termination of lease	(6)	(86)
Finance costs	1,340	2,359
Interest income	(477)	(443)
Dividend income	(54)	(41)
Operating profit before working capital changes	67,648	83,168
Adjustments for working capital changes :		
Decrease/(Increase) in financial and other assets	1,029	(2,764)
Decrease/(Increase) in inventories	14,811	(11,179)
(Increase)/Decrease in trade receivables	(8,528)	2,652
Decrease in trade payables	(3,649)	(16,489)
Increase in liabilities and provisions	2,284	3,074
Cash generated from operations	73,595	58,462
Income tax paid (net)	(17,497)	(20,060)
Net cash flow from operating activities (A)	56,098	38,402
B Cash flow from investing activities		
Payment for property, plant and equipment and intangible assets ¹	(4,213)	(4,142)
Sale proceeds of property, plant and equipment	140	49
Sale proceeds from investments	226,743	87,896
Purchase of investments	(224,691)	(88,155)
Movement from deposits (net)	(19,042)	2,775
Interest received	378	369
Dividend income	54	41
Net cash used in investing activities (B)	(20,631)	(1,167)
C Cash flow from financing activities		
Repayment of long-term borrowings	(1,354)	(1,360)
Repayment of lease liabilities	(849)	(738)
Movement in short term borrowings (net)	(20,487)	(16,585)
Finance cost paid	(1,295)	(3,248)
Dividend paid	(8,239)	(776)
Net cash used in financing activities (C)	(32,224)	(22,707)

Standalone Cash flow Statement

for the year ended 31 March 2022

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
D Net increase in cash and cash equivalents during the year (A+B+C)	3,243	14,528
Cash and cash equivalents-opening balance	15,873	1,345
Cash and cash equivalents at the year end	19,116	15,873
E Cash and cash equivalents (refer note 14)		
Cash in hand	40	43
Balances with banks	18,567	15,830
Investment in mutual funds ²	509	-
	19,116	15,873

Notes:

- Net of movement in capital work-in-progress and capital advances.
- Cash and cash equivalents includes the investment in mutual fund invested for short term basis. (refer note 12)
- The above cash flow statement has been prepared under the 'Indirect method' as set out in Ind AS 7, 'Statement of cash flows'.
- Refer note 50 for reconciliation of liabilities arising from financing activities.

The accompanying notes form an integral part of these standalone financials statements (1-55).

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place : Noida
Date : 27 May 2022

For and on behalf of the Board of Directors of KRBL Limited

Anil Kumar Mittal
Chairman and Managing Director
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Raman Sapra
Company Secretary
Membership No. F9233

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Ashish Jain
Chief Financial Officer

Standalone Statement of Changes in Equity

for the year ended 31 March 2022

(All amounts stated in ₹ lacs, unless otherwise stated)

A. Equity share capital (refer note 19)

Equity shares of ₹1 each, fully paid up	Number of shares	Amount
As at 1 April 2020	23,53,89,892	2,354
Movement during the year	-	-
As at 31 March 2021	23,53,89,892	2,354
Movement during the year	-	-
As at 31 March 2022	23,53,89,892	2,354

B. Other equity (refer note 20)

Particulars	Reserve and surplus					Other comprehensive income	Total
	Retained earnings	General reserve	Securities premium reserve	Capital reserve	Capital redemption reserve	Cash flow hedge reserve	
Balance as at 1 April 2020	2,48,763	51,550	9,655	82	77	(624)	3,09,503
Profit for the year	56,029	-	-	-	-	-	56,029
Other comprehensive income for the year:-							
Remeasurement of defined benefit obligations (net of tax)	(48)	-	-	-	-	-	(48)
Cash flow hedge reserve (net of tax)	-	-	-	-	-	678	678
Total comprehensive income as at 31 March 2021	55,981	-	-	-	-	678	56,659
Transferred to general reserve ¹	(8,000)	-	-	-	-	-	(8,000)
Transferred from profit and loss account ¹	-	8,000	-	-	-	-	8,000
Balance as at 31 March 2021	2,96,744	59,550	9,655	82	77	54	3,66,162
Balance as at 1 April 2021	2,96,744	59,550	9,655	82	77	54	3,66,162
Profit for the year	46,004	-	-	-	-	-	46,004
Other comprehensive income for the year:							
Remeasurement of defined benefit obligations (net of tax)	86	-	-	-	-	-	86
Cash flow hedge reserve (net of tax)	-	-	-	-	-	(47)	(47)
Total comprehensive income as at 31 March 2022	46,090	-	-	-	-	(47)	46,043
Transaction with owners							
Dividends paid (refer note 44)	(8,239)	-	-	-	-	-	(8,239)
Balance as at 31 March 2022	3,34,595	59,550	9,655	82	77	7	4,03,966

1. The Company has voluntarily transferred an amount of ₹8,000 lacs in the year ended 31 March 2021 from retained earning to general reserve. The accompanying notes form an integral part of these standalone financials statements (1-55)

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of KRBL Limited

Rohit Arora
Partner
Membership No. 504774

Anil Kumar Mittal
Chairman and Managing Director
DIN-00030100

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Place : Noida
Date : 27 May 2022

Raman Sapra
Company Secretary
Membership No. F9233

Ashish Jain
Chief Financial Officer

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022

1. Company information

KRBL Limited ('Company') is a Limited Company domiciled in India and was incorporated on 30 March 1993. The registered office of the Company is located at 5190, Lahori Gate, Delhi 110006. The shares of the Company are listed in India on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE').

The Company is world's leading basmati rice producer and has fully integrated operations in every aspect of basmati value chain, right from seed development, contact farming, procurement of paddy, storage, processing, packaging, branding and marketing. Among the many brands owned by the Company "India Gate" is the flagship brand both in domestic and international markets.

2. Basis of preparation, measurement and significant accounting policies

(i) General information

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) The Company has uniformly applied the accounting policies during the periods presented.

These standalone financial statements for the year ended 31 March 2022 were authorized and approved for issue by the Board of Directors on 27 May 2022.

(ii) Basis of accounting

The standalone financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorized into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

(iii) Functional and presentation currency

These standalone financial statements are presented in Indian rupees (₹) which is also the Company's functional currency. All amounts have been rounded-off

to the nearest lacs as per the requirements of Part II of Schedule III of the Act, unless otherwise indicated.

(iv) Summary of significant accounting policies

The standalone financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These were used throughout all periods presented in the standalone financial statements.

a. Current versus non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current / non-current classification.

An asset/liability is treated as current when it is:

- Expected to be realised or intended to be sold or consumed or settled in normal operating cycle;
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

b. Property, plant and equipment

Recognition, measurement and subsequent expenditure

Property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses, if any. Freehold land is stated at original cost of acquisition.

Cost of an item of property, plant and equipment includes acquisition / installation inclusive of freight, duties, and taxes and all incidental expenses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

separate asset is derecognized when replaced. All other repairs and maintenance are generally charged to the statement of profit and loss during the reporting period in which they are incurred.

In respect of major projects involving construction, related preoperational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs.

Property, plant and equipment which are not ready for intended use as on the date of balance sheet are disclosed as 'Capital work-in-progress'.

Depreciation

Depreciation on property, plant and equipment has been provided on straight line method, in terms of useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is capitalized/disposed-off.

Depreciation method and useful lives are reviewed annually. If the useful life of an asset is estimated to be significantly different from previous estimates, the depreciation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the depreciation method is changed to reflect the changed pattern.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss when the item is derecognized.

c. Investment property

Recognition and measurement

Property held to earn rentals or / and for capital appreciation or both but not for sale in the ordinary course of business, or for use in the production or supply of goods or services or for administrative purposes, are categorized as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and

impairment, if any. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Depreciation

Investment properties are depreciated using the straight-line method over the useful lives as mentioned in Part C of Schedule II of the Act.

Reclassification to/from investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying cost (including accumulated depreciation) on the date of reclassification and vice-a-versa.

d. Intangible assets

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets which are not ready for intended use as on the date of balance sheet are disclosed as "Intangible assets under development".

Amortisation

Computer software, patent, trademark and design and goodwill are recognized as intangible assets and amortized on straight line method over a period of 10 years except one software which is depreciated in 6 years on straight line method based upon life of servers where it is installed.

De-recognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the statement of profit and loss when the asset is derecognized.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

e. Investment in subsidiaries

Investment in equity instruments of subsidiaries are measured at cost as per Ind AS 27 'Separate Financial Statements.

f. Inventory

Raw materials, stores and spares and packing materials

Raw materials, stores and spares and packing materials are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is calculated on weighted average cost method and it comprises all costs incurred in bringing the inventories to their present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Obsolete, slow moving and defective inventories are identified at the time of physical verification and wherever necessary a provision is made.

Finished goods and by products

Finished goods are valued at lower of cost and net realisable value. Cost of inventories of finished goods includes cost of raw materials, direct and indirect overheads which are incurred to bring the inventories to their present location and condition.

By-products are valued at net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

g. Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Company recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Company follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised to the extent that it is probable that the economic benefits will flow

to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The Company derives revenue primarily from two segments - Agri and Energy. Agri segment of the Company principally generate revenue from sale of goods (rice and by products) and Energy segment generates revenue by generating power units and selling it to state government owned power distribution companies ('DISCOM') under the power purchase agreements (for more detailed information about reportable segments, refer note 46).

Sale of goods (rice and by-products)

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customers and when there are no longer any unfulfilled obligations.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Revenue from electricity generation

Sale of energy is accounted for on basis of energy supplied.

Dividend income

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest income

Interest income is recognized using the time proportion method based on the rates implicit in the transaction.

h. Employee Benefit

Short term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, allowances and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees. Further, the liabilities are presented as provisions for employee benefits under other current liabilities in the standalone balance sheet.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

Defined contribution plan

The Company makes payments made to defined contribution plans such as provident fund and employees' state insurance. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plan

The liability recognised in the standalone balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the standalone balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated at the standalone balance sheet date on the basis of actuarial valuation by an independent actuary using projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the Other Comprehensive Income in the year in which such gains or losses arise.

Other long-term employee benefits

Other long-term employee benefits are recognised as an expense in the standalone statement of profit and loss as and when they accrue. The Company determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the standalone balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the statement of profit and loss.

i. Research and development

Revenue expenditure on research and development is charged to the statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is included under property, plant and equipment and/or intangible assets, as the case may be.

j. 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

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive

income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised 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.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De-recognition

A financial asset is primarily de recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for

measurement and recognition of impairment loss, the calculation of which is based on historical data, on the financial assets that are trade receivables or contract revenue receivables.

b) Financial liabilities Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are de recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the standalone statement of profit and loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes

derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the standalone statement of profit and loss.

De-recognition

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 standalone statement of profit and loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and full currency swaps, to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to standalone statement of profit and loss.

e) Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

f) Hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency risks and interest rate risks and non-derivative financial liabilities to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Foreign currency risk of non-derivative financial liabilities used for hedging is measured using spot rates.

Any gains or losses arising from changes in the fair value of derivatives and change in foreign currency risk component of non-derivative financial liabilities are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the standalone financial statements.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

k. Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) The contract involves the use of an identified asset.
- (ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and;
- (iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use ('ROU') assets and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liability and ROU assets have been separately presented in the standalone balance sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

l. Foreign currency transactions

Initial recognition

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the standalone statement of profit and loss.

Measurement of foreign currency items at reporting date

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognised in the standalone statement of profit and loss.

m. Income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Current tax is measured at the amount

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

expected to be paid/ recovered to/from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the standalone statement of profit and loss. 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.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity/ other comprehensive income is recognised in respective head and not in the statement of profit & loss.

The carrying amount of deferred tax assets is reviewed at each standalone balance sheet date

and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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.

n. Provision, contingent assets and contingent liability

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are neither recognized nor disclosed.

o. Subsidy income

Subsidy income from the government is recognised when there is reasonable assurance that the subsidy income will be received and the Company will comply with all attached conditions.

Subsidy income is recognized on a systematic basis over the periods in which the related costs that are intended to be compensated by such subsidies are recognized.

Subsidy income received from government towards property, plant and equipment acquired/ constructed by the Company is deducted out of gross value of the asset acquired/ constructed and depreciation is charged accordingly.

p. Cash and cash equivalents

Cash comprises cash in hand and at bank. Cash and cash equivalents are short-term (highly liquid), that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

q. Segment reporting

According to Ind AS 108 'Operating Segment', identification of operating segments is based on Chief Operating Decision Maker ('CODM') approach for making decisions about allocating resources to the segment and assessing its performance.

Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components.

Results of the operating segments are reviewed regularly by the management team (Chairman, Joint Managing Directors and Chief Financial Officer) which has been identified as the CODM, to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Assets and liabilities, which relate to the Company as a whole and are not allocable to segments on reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole.

r. Borrowing cost

General and specific borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset are capitalised upto the period of time that is required to

complete and prepare the asset for its intended use or sale. Qualifying major assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they occur or accrue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

s. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive.

t. Dividend to shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

(v) Significant management judgements in applying accounting policies and estimation uncertainty

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities including contingent liability and the related disclosures.

Significant judgements

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets

Provisions

At each balance sheet date basis the management judgment, changes in facts and legal aspects, the

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022

Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Defined benefit obligation (DBO)

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurements

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

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future market-driven changes that may reduce future selling prices.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(vi) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules 2022 as below.

Ind AS 16 – Property, plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work-in-progress
Gross carrying amount								
Balance as at 1 April 2020	6,326	20,717	122,229	1,833	496	3,361	154,962	1,214
Additions for the year	172	1,355	2,632	24	39	378	4,600	844
Disposals/capitalised	-	(1)	(25)	(403)	(37)	(247)	(713)	(1,167)
Balance as at 31 March 2021	6,498	22,071	124,836	1,454	498	3,492	158,849	891
Additions for the year	498	1,663	1,643	10	43	980	4,837	164
Transfer (refer note C)	-	(505)	-	-	-	-	(505)	-
Disposals/capitalised	-	-	(312)	-	(5)	(139)	(456)	(863)
Balance as at 31 March 2022	6,996	23,229	126,167	1,464	536	4,333	162,725	192
Accumulated depreciation								
Balance as at 1 April 2020	-	5,784	57,027	1,154	383	2,186	66,534	-
Additions for the year	-	813	4,852	123	37	277	6,102	-
Disposals	-	-	(24)	(383)	(35)	(207)	(649)	-
Balance as at 31 March 2021	-	6,597	61,855	894	385	2,256	71,987	-
Additions for the year	-	780	5,000	116	36	320	6,252	-
Transfer (refer note C)	-	(159)	-	-	-	-	(159)	-
Disposals	-	-	(226)	-	(4)	(127)	(357)	-
Balance as at 31 March 2022	-	7,218	66,629	1,010	417	2,449	77,723	-
Net carrying amount								
Balance as at 31 March 2021	6,498	15,474	62,981	560	113	1,236	86,862	891
Balance as at 31 March 2022	6,996	16,011	59,538	454	119	1,884	85,002	192

Notes:

A Contractual obligations

Refer note 48 B for disclosure of contractual commitments for the acquisition of property, plant and equipment.

B Property, plant and equipment pledged as security

Refer note 21 and 24 for information on property, plant and equipment pledged as security by the Company.

C The Company has given a warehouse building situated at Kandla, Gujarat on operating lease for long term as the Company intends to generate rental income and accordingly, the Company has transferred the said warehouse building to investment property (refer note 5).

D Capital work-in-progress mainly comprise of Plant and machinery and Buildings which are under installation/construction at the premises of the Company.

E During the year ended 31 March 2020, the Company had sold one of its wind turbine generator and corresponding freehold land (pending registration as at the reporting date) since the power purchase agreement for the same was not executed due to technical difficulties. However the Company has already transferred the control to the said customer and accordingly, the same had been recorded as sale of the said plant and machinery and corresponding freehold land in the year ended 31 March 2020.

F The Company has not revalued its property, plant and equipment.

G Rounded off to zero.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

H Capital work-in-progress ageing schedule is as follows

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress as at 31 March 2022	138	54	-	-	192
Project in progress as at 31 March 2021	362	529	-	-	891

For assets/projects forming part of capital work-in-progress which have become overdue compared to their initial projected completion timeline as 31 March 2022 have been disclosed below:

Nature of projects overdue	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Building	55	-	-	-	55
Plant and machinery	73	-	-	-	73
	128	-	-	-	128

For assets/projects forming part of capital work-in-progress which have become overdue compared to their initial projected completion timeline as 31 March 2021 have been disclosed below:

Nature of projects overdue	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Building	326	19	-	-	345
Plant and machinery	532	-	-	-	532
	858	19	-	-	877

I The details of immovable properties whose title deeds are not held in the name of the Company are as follows:

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value		Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
		As on 31 March 2022	As on 31 March 2021				
Property, plant and equipment	Land	61	61	K B Overseas	Partnership Firm in which Directors were partners	Various dates in between Financial Year 1990-91 to 1994-95	As per Note 1
Property, plant and equipment	Land	195	195	Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta	Directors	Various dates in between Financial Year 2000-01 to 2002-03	As per Note 2
Property, plant and equipment	Land	63	63	Mr. Anil Kumar Mittal	Directors	Since Financial Year 2006-07	As per Note 2
Property, plant and equipment	Land	80	80	Mr. Arun Kumar Gupta	Directors	Various dates in Financial Year 2003 - 04	As per Note 2
Property, plant and equipment	Land	160	160	Mr. Anoop Kumar Gupta	Directors	Various dates in between Financial Year 2003-04 and 2004-05	As per Note 2

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Property, plant and equipment	Land	246	246	Mr. Ashish Mittal	Relative of Director	Various dates in between Financial Year 2001-02 and 2002-03	As per Note 2
Property, plant and equipment	Building	153	153				As per Note 3

Notes:

- On 26 June 1993, M/s. K.B. Overseas had entered into an agreement with M/s. Khushi Ram Bihari Lal Limited wherein M/s. K.B. Overseas had transferred its entire business including all properties and assets to M/s. Khushi Ram Bihari Lal Limited. Further pursuant to declaratory civil suit no. 962/1998 titled M/s. Khushi Ram Bihari Lal Limited vs. M/s. Bhagirath Lal and Others decreed on 24 March 1999, the assets of M/s. K.B. Overseas inter-alia including these land parcels were taken over by M/s. Khushi Ram Bihari Lal Limited and later the name of M/s Khushi Ram Bihari Lal Limited was changed to M/s KRBL Limited on 1 February 2000. These properties were mutated in the name of M/s. KRBL Limited and the name of M/s. KRBL Limited has also been entered in land revenue records as bhumidhar. Thus, M/s. KRBL Limited is the owner of said parcels.
- The Company has physical possession of these land parcels vide Memorandum of Understandings entered into by the Company with each of the above mentioned directors and their relatives. Further, the Company had also executed and registered the General Power of Attorney, Will and other necessary documents with the above mentioned directors and their relative, in favour of the Company. The Company is in process of doing the necessary compliance in relation to the registration of these land parcels in the name of the Company.
- Pending registration in the name of the Company due to legal dispute. However, the building is in the possession of the Company and used for its business purpose. Further, the Company had already paid its obligation in full as per signed sale agreement.

4 Leases

Particulars	As at 31 March 2022	As at 31 March 2021
I Leases where the Company is a lessee		
A Right-of-use assets		
Gross carrying amount		
Opening gross carrying amount	8,292	9,152
Additions for the year	307	1,124
Disposals (including termination and modification)	(25)	(1,984)
Balance at the end of the year	8,574	8,292
Accumulated depreciation		
Opening accumulated depreciation	1,823	1,014
Additions for the year	1,125	1,065
Disposals (including termination and modification)	(1)	(256)
Balance at the end of the year	2,947	1,823
Net carrying amount at the end of the year	5,627	6,469
B Lease liabilities		
Non-current	5,049	5,324
Current	530	828
	5,579	6,152
C Lease related disclosures		

The Company has leases mainly for land and buildings. With the exception of short-term leases, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. There are no variable lease payments included in the agreement.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

i. Extension and termination options

Extension and termination options are included in all leases. These terms are used to maximise operational flexibility in terms of managing contracts.

ii. Lease payments not included in measurement of lease liability

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less). Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount of leases which are for short term of 12 months or less	312	102

iii. The following are amounts recognised in profit and loss with respect to leasing arrangements:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on right-of-use assets	1,125	1,065
Interest expense on lease liabilities	505	557

iv. Total cash outflow in respect of leases in the year amounting to ₹1,354 lacs (31 March 2021: ₹1,296 lacs).

v. Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. The maturity analysis of lease liabilities are disclosed in note 45.

II Leases where the Company is a lessor

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rental income from operating leases	88	31

i. Amounts receivable under operating leases:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Less than one year	85	-
One to five years	340	-

5 Investment property

Particulars	As at 31 March 2022	As at 31 March 2021
Buildings		
Gross carrying amount		
Opening gross carrying amount	-	-
Transfer (refer note B)	505	-
Balance at the end of the year	505	-
Accumulated depreciation		
Opening accumulated depreciation	-	-
Transfer (refer note B)	159	-
Additions for the year	17	-
Balance at the end of the year	176	-
Net carrying amount at the end of the year	329	-

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

B The Company has given a warehouse building situated at Kandla, Gujarat on operating lease for long term as the Company intends to generate rental income and accordingly, the Company has transferred the said warehouse building to investment property.

C Amount recognized in statement of profit and loss for investment property

Rental income derived from investment property	85	-
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Profit arising from investment property before depreciation	85	-
Less: Depreciation	17	-
Profit arising from investment properties	68	-

D Fair value of investment property 491 -

E The fair valuation is based on prices in the active market for similar properties. The main input used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in Gandhi Dham, Gujarat area. The valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair valuation measurement is categorised in Level 2 fair value hierarchy.

6 Other intangible assets

Particulars	Patents, trademark and design	Computer softwares	Total	Intangible Assets under development ¹
Gross carrying amount				
Balance as at 1 April 2020	59	320	379	-
Additions for the year	-	23	23	16
Disposals	-	-	-	-
Balance as at 31 March 2021	59	343	402	16
Additions for the year	-	52	52	27
Disposals	-	-	-	-
Balance as at 31 March 2022	59	395	454	43
Accumulated amortisation				
Balance as at 1 April 2020	22	214	236	-
Additions for the year	6	17	23	-
Disposals	-	-	-	-
Balance as at 31 March 2021	28	231	259	-
Additions for the year	3	20	23	-
Disposals	-	-	-	-
Balance as at 31 March 2022	31	251	282	-
Net carrying amount				
Balance as at 31 March 2021	31	112	143	16
Balance as at 31 March 2022	28	144	172	43

Notes:

A Refer note 48 B for disclosure of contractual commitments for the acquisition of intangible assets.

B Intangible assets under development ageing schedule is as follows:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in Progress as at 31 March 2022	27	16	-	-	43
Project in Progress as at 31 March 2021	16	-	-	-	16

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

For assets/projects forming part of intangible assets under development which have become overdue compared to their initial projected completion timeline as at 31 March 2022 have been disclosed below:

Nature of Projects overdue	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Computer softwares	32	-	-	-	32

C There are no assets/projects forming part of intangible assets under development which have become overdue compared to their initial projected completion timeline as at 31 March 2021.

7 Investments

Non-current

Particulars	As at 31 March 2022	As at 31 March 2021
Unquoted equity instruments - at cost, fully paid-up (Refer Note 45)		
Investment in subsidiaries		
KRBL DMCC	217	217
[1,800 equity shares of AED 1,000 each, (31 March 2021 - 1,800 equity shares)]		
K B Exports Private Limited	210	210
[2,100,000 equity shares of ₹10 each, (31 March 2021 - 2,100,000 equity shares)]		
	427	427
Aggregate amount of unquoted investments	427	427
Aggregate amount of impairment in the value of investments	-	-

8 Loans

Non-current

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured- considered good unless otherwise stated)		
Loan to employees ¹	4	23
	4	23

Notes:

1. Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

9 Other financial assets

Non-current

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured- considered good unless otherwise stated)		
Security deposits ¹	442	1,028
Fixed deposits ²	23	32
	465	1,060

Notes:

- The present value of the deposits given to the company in which director of Company is a member: KRBL Infrastructure Limited (refer note 47)
- Liened as security issued to the various government authorities and other parties of ₹23 lacs (31 March 2021: ₹32 lacs).

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

10 Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured- considered good unless otherwise stated)		
Capital advances	3	7
Advances other than capital advances		
- Balance with statutory authorities (including taxes/duty paid under protest)	21,088	24,398
- Deposits with statutory authorities (Refer note 48A)	1,113	1,113
- Pre-payments	62	44
	22,266	25,562

11 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials	87,317	93,659
Finished goods ¹	1,81,346	1,91,400
Stock-in-trade	472	761
Packing material, consumables and others	10,864	8,997
Stores and spares	1,611	1,604
	2,81,610	2,96,421

Notes:

- Includes goods in transit of ₹15,160 lacs (31 March 2021: ₹11,066 lacs).
- Refer note 31, 32 and 33 for consumption of inventory recorded by the Company during the year.
- The Company has recorded few class of finished goods at the net realisable value ('NRV'), as their realisable value is lower than the cost of production. The total NRV adjustments made in the value of such product ₹2,596 lacs (31 March 2021: ₹7,595 lacs). This was recognized as an expense during the year and included in 'changes in inventories of finished goods and stock-in-trade' in the Statement of Profit and Loss.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

12 Investments

Current

Particulars	As at 31 March 2022	As at 31 March 2021
Investment carried at fair value through profit or loss		
Investments in equity instruments - quoted, fully paid-up		
NHPC Limited	245	216
[882,712 equity shares of ₹10 each, (31 March 2021 - 882,712 equity shares)]		
Coal India Limited	140	100
[76,437 equity shares of ₹10 each, (31 March 2021 - 76,437 equity shares)]		
Power Grid Corporation of India Limited	311	232
[143,556 equity shares of ₹10 each, (31 March 2021 - 107,667 equity shares)]		
Shipping Corporation of India Limited	279	268
[242,265 equity shares of ₹10 each, (31 March 2021 - 242,265 equity shares)]		
MOIL Limited	50	57
[26,993 equity shares of ₹10 each, (31 March 2021 - 37,846 equity shares)]		
Suzlon Energy Limited	545	1,016
[5,945,643 equity shares of ₹2 each, (31 March 2021 - 20,408,000 equity shares)]		
Investments in Mutual Fund		
SBI Overnight Fund Direct Growth	509	-
[14,703 units (31 March 2021 - Nil units)]		
	2,079	1,889
Aggregate amount of quoted investments at cost	1,591	1,457
Aggregate amount of quoted investments at market value	2,079	1,889

13 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good ¹	28,934	20,129
	28,934	20,129
Note:		
1. Trade receivable due from the firms in which directors of Holding Company are partners: Khushi Ram Behari Lal (refer note 47)	24	-

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Trade receivables ageing schedule for the year ended 31 March 2022

Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 Years	More than 3 years ¹	Total
Considered good							
- Un- disputed trade receivables	16,043	9,058	1,998	1,146	465	224	28,934
- Disputed trade receivables	-	-	-	-	-	-	-
	16,043	9,058	1,998	1,146	465	224	28,934

Note:

1. Refer Note 29 for the increase in trade receivables for more than 3 years as the Company has recognised the revenue in the current year basis the certainty.

Trade receivables ageing schedule for the year ended 31 March 2021

Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 Years	More than 3 years ¹	Total
Considered good							
- Un- disputed trade receivables	13,424	4,209	1,119	992	327	58	20,129
- Disputed trade receivables	-	-	-	-	-	-	-
	13,424	4,209	1,119	992	327	58	20,129

14 Cash and cash equivalents¹

Particulars	As at 31 March 2022	As at 31 March 2021
Balance with banks in current accounts	18,567	15,830
Cash in hand	40	43
	18,607	15,873

Note :

1. There is no restriction in repatriation of cash and cash equivalents.

15 Other bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
CSR- Unspent on ongoing project (refer note 42)	1,130	-
Unclaimed dividends- earmarked balances with banks ¹	48	48
Deposits with original maturity more than 3 months and less than 12 months ²	19,251	185
	20,429	233

Notes :

- These balances are not available for use by the Company and not due for deposit in the Investor Education and Protection Fund.
- As at 31 March 2022, the deposits of ₹219 lacs (31 March 2021: ₹185 lacs) are restricted as they are held as margin money deposits against the facilities extended to the Company by bank.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

16 Loans

Current

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured, considered good unless otherwise stated)		
Loan to employees ¹	9	30
	9	30

Note :

1. Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

17 Other financial assets

Current

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured- considered good unless otherwise stated)		
Security deposits ¹	790	1,107
Income receivable	912	798
Subsidies receivable ²	540	60
Derivative assets	98	101
Other receivable	86	834
	2,426	2,900

Notes:

1. The present value of the deposits given to the company in which director of Company is a member. KRBL Infrastructure Limited (refer note 47)
2. The Company has subsidy receivable of ₹475 lacs (31 March 2021: ₹Nil) towards Remission Of Duties and Taxes on Exported Products ('RODTEP') and ₹65 lacs (31 March 2021: ₹60 lacs) towards Generation Based Incentive ('GBI') scheme. Further, it has complied with all the conditions attached to the grant and the receivables is reasonably assured that the grants will be received.

18 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured- considered good unless otherwise stated)		
Balance with statutory authorities	159	77
Advances to suppliers	2,148	1,387
Pre-payments	2,945	1,449
Other receivables	57	80
	5,309	2,993

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

19 Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
300,000,000 (31 March 2021 - 300,000,000) equity shares of ₹1 each	3,000	3,000
	3,000	3,000
Issued and subscribed¹		
236,244,892 (31 March 2021 - 236,244,892) equity shares of ₹1 each	2,362	2,362
	2,362	2,362
Fully paid-up¹		
235,389,892 (31 March 2021 - 235,389,892) equity shares of ₹1 each	2,354	2,354
	2,354	2,354

Note

1. Difference between the issued and subscribed and paid up share capital represents the shares forfeited by the Company in the preceding previous years.

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning of the year	23,53,89,892	2,354	23,53,89,892	2,354
Changes during the year	-	-	-	-
Equity shares at the end of the year	23,53,89,892	2,354	23,53,89,892	2,354

b) Terms/ rights attached to ordinary equity shares

The Company has only one class of equity shares having a face value of ₹1 per share. Each holder of equity shares is entitled to have one vote per share.

The board of directors of the Company in their meeting held on 27 May 2022 has recommended a final dividend @ 350% i.e. ₹3.50 per equity share of face value of ₹1/- each (31 March 2021: ₹3.50 per share). The same shall be paid subject to the approval of shareholders in ensuing annual general meeting of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
1 Anil Mittal Family Trust	4,33,17,296	18.40%	4,30,49,796	18.29%
2 Arun Kumar Gupta Family Trust	4,20,65,146	17.87%	4,17,97,646	17.76%
3 Anoop Kumar Gupta Family Trust	3,88,49,338	16.50%	3,88,49,338	16.50%
4 Reliance Commodities DMCC	2,29,00,000	9.73%	2,29,00,000	9.73%
5 Joint Director of Enforcement, Central region [refer note 48(A)(4)]	1,43,33,221	6.09%	1,43,33,221	6.09%

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

d) Shares held by the promoters:

Name of the Promoters	As at 31 March 2022			As at 31 March 2021		
	No. of shares held	% of total shares	% of change	No. of shares held	% of total shares	% of change
Anil Mittal Family Trust	4,33,17,296	18.40%	0.11%	4,30,49,796	18.29%	-
Arun Kumar Gupta Family Trust	4,20,65,146	17.87%	0.11%	4,17,97,646	17.76%	-
Anoop Kumar Gupta Family Trust	3,88,49,338	16.50%	-	3,88,49,338	16.50%	-
Binita Gupta Family Trust	7,71,432	0.33%	0.11%	5,03,932	0.21%	-
Anil Kumar Mittal, Karta of Anil Kumar Mittal HUF	35,99,900	1.53%	-	35,99,900	1.53%	-
Arun Kumar Gupta, Karta of Arun Kumar Gupta HUF	48,49,900	2.06%	-	48,49,900	2.06%	-
Anoop Kumar Gupta, Karta of Anoop Kumar Gupta HUF	72,99,900	3.10%	-	72,99,900	3.10%	-
Anil Kumar Mittal	100	0.00%	-	100	0.00%	-
Arun Kumar Gupta	100	0.00%	-	100	0.00%	-
Anoop Kumar Gupta	100	0.00%	-	100	0.00%	-
Priyanka Mittal	100	0.00%	-	100	0.00%	-
Ashish Mittal	100	0.00%	-	100	0.00%	-
Kunal Gupta	184	0.00%	0.01%	100	0.00%	-
Akshay Gupta	100	0.00%	-	100	0.00%	-
Ayush Gupta	100	0.00%	-	100	0.00%	-
Preeti Mittal	100	0.00%	-	100	0.00%	-
Anulika Gupta	100	0.00%	-	100	0.00%	-
Binita Gupta	100	0.00%	-	100	0.00%	-
Neha Gupta	100	0.00%	-	100	0.00%	-
Rashi Gupta	100	0.00%	-	100	0.00%	-
	14,07,54,296	59.80%	0.34%	13,99,51,712	59.46%	-

e) Shares reserved for issue under option

The Company has not reserved any shares for issuance under options.

f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

No bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

20 Other equity¹

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Retained earnings	3,34,595	2,96,744
(ii) General reserve	59,550	59,550
(iii) Securities premium reserve	9,655	9,655
(iv) Capital reserve	82	82
(v) Capital redemption reserve	77	77
(vi) Cash flow hedge reserve	7	54
	4,03,966	3,66,162

Note :

1. Refer Standalone Statement of Changes in Equity for the movement in equity.

Description and purpose of reserves:

(i) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(ii) General reserve

The Company has transferred a portion of the net profit of the Company to general reserve from time to time and it is not the item of other comprehensive income. Also the Company has earlier forfeited the partly paid equity shares with the requisite approvals. The amount originally received against forfeited shares is also included in the general reserve.

(iii) Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in securities premium reserve.

(iv) Capital reserve

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

(v) Capital redemption reserve

The Company has recognised capital redemption reserve on buyback of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back.

(vi) Cash flow hedge reserve

The cash flow reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

21 Borrowings

Non-current

Particulars	As at 31 March 2022	As at 31 March 2021
Secured term loan from banks (refer note below)	587	1,941
Rupees loan	587	1,941
Less: Current maturities of non-current borrowings (refer note 24)	587	1,344
	-	597

A Details of security of non-current borrowings

The Company has executed deed of hypothecation in favour of SBICAP Trustee Company Limited (acting as Security Trustee) and created mortgage on its movable and immovable properties located at various locations vide memorandum of entries for an amount of ₹931 lacs (31 March 2021 : ₹18,405 lacs) in the form of term loan facilities taken from State Bank of India under consortium. The same is secured by first pari-passu charge on all movable and immovable fixed assets of the Company, both present and future (except immovable fixed assets situated at Maharashtra and Madhya Pradesh for which the Company has executed the Non Disposable Undertaking) and second pari-passu charge on all current assets including but not limited to stock of raw materials, semi-finished and finished goods, consumable stores and spares, bills receivables and book debts and all other movables of whatsoever nature and where ever arising, both present and future of the Company.

B Details of repayment of non-current borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Rupee term loan from State Bank of India of ₹9,408 lacs, interest to be paid on monthly basis at 10 bps above 3 Months MCLR subject to quarterly reset i.e 6.75% p.a (31 March 2021: 3 Months MCLR subject to quarterly reset i.e 6.75% p.a) and repayable in 28 quarterly instalments of ₹336 lacs each, starting from December 2015.	587	1,941
	587	1,941

22 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current provision for employee benefits		
Provision for compensated absences (refer note 41C)	925	874
	925	874

23 Deferred tax liabilities (net)¹

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities		
Property, plant and equipment and intangible assets	13,688	14,314
Right to use assets	1,271	1,473
	14,959	15,787
Deferred tax assets		
Lease liabilities	(1,404)	(1,548)
Provision for employee benefit expenses	(277)	(262)
Others	(263)	(168)
	(1,944)	(1,978)
	13,015	13,809

Note:

1. Refer note 40C for the movement in deferred tax.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

24 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Secured		
Working capital facilities from bank		
- Rupees Loan (refer note B (i) and (ii) below)	-	19,500
Current maturities of non-current borrowings (refer note 21)	587	1,344
	587	20,844
Unsecured		
Loans from related parties (refer note C below)	8,351	9,337
	8,351	9,337
	8,938	30,181

A. Details of security of current borrowings

- The Company has executed deed of hypothecation in favour of SBICAP Trustee Company Limited (acting as Security Trustee) and created mortgage on its movable and immovable properties located at various locations vide memorandum of entries for an amount of ₹155,500 lacs (31 March 2021 : ₹175,400 lacs) in the form of loan and other facilities sanctioned by banks under consortium. The same is secured by first pari-passu charge on all current assets including but not limited to stock of raw materials, semi-finished and finished goods, consumable stores and spares, bills receivables and book debts and all other movables of whatsoever nature and where ever arising, both present and future and second pari-passu charge on all movable and immovable fixed assets of the Company, both present and future (except immovable fixed assets situated at Maharashtra and Madhya Pradesh for which the Company has executed the Non Disposable Undertaking) of the Company.

Further, the current borrowings of the Company are also secured vide the personal guarantees of Mr Anil Kumar Mittal, Mr Arun Kumar Gupta, Mr Anoop Kumar Gupta and Mr. Ashish Mittal (the liability of Mr. Ashish Mittal shall be limited only to the extent of the immovable properties mortgaged by him in favour of the security trustee for the benefit of working capital lenders).

- During the year ended 31 March 2020, the Company has created subservient charge by way of hypothecation in favour of HDFC Bank Limited and created mortgage on its movable and immovable properties located at various locations for an amount of ₹20,000 lacs. The same now stands submerged with the overall working capital facilities of ₹155,500 lacs as mentioned above and as sanctioned inter-alia by HDFC Bank Limited under consortium.

B. Details of repayment of the current borrowings

Secured:

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Short-term working capital loan from banks		
The Company has obtained short-term working capital loan from consortium banks. The facilities carries interest at repo rate / MCLR along with spread (i.e 4.20% p.a to 7.85% p.a) of respective banks.	-	9,500
(ii) Export Packing Credit Facility - Rupee loan		
The Company has obtained Export Packing Credit Facility from consortium banks and is repayable after the stipulated period. The facilities carries interest at T- bills along with spread (i.e 4.00% p.a to 4.22% p.a) of respective banks.	-	10,000

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

C. Unsecured:

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Loans from related parties		
The Company has obtained loans from directors which are interest free and repayable on demand. (Refer Note 46)	8,351	9,337

25 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding due of micro enterprises and small enterprises	1,198	698
Total outstanding due of creditors other than micro enterprises and small enterprises		
Trade payables	6,373	8,948
Acceptances	10,486	12,290
	18,057	21,936

A. Detail of dues to micro, small and medium enterprises as defined under the Micro, Small And Medium Enterprises Development Act, 2006 ('MSMED Act, 2006'), to the extent the Company has received intimation from the 'Supplier' regarding their status under the MSMED Act, 2006

Particulars	As at 31 March 2022	As at 31 March 2021
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year		
Principal amount remaining unpaid ¹ , and	1,198	698
Interest accrued and remaining unpaid	-	-
(ii) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
	1,198	698

1. According to the records of the Company, there are no overdue principal amount/interest payable for delayed payment to such vendors at the balance sheet date. the amount payable to Micro and Small enterprises does not include any amount due for period more than the stipulated time prescribed under the MSMED Act, 2006.

Trade payables ageing schedule for the year ended 31 March 2022

Particulars	Not due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Un-disputed						
- Total outstanding due of micro enterprises and small enterprises	1,198	-	-	-	-	1,198
- Total outstanding due of creditors other than micro enterprises and small enterprises	16,261	468	32	83	15	16,859
Total	17,459	468	32	83	15	18,057

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Trade payables ageing schedule for the year ended 31 March 2021

Particulars	Not due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Un-disputed						
- Total outstanding due of micro enterprises and small enterprises	698	-	-	-	-	698
- Total outstanding due of creditors other than micro enterprises and small enterprises	17,182	3,617	333	45	61	21,238
Total	17,880	3,617	333	45	61	21,936

26 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	121	76
Employees related payables	1,092	981
Expenses payable ¹	15,127	14,305
Security deposits	29	35
Unclaimed dividend ²	48	48
	16,417	15,445

Note :

1. This included the provision for CSR on ongoing project. (Refer note 42).
2. The amount is not due for transfer to Investor Education and Protection Fund.

27 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advance from customer (refer note 39D)	2,850	1,930
Statutory dues payable	1,163	758
	4,013	2,688

28 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Current provision for employee benefits		
Provision for gratuity (refer note 41B)	100	251
Provision for compensated absences (refer note 41C)	178	168
	278	419

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

29 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Revenue from sale of finished goods		
Export	1,44,297	1,89,667
Domestic	2,63,542	1,98,187
B. Revenue from sale of stock in trade		
Domestic	719	1,084
C. Sale of electricity		
Export ¹	-	12
Domestic ²	11,044	9,170
D. Other operating revenue		
Income from subsidies ³	900	69
Liquidated damages received ⁴	32	45
Scrap sales	522	954
	4,21,056	3,99,188

Notes:

- It includes the sale of certified emission reduction certificates.
- During the year ended 31 March 2022, the Company has recognised revenue of ₹778 lacs pertaining to previous years 2019 till 2021, related to the energy supplied from wind mill to the Andhra Pradesh ('DISCOM'). During the previous period, the Company had not recognised the said revenue due to the uncertainty of recoverability of the amount as DISCOM had disputed the rate at which power purchased agreement ('PPA') was signed and was paying the Company at the lower rate. However, in current year, the Hon'ble High Court, Andhra Pradesh, vide its order dated 15 March 2022 issued a directive to DISCOM to pay the amount for each unit of energy supplied by the Company as per the rates mentioned in the PPA. Accordingly, the Company has now recognised revenue at the contractually agreed rate.
- It includes GBI of ₹78 lacs (31 March 2021: ₹69 lacs) and income from RODTEP of ₹822 lacs (31 March 2021: ₹Nil). The Company has complied all the attached condition.
- Liquidated damages received by the Company from its vendor for non execution of contract terms.
- Refer note 39, for disaggregation of revenue from operations and other disclosures.

30 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income		
Interest income on financial assets carried at amortised cost	283	443
Other	194	-
Dividend income	54	41
Other non-operating income		
Rental income ¹	88	31
Net gain on redemption and fair valuation of investments through profit and loss ²	1,732	1,046
Net gain on foreign currency transaction and translation	1,220	165
Net gain on sale of property, plant and equipment	42	-
Liabilities/provisions no longer required written back	470	67
Gain on modification/termination of lease	6	86
Other	157	364
	4,246	2,243

Notes:

- This includes rental income derived from investment property for ₹85 lacs (refer note 5).
- This includes net gain on fair value changes for ₹426 lacs (31 March 2021: ₹805 lacs). Refer note 12 for details of investments classified at fair value through profit or loss.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

31 Cost of materials consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Paddy	1,95,868	1,98,412
Semi finished rice	81,228	1,00,020
Packing and other consumables	18,185	16,083
Amount of opening stock-in-trade used as raw material for production (refer note 33C)	401	-
	2,95,682	3,14,515

32 Purchase of stock-in-trade

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Seeds	553	681
	553	681

33 Changes in inventories of finished goods and stock-in-trade

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Opening stock		
Finished goods	1,91,400	1,52,043
Stock-in-trade	761	818
	1,92,161	1,52,861
B. Closing stock		
Finished goods	1,81,346	1,91,400
Stock-in-trade	472	761
	1,81,818	1,92,161
C. Amount of opening stock-in-trade used as raw material (refer note 31)	(401)	-
	9,942	(39,300)

34 Employee benefits expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries wages and bonus	9,066	7,989
Contribution to provident and other funds (refer note 41A and 41D)	567	500
Gratuity (refer note 41B)	217	185
Staff welfare expenses	288	173
	10,138	8,847

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

35 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on:-		
- Term loans	96	194
- Cash credit/working capital facility	632	1,528
- Lease liabilities	505	557
Other borrowing costs	107	80
	1,340	2,359

36 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment (Refer Note 3)	6,252	6,102
Depreciation on investment property (Refer Note 5)	17	-
Depreciation on right-of-use assets (Refer Note 4)	1,125	1,065
Amortisation on intangible assets (Refer Note 6)	23	23
	7,417	7,190

37 Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Power and fuel	1,800	1,819
Consumption of stores and spares	1,240	1,058
Repairs and maintenance:-		
- Machinery	3,054	2,769
- Buildings	344	364
- Others	89	69
Fumigation	699	571
Freight inward	1,872	1,567
Travelling and conveyance	470	277
Communication expense	73	62
Rent	312	102
Legal and professional expense (refer note A)	709	846
Fees, rates and taxes	1,431	1,044
Vehicle running and maintenance	221	193
Insurance	1,058	898
Printing and stationery	113	95
Testing and inspection	458	533

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Donation and charity	67	39
Clearing, forwarding and freight charges	15,404	11,429
Sales and business promotion	207	382
Advertisement	4,751	4,024
Meeting and seminar expense	18	12
Commission and brokerage	1,289	915
Corporate social responsibility expenses (refer note 42)	1,491	1,451
Security service charges	346	327
Sub-contractual expense	300	548
Balances written off	21	245
Net loss on sale of property, plant and equipment	-	14
Miscellaneous expenses	616	412
	38,453	32,065

A. Auditors' remuneration (excluding Goods and services tax)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory audit (including fees for limited reviews and certifications)	63	47
Tax audit	5	4
Reimbursement of expenses	-	-
	68	51

B. Research and development expenditure

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue expenditure	553	526

38 Earnings per share

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity shareholders	46,004	56,029
Numbers of weighted average equity share outstanding at the year end for basic and diluted	23,53,89,892	23,53,89,892
Nominal value per share in ₹	1.00	1.00
Basic / Diluted earnings per share in ₹	19.54	23.80

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

39 Disaggregation of revenue from operations

A. Revenues by Geography

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rice and other related products		
- within India	2,64,261	1,99,271
- outside India	1,44,297	1,89,667
	4,08,558	3,88,938
Electricity		
- within India	11,044	9,170
- other than India	-	12
	11,044	9,182
Income from subsidies and others	932	114
	932	114
Sale of scrap		
- within India	522	954
	522	954

B. Revenues by offerings

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of goods		
- Rice	3,83,972	3,68,930
- Seeds	719	1,084
- Quinoa and others	1,428	1,610
By products		
- Furfural Alcohol	3,635	1,629
- Bran Oil	10,849	7,904
- Furfural oil	1,312	821
- De-oiled cake	4,180	3,824
- Glucose	287	190
- Others	2,176	2,946
	4,08,558	3,88,938
Sale of electricity	11,044	9,182
Sale of scrap	522	954
Income from subsidies and others	932	114

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

C. Reconciliation of revenue from sale of products with the contracted price

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contracted price	4,33,162	4,09,775
Less: Trade discounts, volume rebates, etc	12,106	10,587
Sale of revenue from Operations	4,21,056	3,99,188

D. Contract balances

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
- Contract assets ¹	912	798
- Contract liabilities ²	2,850	1,930

Notes

- The contract assets are in form of receivables, which are included in income receivable, primarily relate to the Company rights to consideration for power sold to the customers but not billed at the reporting date. The contract assets are transferred to receivables when it will be billed subsequently.
- The contract liabilities are in form advance received from customer for which the obligation of supply of goods/service is not completed at the year end.

E. Movement in contract assets and contract liabilities

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance of contract liabilities	1,930	1,328
Addition in balance of contract liabilities for current year	2,850	1,930
Amount of revenue recognised against opening contract liabilities	1,930	1,328
Closing balance of contract liabilities	2,850	1,930
Opening balance of contract assets	798	1,134
Addition in balance of contract assets for current year	912	798
Amount of billing recognised against opening contract assets	798	1,134
Closing balance of contract assets	912	798

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

40 Income tax

A. Reconciliation of effective tax rate

	For the year ended 31 March 2022	For the year ended 31 March 2021
Enacted income tax rate applicable to the Company	25.17%	25.17%
Profit before tax	61,777	75,074
Expected tax expenses	15,549	18,895
Tax effect of:		
Non deductible expenses (net)	393	382
Tax for earlier years	-	(27)
Non taxable income	(139)	(203)
Others	(30)	(2)
Total income tax expense in the Statement of Profit and Loss	15,773	19,045

B. The major components of income tax expense for the period end are:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Statement of Profit and Loss		
Current income tax		
Current tax	16,567	19,824
Deferred tax	(794)	(779)
	15,773	19,045

Other comprehensive income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Tax expense on the items recognised in other comprehensive income during the year		
Remeasurement of defined benefit plans	(31)	18
Loss/(Profit) on cash flow hedge reserve	17	(244)
	(14)	(226)

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

C. Movement of temporary differences

I Particular	Balance as at 1 April 2021	Recognised in Statement of Profit and Loss during the year	Balance as at 31 March 2022
Deferred tax liabilities			
Property, plant and equipment and intangible assets	14,314	(626)	13,688
Right to use assets	1,473	(202)	1,271
Deferred tax assets			
Lease liabilities	(1,548)	144	(1,404)
Provision for employee benefit expenses	(262)	(15)	(277)
Others	(168)	(95)	(263)
	13,809	(794)	13,015

II Particular	Balance as at 1 April 2020	Recognised in Statement of Profit and Loss during the year	Balance as at 31 March 2021
Deferred tax liabilities			
Property, plant and equipment and intangible assets	14,952	(638)	14,314
Right of use assets	1,883	(410)	1,473
Deferred tax assets			
Lease liabilities	(1,908)	360	(1,548)
Provision for employee benefit expenses	(220)	(42)	(262)
Others	(119)	(49)	(168)
	14,588	(779)	13,809

D. The Company does not have any carry forward losses as at year end.

41 Employee benefit obligations

A. Defined contribution plans

Particulars	As at 31 March 2022	As at 31 March 2021
Employer's contribution to provident fund	483	415
	483	415

B. Defined benefit plans

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the ascertained liability to Kotak Mahindra Life Insurance Company Limited with whom the plan assets are maintained.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Policy for recognizing actuarial gains and losses:

Actuarial gains and losses of defined benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognized in other comprehensive income. Risks associated with the plan provisions are actuarial risks. These risk are investment risk, interest rate risk, mortality risk and salary risk.

Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The following table sets out the funded status and the amount recognised in the Company's financial statements:

Particulars	As at 31 March 2022	As at 31 March 2021
a. Amounts to be recognised		
Present value of obligation	(1,945)	(1,858)
Fair value of plan assets	1,845	1,607
Net (liability) recognised	(100)	(251)
Current liability	(100)	(251)
Non- current liability	-	-
b. Changes in present value of defined benefit obligation:		
Defined benefit at the beginning of the year	1,858	1,519
Current service cost	200	161
Interest cost	128	104
Remeasurement actuarial (gain)/loss		
-due to change demographic assumptions	(1)	19
-due to change financial assumptions	(86)	172
-due to change experience	(42)	(36)
Benefits paid	(112)	(81)
Defined benefit obligation at the end of the year	1,945	1,858
c. Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	1,607	1,166
Expected return on plan assets	111	80
Contributions made	251	353
Benefits paid	(112)	(81)
Return on plan assets, excluding interest income	(12)	89
Fair value of plan assets at the end of the year	1,845	1,607

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
d. Expenses recognized in Statement of profit and loss (refer note 34)		
Current service cost	200	161
Interest expense (net)	17	24
Expense for the year ended	217	185
e. Recognized in other comprehensive income		
Remeasurements-actuarial gain/loss on obligation for the period	(129)	155
Return on plan assets, excluding interest income	12	(89)
Net income at the end of the period	(117)	66
f. Actuarial assumptions		
Discount rate	7.31%	6.93%
Expected rate of return on plan assets	7.31%	6.93%
Expected rate of increase in compensation levels	7.00%	7.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (06-08)
Retirement Age	60 Years	60 Years
Attrition / Withdrawal rates	2%	2%
g. Investment details		
Insurance Fund	1,845	1,607
h. The Company expects to contribute ₹305 lacs to gratuity fund in the next financial year.		

i. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate		
1% increase	(202)	(201)
1% decrease	241	242
Future salary increase		
1% increase	224	225
1% decrease	(193)	(193)
Employee turnover rate		
1% increase	9	1
1% decrease	11	(1)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant and may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of another as some of the assumption may be correlated.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the balance sheet date, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

j. Maturity profile of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Within next 12 months	176	171
Between 1-5 years	285	243
Beyond 5 years	5,070	4,770

C. Other long term benefit plans

Other long-term benefit plans represents the compensated absences provided to the employees of the Company.

a. Amounts to be recognised

Particulars	As at 31 March 2022	As at 31 March 2021
Current liability	178	168
Non-current liability	925	874

b. Changes in present value of other long term benefit plans:

Particulars	As at 31 March 2022	As at 31 March 2021
Defined Benefit at the beginning of the year	1,042	873
Current Service Cost	95	75
Interest Cost	72	60
Remeasurement actuarial (gain)/loss		
-due to change demographic assumptions	1	9
-due to change financial assumptions	(44)	92
-due to change experience	68	37
Benefits paid	(131)	(104)
Defined benefit obligation at the end of the year	1,103	1,042

c. Expenses recognised in Statement of Profit and Loss

Particulars	As at 31 March 2022	As at 31 March 2021
Current Service Cost	95	75
Interest Cost	72	60
Remeasurement actuarial loss	25	137
Expense for the year ended	192	272

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

d. Actuarial valuation has been done with the following assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	7.31%	6.93%
Expected rate of return on plan assets	NA	NA
Expected rate of increase in compensation levels	7.00%	7.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (06- 08)
Attrition / Withdrawal rates	2%	2%

D. Employer's contribution to employee state insurance corporation

84 85

42 Corporate social responsibility ("CSR")

In accordance with the provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Basis the recommendation of CSR committee, the board of directors of the Company had approved and paid ₹308 lacs towards promoting education, healthcare and hunger eradication (31 March 2021: ₹180 lacs).

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Total CSR spent during the year	308	180
Accrual towards unspent obligation in relation to		
Ongoing project	1,314	1,271
Other than ongoing project	-	-
Total	1,622	1,451
Less: Excess spent during the year to be carry forward to financial year 2022-23*	131	-
Amount recognised in Statement of Profit and Loss	1,491	1,451
Gross amount required to be spent during the year	1,491	1,451
Amount approved by the board to be spent during the year	1,491	1,451
Amount spent during the year on		
(i) Construction / Acquisition of any asset	-	11
(ii) On purpose other than (i) above	308	169
Total amount spent	308	180
Amount yet to be spent on ongoing project	1,314	1,271
Total	1,622	1,451
Less: Excess spent during the year to be carry forward to financial year 2022-23*	131	-
Total	1,491	1,451

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Details of ongoing CSR projects under Section 135(6) of the Act

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening Balance at the beginning of the year		
With the Company	1,271	-
In Separate CSR Unspent account	-	-
Amount deposited in specified fund of Schedule VII	-	-
Amount accrued as provision during the year	1,491	1,451
Amount transfer to separate unspent CSR Account	1,271	-
Amount spent during the year		
From Company's bank account	308	180
From Separate CSR unspent account	141	-
Closing Balance at the end of the year		
With the Company*	1,183	1,271
In Separate CSR Unspent account	1,130	-
Total	2,313	1,271

* This amount was remitted to KRBL Foundation and Annamrita Foundation during the period for the purpose of above-mentioned CSR projects. Subsequently, in the month of April 2022, this amount has been deposited to the Unspent CSR A/c, held in the name of the Company.

Particulars	For the year ended 31 March 2022
Details of CSR expenditure under Section 135(5) of the Act in respect of unspent amount other than ongoing projects:	
Balance unspent as at 1 April 2021	-
Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	-
Amount required to be spent during the year	308
Amount spent during the year	308
Balance unspent as at 31 March 2022	-
Details of excess CSR expenditure under Section 135(5) of the Act	
Balance excess spent as at 1 April 2021	-
Amount required to be spent during the year	1,491
Amount spent during the year	1,622
Balance excess spent as at 31 March 2022	131

43 Capital management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

The Company monitors capital using a ratio of "Net Debt" to "Total Equity". For this purpose, Net Debt is defined as total borrowings less cash and cash equivalents. Total equity comprises of equity share capital and other equity.

During the year, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

The Company's net debt to total equity ratio is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current borrowings (refer note 21)	-	597
Current borrowings (refer note 24)	8,938	30,181
Less: Cash and cash equivalents ¹ (refer note 14)	(19,116)	(15,873)
Net debt	(10,178)	14,905
Equity share capital	2,354	2,354
Other equity	4,03,966	3,66,162
Total equity	4,06,320	3,68,516
Net debt to total equity ratio	(0.03)	0.04

Note:

1. It includes investment in mutual funds (refer note 12).

44 Dividends

Particulars	As at 31 March 2022	As at 31 March 2021
A. Dividend declared and paid during the year		
Final dividend for the financial year ended 31 March 2021 ₹3.50 per share (For the year ended 31 March 2020 : ₹Nil per share)	8,239	-
B. Proposed dividends on equity shares not recognised as liability		
Final dividend recommended by the board of directors for the year ended 31 March 2022 ₹3.50 per share of ₹1 each (31 March 2021: ₹3.50 per share) subject to approval of shareholders in the ensuing annual general meeting.	8,239	8,239
C. Remittance in foreign currency on account of dividend		
Number of shareholders to whom final dividend for the financial year 2020-21 remitted in foreign currency	3	NA
Number of equity shares held by the shareholders to whom final dividend for the financial year 2020-21 remitted in foreign currency.	2,40,00,000	NA
Amount of dividend paid (₹ in lacs)	8,40,00,000	-
Year to which the dividend relates	2020-21	NA

Note: Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as liability as at reporting date.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

45 Financial instruments

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Company presently does not make significant investments in equity shares, except for entities where it exercises control or joint control or significant influence.

A Disclosure in respect of financial risk management

1. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments, cash and cash equivalents, deposits and security deposits.

Credit risk management:

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The long aged trade receivables, mainly comprise of receivables from DISCOM companies and as per past experience, there has been no credit loss on account of customer's inability to pay as the revenue is agreement driven and all the customers are government companies. Thus, the Company's historical experience of collecting receivables, supported by the level of default indicate a low credit risk and so trade receivables are considered to be a single class of financial assets. On the basis of the above assessment, the Company identified and written off an amount of ₹21 lacs of trade receivable balances, which were subject to dispute and will not be realisable at the reporting date.

Other financial assets

Further, credit risk in respect of other receivables and loans, mainly comprise of security deposit, unbilled revenue, cash and bank equivalents and interest accrued on deposits which are managed by the Company, by way of assessing financial condition and current economic trends. The Company considers the probability of default associated with the other receivable and loan is very low at the year respective year end and thus would not require any provision, except as disclosed below.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	As at 31 March 2022	As at 31 March 2021
Loans	13	53
Trade receivables	28,934	20,129
Other financial assets	2,253	3,799
Total	31,200	23,981

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Summary of the Company's exposure to credit risk by age of the outstanding from various customers/trade receivables is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Not past due	16,043	13,424
Past due 0-180 days	9,058	4,209
Past due 181 days-one year	1,998	1,119
Past due one year-two year	1,146	992
More than two year	689	385
Total	28,934	20,129
Loss allowance	-	-
	28,934	20,129

Reconciliation of loss allowance- Trade receivable

Particulars	As at 31 March 2022	As at 31 March 2021
Loss allowances in the beginning of the year	-	-
Loss allowance recognised during the year	-	-
Loss allowances actualised	-	-
Loss allowances at the close of the year	-	-

The following table gives details in respect of percentage of revenue generated from top customer:

Particulars	As at 31 March 2021
Top one customer having more than 10% of the total revenue	17.36%
No Customer is having more than 10% of the total revenue during 31 March 2022 (31 March 2021 - ₹69,300 lacs) pertaining to Agri Segment.	

2. Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

(i) Financing arrangements

The Holding Company had access to the following undrawn borrowing facilities at the end of reporting period.

Particulars	As at 31 March 2022	As at 31 March 2021
Fund based		
- Expiring with in one year (cash credit and other facilities)	1,57,500	1,38,000

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

(ii) Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

For the year ended 31 March 2022

Particulars	Carrying amount	On demand	6 months or less	6 months to 1 year	1-2 years	More than 2 years
Non-current borrowings	-	-	-	-	-	-
Current borrowings	587	-	587	-	-	-
Loan from related parties	8,351	8,351	-	-	-	-
Trade payables	18,057	-	18,057	-	-	-
Lease liabilities	5,579	-	338	189	448	4,604
Other financial liabilities	16,417	77	16,340	-	-	-

For the year ended 31 March 2021

Particulars	Carrying amount	On demand	6 months or less	6 months to 1 year	1-2 years	More than 2 years
Non-current borrowings	597	-	-	-	597	-
Current borrowings	20,844	19,500	672	672	-	-
Loan from related parties	9,337	9,337	-	-	-	-
Trade payables	21,936	-	21,936	-	-	-
Lease liabilities	6,152	-	411	417	476	4,848
Other financial liabilities	15,445	83	15,362	-	-	-

3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- interest rate risk;
- price risk; and
- currency risk

(i) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at year end, the Company has following borrowings:

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings	587	21,441

Interest rate sensitivity

A change of 100 bps in interest rates would have following impact on profit before tax/equity	As at 31 March 2022	As at 31 March 2021
100 bps increase- decrease in profits before tax/equity	3	107
100 bps decrease- increase in profits before tax/equity	3	107

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates (after considering repayments) were utilised for the whole financial year.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

(ii) Price risk

The Company is mainly exposed to the price risk due to its investment in equity shares. The price risk arises due to uncertainties about the future market values of these investments.

The table below summarises the impact of increases/decreases of the market value of shares on the Company's equity and profit for the year. The analysis is based on the assumption that the market value of equity shares has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Impact on profit before tax/equity	As at 31 March 2022	As at 31 March 2021
Share price increase by 5%	104	94
Share price decrease by 5%	(104)	(94)

(iii) Currency Risk

The Company operates internationally and consequently the Company is exposed to foreign exchange risk through its sales in overseas market. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows policies which includes the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

The Company has Outstanding Forward contracts and options of USD 68.60 Mio (P.Y. USD 42.00 Mio).

Foreign currency exposure recognized by the Company that have not been hedged by a derivative instrument are as under:¹

Particulars	₹ in lacs	USD in lacs	EURO in lacs
	31 March 2022	31 March 2021	31 March 2022
Financial assets			
Trade receivables	5,402	4,727	56
Cash and cash equivalents	16,238	15,368	214
Other Receivable	86	834	6
Security Deposits	-	1,097	-
Advance to supplier	5	-	0
Financial liabilities			
Trade payables	8	605	0
Advance from customers	2,530	1,793	14

Foreign currency risk sensitivity:

A change of 5% in foreign currency would have following impact on profit before tax/Other equity

Particulars	USD
	5% increase
	5% decrease
31-03-2022 (₹ in lacs) ¹	224
31-03-2021 (₹ in lacs) ¹	167

1. The foreign currency exposure for currencies other than USD and EURO is immaterial to the Company.

Foreign currency risk

The Company has designated certain forward contracts and borrowings as eligible hedging instruments for hedge of foreign currency forecast sales. Pursuant to this, the effective portion of change in value of the hedging instruments has been recognised in 'cash flow hedge reserve' in other comprehensive income. Such amount is reclassified to profit or loss as and when the forecast transaction occurs or the hedges are no longer effective.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, AED, GBP and Euro. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company's policy is to hedge all material foreign exchange risk associated with highly probable forecast sales transactions denominated in foreign currencies. The Company's policy is to hedge the risk of changes in foreign currency. The Company uses combination of pre-shipment credit in foreign currency (PCFC) and forward contracts (derivative instruments) to hedge its exposure in foreign currency risk. The Company designate both change in spot and forward element of forward contracts and change in spot of PCFCs to hedge exposure in foreign currency risk on highly probable forecast sales.

Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position

For the year ended 31 March 2022									
Type of hedge and risks	Notional amount	Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	
		Assets	Liabilities						
Cash flow hedge									
Foreign currency risk									
(i) Forward Contracts and options	USD 430	(10.72)	-	May 2021 - Nov 2021	1:1	76.56	-	-	-

For the year ended 31 March 2021									
Type of hedge and risks	Notional amount	Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	
		Assets	Liabilities						
Cash flow hedge									
Foreign currency risk									
(i) Pre-shipment credit in foreign currency (PCFCs)		-	-		-	-	-	(434)	(433)
(ii) Forward Contracts and options	USD 420	(100.73)	-	April 2021 - May 2021	1:1	73.70	-	-	-

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

(b) Disclosure of effects of hedge accounting on financial performance

For the year ended 31 March 2022				
Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge				
Foreign currency risk				
(i) Forward contracts and options	420	-	420	Revenue

For the year ended 31 March 2021				
Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge				
Foreign currency risk				
(i) Pre-shipment credit in foreign currency (PCFCs)	433.63	-0.72	432.91	Revenue

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For PCFCs, hedge effectiveness is measured by comparing change in the discounted spot restatement of hypothetical derivative with change in the value of actual hedging instrument i.e. PCFC.

In hedges of foreign currency forecast sales, ineffectiveness mainly arises because of Change in timing of hedged item from that of the hedging instrument and cost of hedging. The ineffectiveness arising in the hedges have been disclosed in above table.

(c) Movements in cash flow hedging reserve

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance at the beginning of the year	(54)	624
Add: Changes in value of PCFCs/ Forward	(10)	(74)
Less: Amount reclassified to profit or loss	74	(848)
Less: Deferred tax relating to above (net)	(17)	244
Closing Balance at the end of the year	(7)	(54)

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

B Fair value disclosure

1. Fair value measurement of financial instruments [criteria for recognition of financial instrument is explained in note 2 (j)]

	31 March 2022			31 March 2021		
	FVTPL	FVOCI	Amortised cost ¹	FVTPL	FVOCI	Amortised cost ¹
Financial Assets						
Investments (other than in subsidiary) ²	2,079	-	-	1,889	-	-
Loans	-	-	13	-	-	53
Cash and cash equivalents	-	-	18,607	-	-	15,873
Other bank balances	-	-	20,429	-	-	233
Trade receivables	-	-	28,934	-	-	20,129
Other financial assets	-	98	2,793	-	101	3,859
Total	2,079	98	70,776	1,889	101	40,147
Financial liabilities						
Borrowings	-	-	8,938	-	-	30,778
Trade payables	-	-	18,057	-	-	21,936
Lease liabilities	-	-	5,579	-	-	6,152
Other financial liabilities	-	-	16,417	-	-	15,445
Total	-	-	48,991	-	-	74,311

- The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments.
Further, these instruments are valued at level 3 and their fair value are considered to be same as their carrying value, as there is an immaterial change in the lending rate.
- Investment in equity instrument in the subsidiary has been accounting at cost in accordance with Ind AS 27. Therefore, the same are not in the scope of Ind AS 109 and not disclosed here.

2. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation each level follows underneath the table.

Assets and liabilities measured at amortised cost, for which fair value are disclosed.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

There are no transfers among levels 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(A) Financial instruments valued at fair value through profit and loss and fair value through other comprehensive income

	31 March 2022		31 March 2021	
	Level 1	Level 2	Level 1	Level 2
Financial Assets				
Investments (other than in subsidiary)	2,079	-	1,889	-
Other Financial Assets	-	98	-	101
Total	2,079	98	1,889	101

(B) Financial instruments valued at amortised cost

	31 March 2022	31 March 2021
	Level 3	Level 3
Financial assets		
Loans	13	53
Cash and cash equivalents	18,607	15,873
Other bank balances	20,429	233
Trade receivables	28,934	20,129
Other financial assets	2,793	3,859
Total	70,776	40,147
Financial liabilities		
Borrowings	8,938	30,778
Trade payables	18,057	21,936
Lease liabilities	5,579	6,152
Other financial liabilities	16,417	15,445
Total	48,991	74,310

3. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include the use of discount cash flows for estimating fair value of loans to employees, security deposits and borrowings.

The carrying amounts of trade receivables, cash and cash equivalents, consignment debtors, interest accrued, other receivables, other bank balances, trade payables, employee payables and other current payables are considered to be the same as fair values, due to their short term nature.

The fair value for loans and security deposits were calculated based on cash flow discounted using a current lending rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of loans to employees and security deposits approximates the carrying amount.

The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of borrowings approximates the carrying amount.

The fair valuation of investments in quoted equity shares is based on the current bid price of respective investments as at the balance sheet date.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

46 Segmental Reporting

A Operating segments

Agri - Comprises of agricultural commodities such as rice, furfural, seed, bran, bran oil, etc.

Energy - Comprises of power generation from wind turbine, husk based power plant and solar power plant.

B Identification of segments

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

C Segment revenue and results [refer note 2(g)]

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure .

D Segment assets and liabilities

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

E Summary of Segmental Information

S. No.	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
1.	Segment revenue		
(a)	Agri	4,09,903	3,89,892
(b)	Energy	22,186	17,986
	Total segment revenue	4,32,089	4,07,878
	Inter segment revenue - Energy	(11,033)	(8,690)
	Net segment revenue	4,21,056	3,99,188
2.	Segment results		
(a)	Agri	55,942	72,333
(b)	Energy	7,834	5,513
	Total segment results (before finance costs and tax)	63,776	77,846
	Less: Finance costs	1,244	2,167
	Less: Other unallocable expenditures (net of unallocable incomes)	755	605
	Total Profit before tax and exceptional items	61,777	75,074
3.	Segment assets		
(a)	Agri	4,13,006	3,99,700
(b)	Energy	60,924	62,221
	Total segment assets	4,73,930	4,61,921
4.	Segment liabilities		
(a)	Agri	44,665	47,096
(b)	Energy	1,134	2,303
(c)	Unallocable	21,811	44,006
	Total segment liabilities	67,610	93,405

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

S. No.	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
5.	Depreciation and amortisation		
	Agri	4,137	3,944
	Energy	3,280	3,246
	Non-cash income/(expenditure) (other than depreciation and amortisation)		
	Unallocable	1,896	744
6.	Segment revenue - Geographical information:		
(a)	Agri		
	Within India	2,64,784	2,00,225
	Outside in India	1,45,119	1,89,667
	Sub-total (a)	4,09,903	3,89,892
(b)	Energy		
	With in India	22,186	17,974
	Outside in India	-	12
	Sub-total (b)	22,186	17,986
	Total (a)+(b)	4,32,089	4,07,878
	Inter-segment revenue - Energy	(11,033)	(8,690)
	Total	4,21,056	3,99,188

F Information about major customers

Refer Note 45 (credit risk)

G Information about major products

Refer note 39

47 Related party transactions

A Related parties and their relationships

(a) Subsidiaries

K B Exports Private Limited
KRBL DMCC, Dubai
KRBL LLC, a subsidiary of KRBL DMCC, Dubai

(b) Key Managerial Personnel's (KMPs):

Mr. Anil Kumar Mittal	Chairman & Managing Director
Mr. Arun Kumar Gupta	Joint Managing Director
Mr. Anoop Kumar Gupta	Joint Managing Director
Ms. Priyanka Mittal	Whole Time Director

(c) Additional related parties (KMPs) as per the Companies Act 2013 with whom transactions have taken place during the year :

Mr. Rakesh Mehrotra	Chief Financial Officer (upto 31 October 2021)
Mr. Ashish Jain	Chief Financial Officer (w.e.f 1 November 2021)
Mr. Raman Sapra	Company Secretary

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

(d) Independent Non-Executive Directors:

Mr. Vinod Ahuja
Mr. Ashwani Dua
Mr. Shyam Arora
Mr. Devendra Kumar Agarwal
Mr. Alok Sabharwal (upto 10 August 2021)
Ms. Priyanka Sardana

(e) Employee benefit plans where there is significant influence:

KRBL Limited Employees Group Gratuity Trust

(f) Relatives of Directors/KMPs*:

Mrs. Preeti Mittal	Wife of Mr. Anil Kumar Mittal
Mrs. Anulika Gupta	Wife of Mr. Arun Kumar Gupta
Mrs. Binita Gupta	Wife of Mr. Anoop Kumar Gupta
Mr. Ashish Mittal	Son of Mr. Anil Kumar Mittal
Mrs. Neha Singh	Daughter of Mr. Arun Kumar Gupta
Mr. Kunal Gupta	Son of Mr. Arun Kumar Gupta
Mrs. Rashmi Gupta	Daughter of Mr. Anoop Kumar Gupta
Mr. Akshay Gupta	Son of Mr. Anoop Kumar Gupta
Mr. Ayush Gupta	Son of Mr. Anoop Kumar Gupta
Anil Kumar Mittal HUF	Mr. Anil Kumar Mittal is Karta of Anil Kumar Mittal HUF
Arun Kumar Gupta HUF	Mr. Arun Kumar Gupta is Karta of Arun Kumar Gupta HUF
Anoop Kumar Gupta HUF	Mr. Anoop Kumar Gupta is Karta of Anoop Kumar Gupta HUF
Suraj Prakash Dua HUF	Ashwani Dua is Karta of Suraj Prakash Dua HUF

(g) Enterprises over which KMPs are able to exercise significant influence*:

Khushi Ram Behari Lal	Partnership firm in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are Partners.
Adwet Warehousing Private Limited	Private limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are directors.
KRBL Foods Limited	Public limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta and Mrs. Binita Gupta are directors.
KRBL Infrastructure Limited	Public limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta and Mrs. Binita Gupta are directors.
Holistic Farms Private Limited	Private limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are directors.
KRBL Foundation	Section 8 company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, are directors.

(h) Trust over which KMPs are able to exercise significant influence*:

Anil Mittal Family Trust	Trust in which Mr. Anil Kumar Mittal, Mrs. Anil Kumar Mittal, Mr. Ashish Mittal and Ms. Priyanka Mittal are beneficiaries.
Arun Kumar Gupta Family Trust	Trust in which Mr. Arun Kumar Gupta and Mr. Kunal Gupta are beneficiaries.
Anoop Kumar Gupta Family Trust	Trust in which Mr. Anoop Kumar Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are beneficiaries.
Binita Gupta Family Trust	Trust in which Mr. Anoop Kumar Gupta and Ms. Binita Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are beneficiaries.

* This includes only those parties with whom Company had related party transactions.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

B Transactions and balances with related parties

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Subsidiary Companies		Key Managerial Personnels (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
I. Transactions entered during the year								
i Purchase of goods¹								
Khushi Ram Behari Lal	1	2	-	-	-	-	-	-
ii Sale of goods¹								
Khushi Ram Behari Lal	1,058	975	-	-	-	-	-	-
iii Arrangement fees paid								
KRBL LLC	-	-	-	42	-	-	-	-
KRBL DMCC	-	-	19	14	-	-	-	-
iv Rent paid¹								
Mr. Anil Kumar Mittal	-	-	-	-	3	3	-	-
Mr. Arun Kumar Gupta	-	-	-	-	8	8	-	-
Mr. Anoop Kumar Gupta	-	-	-	-	8	8	-	-
KRBL Infrastructure Limited	316	314	-	-	-	-	-	-
KRBL Foods Limited	651	651	-	-	-	-	-	-
Adwet Warehousing Private Limited	204	155	-	-	-	-	-	-
Holistic Farms Private Limited	48	48	-	-	-	-	-	-
Suraj Prakash Dua HUF	-	-	-	-	-	-	59	-
Mrs. Anulika Gupta	-	-	-	-	-	-	16	16
Mrs. Binita Gupta	-	-	-	-	-	-	2	2
Mrs. Preeti Mittal	-	-	-	-	-	-	3	3
Mr. Ashish Mittal	-	-	-	-	-	-	18	18
Anoop Kumar Gupta HUF	-	-	-	-	-	-	14	14
v Expense incurred (on behalf of company by others)/by company for others								
Khushi Ram behari lal	-	0	-	-	-	-	-	-
KRBL LLC	-	-	-	-	-	-	-	-
KRBL DMCC	-	-	(328)	(295)	-	-	-	-

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Subsidiary Companies		Key Managerial Personnels (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
B Transactions and balances with related parties (cont'd)								
vi Remuneration on account of salary and perquisites²								
Mr. Anil Kumar Mittal	-	-	-	-	180	143	-	-
Mr. Arun Kumar Gupta	-	-	-	-	207	165	-	-
Mr. Anoop Kumar Gupta	-	-	-	-	180	143	-	-
Ms. Priyanka Mittal	-	-	-	-	142	114	-	-
Mr. Raman Sapra	-	-	-	-	24	15	-	-
Mr. Rakesh Mehrotra	-	-	-	-	50	85	-	-
Mr. Ashish Jain	-	-	-	-	75	-	-	-
Mr. Ashish Mittal	-	-	-	-	-	-	44	35
Mr. Kunal Gupta	-	-	-	-	-	-	44	35
Mr. Akshay Gupta	-	-	-	-	-	-	44	35
Mr. Ayush Gupta	-	-	-	-	-	-	44	35
vii Electricity charges paid								
KRBL Infrastructure Limited	22	17	-	-	-	-	-	-
viii Maintenance charges paid								
KRBL Infrastructure Limited	82	82	-	-	-	-	-	-
ix Sitting fees paid								
Mr. Vinod Ahuja	-	-	-	-	-	-	3	2
Mr. Ashwani Dua	-	-	-	-	-	-	3	2
Mr. Shyam Arora	-	-	-	-	-	-	3	2
Mr. Devendra Kumar Agarwal	-	-	-	-	-	-	3	2
Mr. Alok Sabharwal	-	-	-	-	-	-	1	2
Ms. Priyanka Sardana	-	-	-	-	-	-	3	2
x Dividend paid								
Anil Mittal Family Trust	1,507	-	-	-	-	-	-	-
Arun Kumar Gupta Family Trust	1,463	-	-	-	-	-	-	-
Anoop Kumar Gupta Family Trust	1,360	-	-	-	-	-	-	-
Binita Gupta Family Trust	18	-	-	-	-	-	-	-

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Subsidiary Companies		Key Managerial Personnels (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
B Transactions and balances with related parties (cont'd)								
Anil Kumar Mittal	-	-	-	-	-	-	126	-
HUF	-	-	-	-	-	-	170	-
Arun Kumar Gupta	-	-	-	-	-	-	255	-
HUF	-	-	-	-	-	-	-	-
Anoop Kumar Gupta	-	-	-	-	0	-	-	-
HUF	-	-	-	-	0	-	-	-
Mr. Anil Kumar Mittal ³	-	-	-	-	0	-	-	-
Mr. Arun Kumar Gupta ³	-	-	-	-	0	-	-	-
Mr. Anoop Kumar Gupta ³	-	-	-	-	0	-	-	-
Ms. Priyanka Mittal ³	-	-	-	-	0	-	-	-
Mr. Ashish Mittal ³	-	-	-	-	-	-	0	-
Mr. Kunal Gupta ³	-	-	-	-	-	-	0	-
Mr. Akshay Gupta ³	-	-	-	-	-	-	0	-
Mr. Ayush Gupta ³	-	-	-	-	-	-	0	-
Mrs. Binita Gupta ³	-	-	-	-	-	-	0	-
Mrs. Anulika Gupta ³	-	-	-	-	-	-	0	-
Mrs. Neha Singh ³	-	-	-	-	-	-	0	-
Mrs. Rashmi Gupta ³	-	-	-	-	-	-	0	-
Mrs. Preeti Mittal ³	-	-	-	-	-	-	0	-
xi Advances adjusted against salary								
Mr. Rakesh Mehrotra ³	-	-	-	-	-	0	-	-
xii CSR provision of expense								
KRBL foundation	-	-	-	-	-	-	1,250	-
xiii Borrowings-Unsecured loans availed								
Mr. Anil Kumar Mittal	-	-	-	-	549	867	-	-
Mr. Arun Kumar Gupta	-	-	-	-	557	978	-	-
Mr. Anoop Kumar Gupta	-	-	-	-	927	856	-	-
xiv Borrowings-Unsecured loans repaid								
Mr. Anil Kumar Mittal	-	-	-	-	915	101	-	-
Mr. Arun Kumar Gupta	-	-	-	-	941	127	-	-
Mr. Anoop Kumar Gupta	-	-	-	-	1,165	96	-	-

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Subsidiary Companies		Key Managerial Personnel (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
B Transactions and balances with related parties (cont'd)								
xv Interest paid on advance received for supply of goods								
Khushi Ram Behari Lal	45	79	-	-	-	-	-	-
xvi Discount allowed on sale of goods								
Khushi Ram Behari Lal	-	47	-	-	-	-	-	-
xvii Advance received against supply of goods								
Khushi Ram Behari Lal	1,936	1,823	-	-	-	-	-	-
xviii Advance received against supply of goods refunded								
Khushi Ram Behari Lal	958	1,557	-	-	-	-	-	-
II Balances outstanding at the year end								
i Unsecured borrowings-Current								
Mr. Anil Kumar Mittal	-	-	-	-	2,823	3,189	-	-
Mr. Arun Kumar Gupta	-	-	-	-	2,260	2,644	-	-
Mr. Anoop Kumar Gupta	-	-	-	-	3,232	3,470	-	-
Ms. Priyanka Mittal	-	-	-	-	34	34	-	-
ii Receivable (payable)								
Khushi Ram Behari Lal	24	-	-	-	-	-	-	-
iii Receivable (payable)								
KRBL Infrastructure Limited	-	(5)	-	-	-	-	-	-
KRBL DMCC	-	-	-	(48)	-	-	-	-
iv Receivable on account of security deposit/prepaid lease								
KRBL Infrastructure Limited ⁷	971	971	-	-	-	-	-	-

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Subsidiary Companies		Key Managerial Personnel (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
II. Balances outstanding at the year end (cont'd)								
v Employee related payables								
Mr. Anil Kumar Mittal	-	-	-	-	9	7	-	-
Mr. Arun Kumar Gupta	-	-	-	-	7	1	-	-
Mr. Anoop Kumar Gupta	-	-	-	-	8	7	-	-
Ms. Priyanka Mittal	-	-	-	-	3	2	-	-
Mr. Raman Sapra	-	-	-	-	1	1	-	-
Mr. Rakesh Mehrotra ³	-	-	-	-	-	0	-	-
Mr. Ashish Jain	-	-	-	-	7	-	-	-
Mr. Ashish Mittal	-	-	-	-	-	-	2	2
Mr. Kunal Gupta	-	-	-	-	-	-	2	2
Mr. Akshay Gupta	-	-	-	-	-	-	2	2
Mr. Ayush Gupta	-	-	-	-	-	-	2	2
vi Other balances outstanding at the end of the year, net (payable)/receivable								
Mr. Arun Kumar Gupta ³	-	-	-	-	0	-	-	-
Mr. Anoop Kumar Gupta	-	-	-	-	-	-	-	-
Ms. Priyanka Mittal	-	-	-	-	-	-	-	-
Mr. Rakesh Mehrotra	-	-	-	-	-	-	-	-
Mr. Ashish Mittal ³	-	-	-	-	-	-	(0)	0
Mr. Ayush Gupta	-	-	-	-	-	-	-	-
Mr. Raman Sapra ³	-	-	-	-	-	(0)	-	-

- Transactions are inclusive of Goods and Services tax.
- As gratuity and compensated absences are computed for all the employees in aggregate, the amount relating to relatives of KMPs cannot be individually identified.
- Amounts are below rounding off thresholds adopted by the Company.
- Personal guarantee has been given by Mr. Anil Kumar Mittal, Mr. Anoop Kumar Gupta and Mr. Arun Kumar Gupta in respect of working capital consortium loan taken by the Company, as at the year ended 31 March 2022, the outstanding amount of loan is Nil (31 March 2021: ₹19,500 lacs) and Mr. Ashish Mittal (relative of key managerial personnel) to the extent of the immovable properties as specified in consortium agreement.
- All related party transactions are at arms length price and in the ordinary course of business.
- Refer note 3(l) for transactions related to property, plant and equipment with KMP and their relatives.
- The present value of security deposit is shown in note 9 and 17.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

48 Contingent liabilities and commitments

A Contingent liabilities

(i) Claims against the Company not acknowledged as debts*

	As at 31 March 2022	As at 31 March 2021
Income tax matters ¹	96	21,780
Indirect taxes ²	6,772	7,126
Enforcement directorate investigation matter ³	1,532	1,532
Other matters	1,171	1,093
	9,571	31,531

1. For the year ended 31 March 2019, the Company had received assessment orders along with demand notices under Section 153A/143(3) of the Income-tax Act, 1961, with respect to assessment years 2010-11 to 2016-17, aggregating to ₹126,920 lacs (including interest), which was contested by the Company before CIT (Appeals), New Delhi. The Hon'ble CIT(Appeals) vide its order dated 11 March 2020, granted partial relief to the Company and reduced the said demand to ₹9,883 lacs (including interest). The Company had already deposited an amount of ₹18,990 lacs, (net of refund), under protest, in respect of tax demand raised by the ITD.

Later, the Company and the Income Tax Department ('ITD') had filed appeals before the Hon'ble Income Tax Appellate Tribunal (Hon'ble Tribunal), New Delhi, for the matters sustained and set-aside at the CIT (Appeals) levels, respectively. Further, the Company had also received penalty orders for AY 2010-11 to 2016-17 on the issues sustained by CIT(A) to the tune of ₹11,896 lacs, against which appeals was filed before CIT(A).

Subsequent to the year ended 31 March 2022, the Hon'ble Tribunal vide its consolidated order dated 9 May 2022, has granted relief in favour of the Company reducing the liability to ₹96 lacs (including interest) and has dismissed all the appeals filled by ITD. The sustained matter by the Hon'ble Tribunal has been remand back to the Income-tax officer for further review. Simultaneously, CIT(A) has also quashed the demand of penalty, raised by the Assessing Officer of ₹11,896 lacs. At the year end, the management has assessed ₹96 lacs as contingent liability and is evaluating available legal remedies.

2. Indirect taxes mainly comprise of matter relating to VAT, sales tax pending at various levels and also includes the matters related to mandi fee levied under the Agricultural Produce Market Committee Act, 2003 for an amount of ₹1,138 lacs.

3 A portion of land parcels and building thereupon, situated at Dhuri, Punjab was attached by the Directorate of Enforcement ('ED') to the extent of value of ₹1,532 lacs in connection with a money laundering investigation. The Appellate Tribunal, PMLA, New Delhi, ("Appellate Tribunal") had restored the possession of the attached land on interim basis in favour of the Company. However, aforesaid attachment would continue till conclusion of the matter. Against the order of the Appellate Tribunal, ED had filed an appeal before the Hon'ble High Court of Delhi, which is pending for hearing. The Company filed an application before the Hon'ble High Court of Delhi for restoration of possession of the land in favour of the Company and High court allowed the Company to take physical possession of the said land parcels and building thereupon for specified purpose against the deposit of ₹1,113 lacs, (deposited on 5 November 2020), as an interim relief until conclusion of the aforesaid matter, without prejudice to the rights and contentions of the parties to be decided in the appeal. The management based upon the legal assessments, is confident that it has a favourable case and the said attachment shall be vacated.

4. The Company's Joint Managing Director, Mr. Anoop Kumar Gupta ('JMD'), had been detained and released on bail by the Directorate of Enforcement ('ED') pursuant to certain allegations against the Company, KRBL DMCC (a subsidiary of KRBL Limited) and JMD. As per criminal complaint filed it is alleged that M/s Rawasi Al Khaleej General Trading LLC ('RAKGT') had received proceeds of crime of USD 24.62 million in AgustaWestland case during the period 2008-2010 which in turn had been transferred to KRBL Limited through KRBL DMCC. Basis the affidavit filed by Balsharaf Group (one of the Customer of the Company) in the Hon'ble High Court of Delhi in the said matter, the amount of USD 24.62 million had been received by RAKGT in the account of Balsharaf Group. Pursuant to this, ED had attached 1,43,33,221 shares of Balsharaf Group held in KRBL Limited. Based on the opinion taken from the independent legal counsel, the management is of the view that since the investigation is still ongoing no adverse opinion can be drawn.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

The Company had appointed an independent professional firm ('IP') to review the aforesaid allegations, to assess the impact, if any, on the financial statement and control environment of the Company. Subsequent to the year ended 31 March 2022, the IP has issued a report to the Board of Directors with respect to the aforesaid review. The board of the directors has discussed and approved the report, and has responded to the observation contained therein, basis that no further action is proposed.

However, pending the ongoing investigation on the above matter, no adjustment has been made in the financial statement. The management of the Company is confident that the above stated matter will be resolved soon.

The auditors of the Company have qualified on the aforementioned issue in their audit report for the year ended 31 March 2022.

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

B Capital commitments

Estimated amount of contracts remaining to be executed, to the extent not provided for:

Particulars	As at 31 March 2022	As at 31 March 2021
Property, plant and equipment (net of advances)	99	285
Intangible assets (net of advance)	32	75

49 Assets pledged as security and other loan covenants

A Assets pledged as security

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current assets		
First charge		
Property, plant and equipments including capital work in progress	85,194	86,161
Intangible assets	215	159
Total non-current assets pledged as security	85,409	86,320
Current assets		
First charge		
Pari-pasu		
Inventories	2,81,610	2,96,421
Financial assets (current and non-current)	73,380	42,564
Other assets (current and non-current)	27,575	28,555
Total current assets pledged as security	3,82,565	3,67,540
Total assets pledged as security	4,67,974	4,53,860

B The Company has filed the statements of current assets with the consortium lenders in accordance with the sanction letters and these statements are in agreement with the books of accounts for that period.

C During the year, the Company has only borrowed the working capital loans from the consortium lenders and they are used for its intended purpose.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

50 Reconciliation of liabilities arising from financing activities:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Non-current borrowings		
Opening balance	1,941	3,301
Proceeds	-	-
Repayment	1,354	1,360
Net (gain) /loss on foreign currency transactions and translation	-	-
Closing balance	587	1,941
Current borrowings		
Opening balance	28,837	46,270
Movement (net)	(20,487)	(16,585)
Net (gain)/loss on foreign currency transactions and translation	-	(848)
Other adjustments	1	-
Closing balance	8,351	28,837
Lease liabilities (As per Ind AS 116)		
Opening balance	6,152	7,580
Non cash proceeds	276	(690)
Payment of lease liabilities	(849)	(738)
Closing balance	5,579	6,152
Finance cost		
Interest Accrued as at the beginning of the year	76	965
Expenses incurred	1,340	2,359
Expenses paid	(1,295)	(3,248)
Interest accrued as at the end of the year	121	76

51 Disclosures pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 And Section 186 of the Companies Act, 2013

The Company has not provided any loans, security and corporate guarantees covered under section 186 of the Companies Act, 2013 and accordingly, the disclosure requirements to the extent does not apply to the Company. Refer note 7 for details of investment in subsidiaries and note 12 for details of other investments.

52 Additional regulatory information required by Schedule III to the Companies Act, 2013

- The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- The Company has not traded or invested in Crypto currency or virtual currency during the year.
- There is no income surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

- 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:
 - 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 to or on behalf of the Ultimate Beneficiaries.
- The Company have not received any fund form any person(s) or entity(ies), including foreign entities (Funding Party) 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 to or on behalf of the Ultimate Beneficiaries.

53 Basis the management's assessment, it has been concluded that the Company has made no transactions with struck-off companies under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. Further, there are no outstanding balances at balance sheet date with struck-off companies.

54 The analytical ratios for the year ended 31 March 2022 and 31 March 2021 are as below:

Particulars	Units	Numerator	Denominator	For the year ended 31 March 2022	For the year ended 31 March 2021
Current ratio (refer note B)	times	Total current assets	Total current liabilities	7.4	4.7
Debt-equity ratio (refer note C)	times	Total debt ¹	Shareholder's Equity	0.0	0.1
Debt Service Coverage ratio	times	Earnings available for debt service ²	Debt service ³	2.3	3.0
Return on Equity (refer note D)	%	Net Profit after tax	Average Shareholder's Equity	11.9%	16.5%
Inventory turnover ratio	times	Revenue from operations	Average inventory	1.5	1.4
Trade receivable turnover ratio	times	Revenue from operations	Average trade receivables	17.2	18.5
Trade payable turnover ratio (refer note E)	times	Net purchases	Average trade payable	14.4	9.4
Net Capital turnover ratio	times	Revenue from operations	Working capital ⁴	1.4	1.5
Net Profit ratio	%	Net profit after taxes	Revenue from operations	10.9%	14.0%
Return on Capital Employed	%	Profit before interest and taxes	Capital employed ⁵	14.5%	18.5%
Return on investment (refer note F)	%	Gain on investment	Time-weighted average investments	6.2%	13.6%

A Formula used for calculation of ratios:

- Total Debt represent aggregate of borrowing from the banks, related parties and lease liabilities.
- Earnings available for debt service represent the Net Profit after taxes + Depreciation and other amortizations + Interest expense + other adjustments on account of Gain/loss on sale of property, plant and equipment.

Summary of the Standalone significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

3. Debt service represent Interest and lease payments + Principal repayments.
 4. Working capital represents excess of current assets over current liabilities.
 5. Capital employed represents Tangible net worth+Total debt+Deferred tax liability.
- B** The current ratio of the Company has improved from 4.7 to 7.4 owing to the fact that the Company is having the healthy cash accrual year-on-year basis which helps in reducing the liabilities and increase the asset base of the Company.
- C** The Debt ratio has improved from 0.10 to 0.04 owing to the fact that the external debt of the Company have been repaid substantially. Further, the Company's net-worth has also improved on year-to-year basis.
- D** The return on equity has decreased from 16.5% to 11.9% owing to the compressed gross margin.
- E** The trade payable turnover ratio has been improved from 9.4 to 14.4 is because of the effective purchase mechanism.
- F** There has been decrease on return on investment from 13.6% to 6.2% as there was a significant gain on the fair valuation of investments in equity shares during the previous year.

55 Transfer pricing

As per the international transfer pricing norms introduced in India with effect from 1 April 2001, the Company is required to use certain specified methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a transfer pricing study for the current financial year. However, in the opinion of the management the same would not have a material impact on these financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.

As per our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place : Noida
Date : 27 May 2022

For and on behalf of the Board of Directors of KRBL Limited

Anil Kumar Mittal
Chairman and Managing Director
DIN-00030100

Raman Sapra
Company Secretary
Membership No. F9233

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160


Ashish Jain
Chief Financial Officer



CONSOLIDATED FINANCIAL STATEMENTS

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Independent Auditors' Report on the Consolidated Financial Statements of KRBL Limited for the year ended on 31 March 2022

To the Members of KRBL Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

- We have audited the accompanying consolidated financial statements of KRBL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

- As stated in Note 47(A)(4) to the consolidated financial statements, the Enforcement Directorate ('ED') is investigating the Holding Company's Joint Managing Director Mr. Anoop Kumar Gupta ('JMD') under the Prevention of Money Laundering Act, 2002, for alleged involvement in Agusta Westland case. Further, the ED has filed criminal complaint and made certain allegations against the Holding Company, KRBL DMCC (a subsidiary of the Holding Company) and JMD. As further described in the said note, a review of the impact of allegations on the financial statement and its control environment was performed by an independent professional firm appointed by the Board of Directors and in our view, as

per their report, there is no conclusive evidence to ascertain impact of the aforesaid matter on the financial statement of the Holding Company and its control environment. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to comment on any adjustment that may be required to the consolidated financial statements in this respect.

- We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 17 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

- We draw attention to Note 47(A)(3) to the consolidated financial statements, wherein it is stated that a portion of land parcels and building thereupon owned by the Holding Company as identified in the aforesaid note has been attached by the Directorate of Enforcement ("ED"), which is being contested by the Holding Company. The Holding Company had filed an appeal with the Appellate Tribunal, PMLA (Government of India), New Delhi, ('Appellate Tribunal') and vide its order dated 17 January 2020, the Appellate Tribunal had ordered to restore the possession in favour of the Holding Company while the aforesaid attachment would continue till the conclusion of the matter. The matter is being contested in the Hon'ble High Court of Delhi ('High Court'). The High Court vide its order dated 23 October 2020 has restored the physical possession of the aforesaid land parcels and building thereupon for specified purposes against a deposit of ₹1,113 lacs, as an interim relief until conclusion of the aforesaid matter. Based on the legal assessment of the outcome of the aforesaid matter, the management is of the view that no adjustment is required to the accompanying consolidated financial statements.

Our opinion is not modified in respect of this matter.

Independent Auditors' Report on the Consolidated Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

Key Audit Matters

- Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- In addition to the matters described in the Basis for Qualified Opinion we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – Sale of Goods <i>Refer Note 2(f) in the Summary of significant accounting policies and other explanatory information.</i> The Group recognised an amount of ₹421,056 lacs revenue for the year ended 31 March 2022, as disclosed in Note 28 to the consolidated financial statements. Revenue for the Group primarily comprises of revenue from sale of manufactured goods (rice) and by products. In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Accordingly, occurrence and existence of revenue is a key focus area on account of the multiplicity of Group's products, multiple channels for sales, various categories of customers having varying terms of contracts and the volume of the sales made to them. Due to the above factors, we have identified testing of revenue recognition as a key audit matter.	Our audit work included, but was not limited to, the following procedures: <ul style="list-style-type: none"> Obtained an understanding of the process of each revenue stream, particularly of sale of rice and by products; Evaluated the design and implementation and tested the operating effectiveness of controls over revenue recognition including around quantity sold, pricing and accounting of revenue transactions; Performed substantive analytical procedures on revenue which includes ratio analysis, product mix analysis, region wise analysis; Evaluated the terms and conditions of the contracts, including incoterms, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the accounting standards; On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the period before and after year-end with supporting documents, such as invoices, agreements with customers, proof of deliveries, and subsequent collection of payment; Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis, reviewed the subsequent collection of payment and proof of deliveries document of such selected debtors. Further, reconciling revenue recorded during the year with statutory returns; Tested, on sample basis, manual journal entries recorded in revenue accounts, credit notes and claims, to the relevant approvals and the supporting documents; Evaluated disclosures made in the consolidated financial statements for revenue recognition from sale of goods for appropriateness in accordance with the accounting standards.

Independent Auditors' Report on the Consolidated Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
Inventory existence and valuation <i>Refer Note 2(e) in the Summary of significant accounting policies and other explanatory information.</i> Inventory of the Holding Company consists primarily of variety of rice, paddy and their by-products, manufactured during the process of conversion of paddy into rice. The Holding Company held inventories amounting to ₹281,610 lacs as at 31 March 2022. The inventory primarily comprises of Paddy as raw material and finished goods in the form of rice and by-products. Inventory holding is generally significant considering the finished goods are aged for 18-24 months and also due to seasonality of the purchase/produce. Such inventory is stored in plants, warehouses, silos, and storage bags. High quantity of inventory makes inventory physical verification an extensive procedure for the management, at the year end. The valuation of finished rice and by products is a complex exercise and is carried out manually. The valuation process involves estimation around determination of – <ul style="list-style-type: none"> • Allocable overheads and their absorption rates; • Determination of net realisable value of by-products such as husk, bran, etc, and • Determination of net realisable value of the different variety of rice. Accordingly, existence and valuation of the year-end inventory balance, which is significant with respect to the total assets held by the Group, is considered to be one of the areas which required significant auditor attention owing to the complexity and judgements involved in the process of physical count and valuation.	Our audit work included, but was not limited to the following procedures: <u>Existence:</u> <ul style="list-style-type: none"> • Obtained an understanding of the management's process of inventory management and inventory physical verification performed subsequent to year-end; • Evaluated the design effectiveness of controls over inventory management process/ inventory physical verification and tested key controls for their operating effectiveness; • Reviewed the instructions given by senior management to stock count teams, including ensuring proper segregation of stock, use of calibration scales/charts, identification of damaged inventory, if any, etc.; • Observed physical count carried out by the management at locations selected based on materiality and risk factors; • During the above said observation, noted whether the instructions given by senior management to stock count teams were followed. • Recounted inventory, on sample basis, to match with inventory records and results of management conducted count; • Obtained inventory records and results of management conducted count; • Reviewed reconciliation of differences, if any, between management physical count and inventory records, and tested the necessary adjustment made in the inventory records by the management; <u>Valuation:</u> <ul style="list-style-type: none"> • Obtained an understanding of management process of inventory valuation; • Evaluated design effectiveness of controls over inventory valuation process and tested key controls for their operating effectiveness; • Tested inputs into the valuation process from source documents/ general ledger accounts; • Tested reconciliation of opening inventory, purchase/ production, sales and year-end inventory to validate the amount of yield during the year and to identify any abnormal production loss; • Compared key estimates, including those involved in computation of allocable overheads and their absorption rate, to prior years and enquired reasons for any significant variations, • Checked net realisable value of rice and by-products from actual sale proceeds near/ subsequent to the year-end; • Tested arithmetical accuracy of valuation calculations; and • Evaluated appropriateness of disclosure of inventory year-end balance in the financial statements.

Independent Auditors' Report on the Consolidated Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

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

8. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

9. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent;

and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

13. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Independent Auditors' Report on the Consolidated Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

Other Matter

- We did not audit the financial statements of 3 subsidiaries, whose financial statements reflects total assets of ₹1,304 lacs and net assets of ₹1,216 lacs as at 31 March 2022, total revenues of ₹292 lacs and net cash outflows amounting to ₹22 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Further, of these subsidiaries, 2 subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and

Independent Auditors' Report on the Consolidated Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

affairs of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 17, on separate financial statements of the subsidiaries, we report that the Holding Company whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that a subsidiary company incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary company.
- As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 17 above, of companies included in the consolidated financial statements for the year ended 31 March 2022 and covered under the Act, refer Annexure B for details of adverse remarks given by the respective auditors in the order reports of such companies.
- As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
 - We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor, except for the possible effects of the matter described in paragraph 3 of the Basis for Qualified Opinion section with respect to the financial statements of the Holding Company and a subsidiary of the Holding Company, respectively;
- The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- The matter described in paragraph 3 of the Emphasis of Matter and paragraph 5 of the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Holding Company;
- On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditor of its subsidiary company, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act.
- With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure C' wherein we have expressed a modified opinion; and
- With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and other

Independent Auditors' Report on the Consolidated Financial Statements of KRBL Limited for the year ended 31 March 2022 (Cont'd)

financial information of the subsidiary, incorporated in India whose financial statements have been audited under the Act:

- i. Except for the possible effects of the matter described in paragraph 3 of the Basis for Qualified Opinion section, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as at 31 March 2022, as detailed in Note 47(A)(4) to the consolidated financial statements;
- ii. The Holding Company and its subsidiary company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2022;
- iv.
 - a. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in note 52 (vii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented

to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in note 52 (viii) to the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed by us and that performed by the auditor of the subsidiary, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. As stated in note 43 (B) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 22504774AJSUSR9115
Place: Noida
Date: 27 May 2022

Independent Auditors' Report of the even date to the members of KRBL Limited on the consolidated Financial Statements for the year ended 31 March 2022 (Cont'd)

Annexure A

List of subsidiaries and step-down subsidiary included in the consolidated financial statements of KRBL Limited for the year ended 31 March 2022

1. KRBL Limited
2. KRBL DMCC;
3. KRBL LLC, a subsidiary of KRBL DMCC; and,
4. K B Exports Private Limited.

Annexure B referred to in Paragraph 19 of the Independent Auditor's Report of even date to the members of KRBL Limited on the consolidated financial statements for the year ended 31 March 2022

As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued till date by us and by the respective other auditors of company included in the consolidated financial statements for the year ended 31 March 2022 and covered under the Act, we report that:

Following are the adverse remarks reported by us and the other auditor in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2022 for which such Order reports have been issued till date and made available to us:

Name	CIN	Holding Company/ subsidiary	Clause number of the CARO report which is adverse
KRBL Limited	L01111DL1993PLC052845	Holding Company	3 (i) (c)
KB Exports Private Limited	U70200DL1998PTC096113	Subsidiary	-

Annexure C to the Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of KRBL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and

maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Annexure C to the Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act') (Cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

8. According to the information and explanation given to us in the previous year, the ED vide their criminal complaint has made certain allegations against the Company, KRBL DMCC (a subsidiary of the Company) and Mr. Anoop Kumar Gupta (Joint Managing Director) as fully explained in Note 47(A)(4) of the consolidated financial statements. Pending the completion of ongoing investigation of the above matter by regulatory authorities, we are unable to obtain sufficient appropriate audit evidence that adequate internal financial controls with reference to financial statements relevant to prevention and timely detection of management override of controls were established and maintained, and if such controls operated effectively in all material respects, which could potentially result in the Company not providing for adjustment, if any, that may be required to the accompanying consolidated financial statements.
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control

stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI.

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company as at and for the year ended 31 March 2022, and the material weakness has affected our opinion on the consolidated financial statements of the Company and we have issued a modified opinion on the consolidated financial statements.

Other Matter

12. We did not audit the internal financial controls with reference to financial statements insofar as it relates to a subsidiary company, which is covered under the Act, whose financial statements reflect total assets of ₹297 lacs and net assets of ₹295 lacs as at 31 March 2022, total revenues of ₹1 lac and net cash inflows amounting to ₹Nil lac for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditors whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditor.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 22504774JSUSR9115

Place: Noida
Date: 27 May 2022

Consolidated Balance Sheet

as at 31 March 2022

(All amounts stated in ₹ lacs, unless otherwise stated)			
Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	85,306	87,169
Capital work-in-progress	3	192	891
Right-of-use assets	4	5,627	6,469
Investment property	5	1,238	877
Goodwill		16	16
Other intangible assets	6	172	143
Intangible assets under development	6	43	16
Financial assets			
- Loans	7	4	23
- Other financial assets	8	465	1,060
Other non-current assets	9	22,266	25,562
Sub total non-current assets		1,15,329	1,22,226
Current assets			
Inventories	10	2,81,610	2,96,421
Financial assets			
- Investments	11	2,079	1,889
- Trade receivables	12	28,934	20,129
- Cash and cash equivalents	13	18,659	15,942
- Other bank balances	14	20,441	244
- Loans	15	9	30
- Other financial assets	16	2,428	2,903
Other current assets	17	5,313	2,999
Sub total current assets		3,59,473	3,40,557
TOTAL ASSETS		4,74,802	4,62,783
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	2,354	2,354
Other equity	19	4,04,670	3,66,897
Equity attributable to the owners of the Holding company		4,07,024	3,69,251
Non-controlling interest		89	88
Sub total equity		4,07,113	3,69,339
Liabilities			
Non current liabilities			
Financial liabilities			
- Borrowings	20	-	597
- Lease liabilities	4	5,049	5,324
Provisions	21	925	874
Deferred tax liabilities (net)	22	13,015	13,809
Sub total non-current liabilities		18,989	20,604
Current liabilities			
Financial liabilities			
- Borrowings	23	8,939	30,183
- Lease liabilities	4	530	828
- Trade payables	24		
- Total outstanding due of micro enterprises and small enterprises		1,198	698
- Total outstanding dues of creditors other than micro enterprises and small enterprises		16,859	21,208
- Other financial liabilities	25	16,495	15,512
Other current liabilities	26	4,013	2,688
Provisions	27	278	419
Current tax liabilities (net)		388	1,304
Sub total current liabilities		48,700	72,840
TOTAL EQUITY AND LIABILITIES		4,74,802	4,62,783
The accompanying notes form an integral part of these consolidated financials statements	1-54		

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place : Noida
Date : 27 May 2022

For and on behalf of the Board of Directors of KRBL Limited

Anil Kumar Mittal
Chairman and Managing Director
DIN-00030100

Raman Sapra
Company Secretary
Membership No. F9233

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Ashish Jain
Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

(All amounts stated in ₹ lacs, unless otherwise stated)			
Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	28	4,21,056	3,99,188
Other income	29	4,271	2,268
Total income		4,25,327	4,01,456
Expenses			
Cost of materials consumed	30	2,95,682	3,14,515
Purchase of stock-in-trade	31	553	681
Changes in inventories of finished goods and stock-in-trade	32	9,942	(39,300)
Employee benefits expenses	33	10,444	9,221
Finance costs	34	1,340	2,359
Depreciation and amortisation expense	35	7,422	7,195
Other expenses	36	38,231	31,849
Total expenses		3,63,614	3,26,520
Profit before tax		61,713	74,936
Tax expense			
Current tax	39	16,567	19,824
Deferred tax credit		(794)	(779)
Total tax expense		15,773	19,045
Profit for the year		45,940	55,891
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		117	(66)
Tax on above		(31)	18
Items that will be reclassified to profit or loss			
Foreign currency translation reserve		32	(34)
Cash flow hedge reserve		(64)	922
Tax on above		17	(244)
Other comprehensive income for the year		71	596
Total comprehensive income for the year		46,011	56,487
Profit attributable to:			
Owners of the parent		45,940	55,891
Non-controlling interest ¹		0	(0)
Total comprehensive income attributable to:			
Owners of the parent		46,011	56,487
Non-controlling interest ¹		0	(0)
Earnings per share (face value of ₹1 each)	37		
- Basic (in ₹)		19.52	23.74
- Diluted (in ₹)		19.52	23.74

1. Rounded off to zero.

The accompanying notes form an integral part of these consolidated financials statements. 1-54

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place : Noida
Date : 27 May 2022

For and on behalf of the Board of Directors of KRBL Limited

Anil Kumar Mittal
Chairman and Managing Director
DIN-00030100

Raman Sapra
Company Secretary
Membership No. F9233

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Ashish Jain
Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended 31 March 2022

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A Cash flow from operating activities		
Profit before tax	61,713	74,936
Adjustment for :		
Depreciation and amortisation expenses	7,422	7,195
(Gain)/Loss on sale of property, plant and equipment	(42)	14
Unrealised foreign exchange (net)	(124)	(33)
Net gain on redemption and fair valuation of investments	(1,733)	(1,046)
Balances credit impaired	21	245
Liabilities/provisions no longer required, written back	(470)	(67)
Gain on modification/termination of lease	(6)	(86)
Finance costs	1,340	2,359
Interest income	(478)	(443)
Dividend income	(54)	(41)
Operating profit before working capital changes	67,589	83,033
Adjustments for working capital changes :		
Decrease/(Increase) in financial and other assets	1,031	(2,744)
Decrease/(Increase) in inventories	14,811	(11,179)
(Increase)/Decrease in trade receivables	(8,528)	2,652
Decrease in trade payables	(3,619)	(16,384)
Increase in liabilities and provisions	2,295	3,055
Cash generated from operations	73,579	58,433
Income tax paid (net)	(17,497)	(20,060)
Net cash flow from operating activities (A)	56,082	38,373
B Cash flow from investing activities		
Payment for property, plant and equipment and intangible assets ¹	(4,214)	(4,142)
Sale proceeds of property, plant and equipment	140	49
Sale proceeds from investments	2,26,743	87,896
Purchase of investments	(2,24,691)	(88,155)
Movement from deposits (net)	(19,042)	2,774
Interest received	378	370
Dividend income	54	41
Net cash used in investing activities (B)	(20,632)	(1,167)
C Cash flow from financing activities		
Repayment of long term borrowings	(1,354)	(1,360)
Repayment of lease liabilities	(849)	(738)
Movement in short-term borrowings (net)	(20,487)	(16,585)
Finance cost paid	(1,295)	(3,248)
Dividend paid	(8,239)	(776)
Net cash used in financing activities (C)	(32,224)	(22,707)

Consolidated Cash Flow Statement

for the year ended 31 March 2022

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
D Net increase in cash and cash equivalents during the year (A+B+C)	3,226	14,499
Cash and cash equivalents-opening balance	15,942	1,443
Cash and cash equivalents at the year end	19,168	15,942
E Cash and cash equivalents (refer note 13)		
Cash in hand	41	43
Balances with banks	18,618	15,899
Investment in mutual funds ²	509	-
	19,168	15,942

Notes

- Net of movement in capital work-in-progress and capital advances.
- Cash and cash equivalents includes the investment in mutual fund invested for short term basis. (refer note 11)
- The above cash flow statement has been prepared under the 'Indirect method' as set out in Ind AS 7, 'Statement of cash flows'.
- Refer note 49 for reconciliation of liabilities arising from financing activities.

The accompanying notes form an integral part of these consolidated financials statements (1-54)

This is the Consolidated Cash flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013
Rohit Arora
Partner
Membership No. 504774

For and on behalf of the Board of Directors of KRBL Limited

Anil Kumar Mittal
Chairman and Managing Director
DIN-00030100

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Raman Sapra
Company Secretary
Membership No. F9233

Ashish Jain
Chief Financial Officer

Place : Noida
Date : 27 May 2022

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

A. Equity share capital (refer note 18)

(All amounts stated in ₹ lacs, unless otherwise stated)

Equity shares of ₹1 each, fully paid up	Number of shares	Amount
As at 1 April 2020	23,53,89,892	2,354
Movement during the year	-	-
As at 31 March 2021	23,53,89,892	2,354
Movement during the year	-	-
As at 31 March 2022	23,53,89,892	2,354

B. Other equity (refer note 19)

Particulars	Reserve and surplus				Other comprehensive income			Total
	Retained earnings	General reserve	Securities premium reserve	Capital reserve	Capital redemption reserve	Foreign currency translation reserve	Cash flow hedge reserve	
Balance as at 1 April 2020	2,47,622	51,550	9,655	82	77	2,048	(624)	3,10,410
Profit for the year	55,891	-	-	-	-	-	-	55,891
Other comprehensive income for the year:-								
Remeasurement of defined benefit obligations (net of tax)	(48)	-	-	-	-	-	-	(48)
Cash Flow Hedge (net of tax)	-	-	-	-	-	-	678	678
Foreign currency translation reserve	-	-	-	-	-	(34)	-	(34)
Total comprehensive income as at 31 March 2021	55,843	-	-	-	-	(34)	678	56,487
Transferred to general reserve ¹	(8,000)	-	-	-	-	-	-	(8,000)
Transferred from profit and loss account ¹	-	8,000	-	-	-	-	-	8,000
Balance as at 31 March 2021	2,95,465	59,550	9,655	82	77	2,014	54	3,66,897
Balance as at 1 April 2021	2,95,465	59,550	9,655	82	77	2,014	54	3,66,897
Profit for the year	45,940	-	-	-	-	-	-	45,940
Other comprehensive income for the year:-								
Remeasurement of defined benefit obligations (net of tax)	86	-	-	-	-	-	-	86
Cash flow hedge reserve (net of tax)	-	-	-	-	-	-	(47)	(47)
Foreign currency translation reserve	-	-	-	-	-	32	-	32
Total comprehensive income as at 31 March 2022	46,026	-	-	-	-	32	(47)	46,012
Transaction with owners								
Dividends paid (refer note 43)	(8,239)	-	-	-	-	-	-	(8,239)
Balance as at 31 March 2022	3,33,252	59,550	9,655	82	77	2,046	7	4,04,670

1. The Holding Company has voluntarily transferred an amount of ₹8,000 lacs in the year ended 31 March 2021 from retained earnings to general reserve.

The accompanying notes form an integral part of these consolidated financials statements (1-54)

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place : Noida
Date : 27 May 2022

For and on behalf of the Board of Directors of KRBL Limited

Anil Kumar Mittal
Chairman and Managing Director
DIN-00030100

Raman Sapra
Company Secretary
Membership No. F9233

Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Ashish Jain
Chief Financial Officer

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022

1. Group information

KRBL Limited ('the Company' or 'the Holding Company') is a Limited Company domiciled in India and was incorporated on 30 March 1993. The registered office of the Company is located at 5190, Lahori gate, Delhi 110006. The shares of the Company are listed in India on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE').

The Company is world's leading basmati rice producer and has fully integrated operations in every aspect of basmati value chain, right from seed development, contact farming, procurement of paddy, storage, processing, packaging, branding and marketing. Among the many brands owned by the Company "India Gate" is the flagship brand both in domestic and international markets.

These consolidated financial statements relate to KRBL Limited ('the Company' or 'the Holding Company'), its subsidiaries ('the Holding Company and its subsidiaries together referred to as 'the Group').

Subsidiaries comprises of following: -

Name of the subsidiaries	Country of incorporation	Shareholding as at 31 March 2022	Shareholding as at 31 March 2021
KRBL DMCC, Group ^A	United Arab Emirates	100%	100%
K B Exports Private Limited	India	70%	70%

A. KRBL DMCC Group comprise of a step down wholly-owned subsidiary, KRBL LLC.

2. Basis of preparation, measurement and significant accounting policies

(i) General information

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The Company has uniformly applied the accounting policies during the periods presented, however during the year.

These consolidated financial statements for the year ended 31 March 2022 were authorized and approved for issue by the Board of Directors on 27 May 2022.

(ii) Basis of accounting

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorized into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

(iii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; and
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed-off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to consolidated financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company, i.e., year ended on 31 March 2022.

The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements of the parent and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, revenues and expenses after eliminating intra-group balances / transactions and resulting profits in full.

The results and financial position of all the subsidiaries are translated into the reporting currency as follows:

- Current assets and liabilities for each balance sheet date presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each income statement are translated at average exchange rates (unless average rate is not reasonable at the rates prevailing on the transaction dates, in such case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are accumulated in foreign currency translation reserve until the disposal of net investment.

Non-controlling interest share in net assets of 'the Group' is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

(iv) Functional and presentation currency

These consolidated financial statements are presented in Indian rupees (₹) which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs as per the requirements of Part II of Schedule III of the Act, unless otherwise indicated.

(v) Summary of significant accounting policies

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarized below. These were used throughout all periods presented in the consolidated financial statements.

a. Current versus non-current classification

The Company presents assets and liabilities in the consolidated balance sheet based on current/non-current classification.

An asset/liability is treated as current when it is:

- Expected to be realised or intended to be sold or consumed or settled in normal operating cycle;
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

b. Property, plant and equipment

Recognition, measurement and subsequent expenditure

Property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses, if any. Freehold land is stated at original cost of acquisition.

Cost of an item of property, plant and equipment includes acquisition / installation inclusive of freight, duties, and taxes and all incidental expenses. Subsequent costs are included in the asset's carrying amount or recognised as

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are generally charged to the statement of profit and loss during the reporting period in which they are incurred.

In respect of major projects involving construction, related preoperational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation

Depreciation on property, plant and equipment has been provided on straight line method, in terms of useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is capitalized/ disposed-off.

Depreciation method and useful lives are reviewed annually. If the useful life of an asset is estimated to be significantly different from previous estimates, the depreciation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the depreciation method is changed to reflect the changed pattern.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss when the item is derecognized.

c. Investment property

Recognition and measurement

Property held to earn rentals or / and for capital appreciation or both but not for sale in the ordinary course of business, or for use in the production or supply of goods or services or for administrative purposes, are categorized as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Depreciation

Investment properties are depreciated using the straight-line method over the useful lives as mentioned in Part C of Schedule II of the Act.

Reclassification to/from investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying cost (including accumulated depreciation) on the date of reclassification and vice-a- versa.

d. Intangible assets

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets which are not ready for intended use as on the date of Balance Sheet are disclosed as "Intangible assets under development".

Amortisation

Computer software, patent, trademark and design and goodwill are recognized as intangible assets and amortized on straight line method over a period of 10 years except one software which is depreciated in 6 years on straight line method based upon life of servers where it is installed.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

De-recognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the statement of profit and loss when the asset is derecognized.

e. Inventory

Raw materials, stores and spares and packing materials

Raw materials, stores and spares and packing materials are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is calculated on weighted average cost method and it comprises all costs incurred in bringing the inventories to their present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Obsolete, slow moving and defective inventories are identified at the time of physical verification and wherever necessary a provision is made.

Finished goods and by products

Finished goods are valued at lower of cost and net realisable value. Cost of inventories of finished goods includes cost of raw materials, direct and indirect overheads which are incurred to bring the inventories to their present location and condition.

By-products are measured at realisable value.

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

f. Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Company recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Company follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The Company derives revenue primarily from two segments - Agri and Energy. Agri segment of the Company principally generate revenue from sale of goods (rice and by products) and Energy segment generates revenue by generating power units and selling it to governments under the agreements (for more detailed information about reportable segments, refer note 45).

Sale of goods (rice and by-products)

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customers and when there are no longer any unfulfilled obligations.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Revenue from electricity generation

Sale of energy is accounted for on basis of energy supplied. Sale of Certified Emission Reduction (CER) is recognized as income on delivery of CERs to the customer. Sale of Renewable Energy Certificate (REC) is recognized as income on sale of REC.

Dividend income

Dividend is recognised when the Company's right to receive the payment is established,

which is generally when shareholders approve the dividend.

Interest income:

Interest income is recognized using the time proportion method based on the rates implicit in the transaction.

g. Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, allowances and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees. Further, the liabilities are presented as provisions for employee benefits under other current liabilities in the Balance Sheet.

Defined contribution plan

The Company makes payments made to defined contribution plans such as provident fund and employees' state insurance. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plan

The liability recognised in the consolidated balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the consolidated balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated at the consolidated balance sheet on the basis of actuarial valuation by an independent actuary using projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the Statement of Other Comprehensive Income in the year in which such gains or losses arise.

Other long-term employee benefits

Other long-term employee benefits are recognised as an expense in the consolidated statement of profit and loss as and when they accrue. The Company determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the statement of profit and loss.

h. Research and development

Revenue expenditure on research and development is charged to the statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is included under property, plant and equipment and/or intangible assets, as the case may be.

i. 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

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised 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.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De-recognition

A financial asset is primarily de recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss, the calculation of which is based on historical data, on the financial assets that are trade receivables or contract revenue receivables.

b) Financial liabilities Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Gains and losses are recognised in profit or loss when the liabilities are de recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

De-recognition

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.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and full currency swaps, to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

e) Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the consolidated

financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

f) Hedge accounting Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency risks and interest rate risks and non-derivative financial liabilities to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Foreign currency risk of non-derivative financial liabilities used for hedging is measured using spot rates.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

Any gains or losses arising from changes in the fair value of derivatives and change in foreign currency risk component of non-derivative financial liabilities are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the consolidated financial statements.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

j. Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset.
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and;
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use ('ROU') asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liability and ROU assets have been separately presented in the consolidated balance

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

k. Foreign currency transactions

Initial recognition

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss.

Measurement of foreign currency items at reporting date

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognised in the statement of profit and loss.

l. Income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Current tax is measured at the amount expected to be paid/ recovered to/from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit and loss. 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.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity/other comprehensive income is recognised in respective head and not in the statement of profit & loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

m. Provision, contingent assets and contingent liability

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are neither recognized nor disclosed.

n. Subsidy income

Subsidy income from the government is recognised when there is reasonable assurance that the subsidy income will be received and the Company will comply with all attached conditions.

Subsidy income is recognized on a systematic basis over the periods in which the related costs that are intended to be compensated by such subsidies are recognized.

Subsidy income received from government towards property, plant and equipment acquired/ constructed by the Company is deducted out of gross value of the asset acquired/ constructed and depreciation is charged accordingly.

o. Cash and cash equivalents

Cash comprises cash in hand and at bank. Cash and cash equivalents are short-term (highly liquid), that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

p. Segment reporting

According to Ind AS 108 'Operating Segment', identification of operating segments is based on Chief Operating Decision Maker ('CODM') approach for making decisions about allocating resources to the segment and assessing its performance.

Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components.

Results of the operating segments are reviewed regularly by the management team (Chairman, Joint Managing Directors and Chief Financial Officer) which has been identified as the CODM, to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs:

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items:

Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Assets and liabilities, which relate to the Company as a whole and are not allocable to segments on reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

Segment accounting policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Company as a whole.

q. Borrowing cost

General and specific borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset are capitalised up to the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying major assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they occur or accrue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

r. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive

s. Dividend to shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

(vi) Significant management judgements in applying accounting policies and estimation uncertainty

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities including contingent liability and the related disclosures.

Significant judgements

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets

Provisions

At each balance sheet date basis, the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives

of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Defined benefit obligation (DBO)

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurements

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

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future market-driven changes that may reduce future selling prices.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(vii) Recent accounting pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property, plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work in progress
Gross carrying amount								
Balance as at 1 April 2020	6,611	20,717	1,22,229	1,847	510	3,398	1,55,312	1,214
Additions for the year	172	1,355	2,632	24	39	378	4,600	844
Disposals/capitalised	-	(1)	(25)	(403)	(37)	(247)	(713)	(1,167)
Foreign currency translation difference (refer note G)	-	-	-	2	0	(0)	2	-
Balance as at 31 March 2021	6,783	22,071	1,24,836	1,470	512	3,529	1,59,201	891
Additions for the year	498	1,663	1,643	10	44	980	4,838	164
Transfer (refer note C)	-	(505)	-	-	-	-	(505)	-
Disposals/capitalised	-	-	(312)	-	(5)	(139)	(456)	(863)
Foreign currency translation difference (refer note G)	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	7,281	23,229	1,26,167	1,480	551	4,370	1,63,078	192
Accumulated depreciation								
Balance as at 1 April 2020	-	5,784	57,027	1,163	390	2,208	66,572	-
Additions for the year	-	813	4,852	125	39	280	6,109	-
Disposals	-	(0)	(24)	(384)	(35)	(208)	(651)	-
Foreign currency translation difference (refer note G)	-	-	-	2	0	(0)	2	-
Balance as at 31 March 2021	-	6,597	61,855	906	394	2,280	72,032	-
Additions for the year	-	780	5,000	117	38	322	6,257	-
Transfer (refer note C)	-	(159)	-	-	-	-	(159)	-
Disposals	-	-	(226)	-	(4)	(128)	(358)	-
Foreign currency translation difference (refer note G)	-	-	-	0	0	0	0	-
Balance as at 31 March 2022	-	7,218	66,629	1,023	428	2,474	77,772	-
Net carrying amount								
Balance as at 31 March 2021	6,783	15,474	62,981	564	118	1,249	87,169	891
Balance as at 31 March 2022	7,281	16,011	59,538	457	123	1,896	85,306	192

Notes:

A Contractual obligations

Refer note 47B for disclosure of contractual commitments for the acquisition of property, plant and equipment.

B Property, plant and equipment pledged as security

Refer note 20 and 23 for information on property, plant and equipment pledged as security by the Holding Company.

C The Holding Company has given a warehouse building situated at Kandla, Gujarat on operating lease for long term as the Holding Company intends to generate rental income and accordingly, the Holding Company has transferred the said warehouse building to investment property (refer note 5).

D Capital work-in-progress mainly comprise of plant and machinery and buildings which are under installation/construction at the premises of the Holding Company.

E During the year ended 31 March 2020, the Holding Company had sold one of its wind turbine generator and corresponding freehold land (pending registration as at the reporting date) since the power purchase agreement for the same was not

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

executed due to technical difficulties. However the Holding Company has already transferred the control to the said customer and accordingly, the same had been recorded as sale of the said plant and machinery and corresponding freehold land in the year ended 31 March 2020.

F The Group has not revalued its property, plant and equipment.

G Rounded off to zero.

H Capital work in progress ageing schedule is as follows

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress as at 31 March 2022	138	54	-	-	192
Project in progress as at 31 March 2021	362	529	-	-	891

For assets/projects forming part of capital work-in-progress which have become overdue compared to their initial projected completion timeline as 31 March 2022 have been disclosed below:

Nature of Projects overdue	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Building	55	-	-	-	55
Plant and machinery	73	-	-	-	73
	128	-	-	-	128

For assets/projects forming part of capital work-in-progress which have become overdue compared to their initial projected completion timeline as 31 March 2021 have been disclosed below:

Nature of Projects overdue	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Building	326	19	-	-	345
Plant and machinery	532	-	-	-	532
	858	19	-	-	877

4 Leases

I Leases where the Holding Company is a lessee

A. Right-of-use assets

Particulars	As at 31 March 2022	As at 31 March 2021
Gross carrying amount		
Opening gross carrying amount	8,292	9,152
Additions for the year	307	1,124
Disposals (including termination and modification)	(25)	(1,984)
Balance at the end of the year	8,574	8,292
Accumulated depreciation		
Opening accumulated depreciation	1,823	1,014
Additions for the year	1,125	1,065
Disposals (including termination and modification)	(1)	(256)
Balance at the end of the year	2,947	1,823
Net carrying amount at the end of the year	5,627	6,469

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

B. Lease Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current	5,049	5,324
Current	530	828
	5,579	6,152

C. Lease related disclosures

The Group has leases mainly for land and buildings. With the exception of short-term leases, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. There are no variable lease payments included in the agreement.

i. Extension and termination options

Extension and termination options are included in all leases. These terms are used to maximise operational flexibility in terms of managing contracts.

ii. Lease payments not included in measurement of lease liability

The Group has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less). Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount of leases which are for short term of 12 months or less	330	121

iii. The following are amounts recognised in profit and loss with respect to leasing arrangements:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on right-of-use assets	1,125	1,065
Interest expense on lease liabilities	505	557

iv. Total cash outflow in respect of leases in the year amounting to ₹1,354 lacs (31 March 2021 ₹1,296 lacs)

v. Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. The maturity analysis of lease liabilities are disclosed in note 44.

II Leases where the Group is a lessor

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rental income from operating leases	113	56

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

i. Amounts receivable under operating leases:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Less than one year	110	-
One to five years	440	-

5 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
Buildings		
Gross carrying amount		
Opening gross carrying amount (refer note A below)	877	908
Transfer (refer note B)	505	-
Foreign currency translation difference	32	(31)
Balance at the end of the year	1,414	877
Accumulated depreciation		
Opening accumulated depreciation	-	-
Additions for the year	17	-
Transfer (refer note B)	159	-
Balance at the end of the year	176	-
Net carrying amount at the end of the year	1,238	877

Notes:

- A One of the subsidiary of the Group has building situated at Dubai, United Arab Emirates, which is classified as investment property.
- B The Holding Company has given a warehouse building situated at Kandla, Gujarat on operating lease for long term as the Holding Company intends to generate rental income and accordingly, the Holding Company has transferred the said warehouse building to investment property.

C

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount recognized in statement of profit and loss for investment properties		
Rental income derived from investment properties	110	25
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Profit arising from investment properties before depreciation	110	25
Less: Depreciation	17	-
Profit arising from investment properties	93	25

D

Fair value of investment properties	1,400	877
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Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

- E The fair valuation is based on prices in the active market for similar properties. The main input used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in Gandhi Dham, Gujarat area. The valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair valuation measurement is categorised in Level 2 fair value hierarchy.

6 Other intangible assets

Particulars	Patents, trademark and design	Computer softwares	Total	Intangible Assets under development ¹
Gross carrying amount				
Balance as at 1 April 2020	59	320	379	-
Additions	-	23	23	16
Disposals	-	-	-	-
Balance as at 31 March 2021	59	343	402	16
Additions	-	52	52	27
Disposals	-	-	-	-
Balance as at 31 March 2022	59	395	454	43
Accumulated amortisation				
Balance as at 1 April 2020	22	214	236	-
Additions	6	17	23	-
Disposals	-	-	-	-
Balance as at 31 March 2021	28	231	259	-
Additions	3	20	23	-
Disposals	-	-	-	-
Balance as at 31 March 2022	31	251	282	-
Net carrying amount				
Balance as at 31 March 2021	31	112	143	16
Balance as at 31 March 2022	28	144	172	43

Notes :

- A Refer note 47B for disclosure of contractual commitments for the acquisition of intangible assets.

B Intangible assets under development ageing schedule is as follows :

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in Progress as at 31 March 2022	27	16	-	-	43
Project in Progress as at 31 March 2021	16	-	-	-	16

For assets/projects forming part of intangible assets under development which have become overdue compared to their initial projected completion timeline as 31 at March 2022 have been disclosed below:

Nature of Projects overdue	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Computer softwares	32	-	-	-	32

- C There are no assets/projects forming part of intangible assets under development which have become overdue compared to their initial projected completion timeline as at 31 March 2021.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

7 Loans

Non-current

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured, considered good unless otherwise stated)		
Loan to employees ¹	4	23
	4	23

Notes :

1. Loans given to employees as per the Holding Company's policy are not considered for the purposes of disclosure under section 186(4) of the Companies Act, 2013.

8 Other financial assets

Non-current

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured- considered good unless otherwise stated)		
Security deposits ¹	442	1,028
Fixed deposits ²	23	32
	465	1,060

Notes :

1. The present value of the deposits given to the company in which director of Holding Company is a member: KRBL Infrastructure Limited (refer note 46)

2. Liened as security issued to the various government authorities and other parties of ₹23 lacs (31 March 2021: ₹32 lacs).

9 Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured- considered good unless otherwise stated)		
Capital advances	3	7
Advances other than capital advances		
- Balance with statutory authorities (including taxes/duty paid under protest)	21,088	24,398
- Deposits with statutory authorities (Refer note 47A)	1,113	1,113
- Pre-payments	62	44
	22,266	25,562

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

10 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials	87,317	93,659
Finished goods ¹	1,81,346	1,91,400
Stock-in-trade	472	761
Packing material, consumables and others	10,864	8,997
Stores and spares	1,611	1,604
	2,81,610	2,96,421

Notes :

1. Includes goods in transit of ₹15,160 lacs (31 March 2021 ₹11,066 lacs).

2. Refer note 30, 31 and 32 for consumption of inventory recorded by the Holding Company during the year.

3. The Holding Company has recorded few class of finished goods at the net realisable value ('NRV'), as their realisable value is lower than the cost of production. The total NRV adjustments made in the value of such product ₹2,596 lacs (31 March 2021: ₹7,595 lacs). This was recognized as an expense during the year and included in 'changes in inventories of finished goods and stock-in-trade' in the Statement of Profit and Loss.

11 Investments

Current

Particulars	As at 31 March 2022	As at 31 March 2021
Investment carried at fair value through profit or loss		
Investments in equity instruments - quoted, fully paid-up		
NHPC Limited	245	216
[882,712 equity shares of ₹10 each, (31 March 2021 - 882,712 equity shares)]		
Coal India Limited	140	100
[76,437 equity shares of ₹10 each, (31 March 2021 - 76,437 equity shares)]		
Power Grid Corporation of India Limited	311	232
[143,556 equity shares of ₹10 each, (31 March 2021 - 107,667 equity shares)]		
Shipping Corporation of India Limited	279	268
[242,265 equity shares of ₹10 each, (31 March 2021 - 242,265 equity shares)]		
MOIL Limited	50	57
[26,993 equity shares of ₹10 each, (31 March 2021 - 37,846 equity shares)]		
Suzlon Energy Limited	545	1,016
[5,945,643 equity shares of ₹2 each, (31 March 2021 - 20,408,000 equity shares)]		
Investments in Mutual Fund		
SBI Overnight Fund Direct Growth	509	-
[14,703 units (31 March 2021 - Nil units)]		
	2,079	1,889
Aggregate amount of quoted investments at cost	1,591	1,457
Aggregate amount of quoted investments at market value	2,079	1,889

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

12 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good ¹	28,934	20,129
	28,934	20,129

Note :

1. Trade receivable due from the firms in which directors of Holding Company are partners: Khushi Ram Behari Lal (refer note 46)

24

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Trade receivables ageing schedule for the year ended 31 March 2022

Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 Years	More than 3 years ¹	Total
Considered good							
- Un- disputed trade receivables	16,043	9,058	1,998	1,146	465	224	28,934
- Disputed trade receivables	-	-	-	-	-	-	-
	16,043	9,058	1,998	1,146	465	224	28,934

Note :

1. Refer Note 28 for the increase in trade receivables for more than 3 years as the Holding Company has recognised the revenue in the current year basis the certainty.

Trade receivables ageing schedule for the year ended 31 March 2021

Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 Years	More than 3 years	Total
Considered good							
- Un- disputed trade receivables	13,424	4,209	1,119	992	327	58	20,129
- Disputed trade receivables	-	-	-	-	-	-	-
	13,424	4,209	1,119	992	327	58	20,129

13 Cash and cash equivalents¹

Particulars	As at 31 March 2022	As at 31 March 2021
Balance with banks in current accounts	18,618	15,899
Cash in hand	41	43
	18,659	15,942

Note :

1. There is no restriction in repatriation of cash and cash equivalents.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

14 Other bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
CSR- Unspent on ongoing project (refer note 41)	1,130	-
Unclaimed dividends- earmarked balances with banks ¹	48	48
Deposits with original maturity more than 3 months and less than 12 months ²	19,263	196
	20,441	244

Notes :

- These balances are not available for use by the Holding Company and not due for deposit in the Investor Education and Protection Fund.
- As at 31 March 2022, the deposits of ₹219 lacs (31 March 2021: ₹185 lacs) are restricted as they are held as margin money deposits against the facilities extended to the Holding Company by bank.

15 Loans

Current

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured, considered good unless otherwise stated)		
Loan to employees ¹	9	30
	9	30

Note :

- Loans given to employees as per the Holding Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

16 Other financial assets

Current

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured- considered good unless otherwise stated)		
Security deposits ¹	792	1,110
Income receivable	912	798
Subsidies receivable ²	540	60
Derivative assets	98	101
Other receivable	86	834
	2,428	2,903

Notes :

- The present value of the deposits given to the Company in which director of Holding Company is a member: KRBL Infrastructure Limited (refer note 46)
- The Holding Company has subsidy receivable of ₹475 lacs (31 March 2021: ₹Nil) towards Remission Of Duties and Taxes on Exported Products ('RODTEP') and ₹65 lacs (31 March 2021: ₹60 lacs) towards Generation Based Incentive ('GBI') scheme. Further, it has complied with all the conditions attached to the grant and the receivables is reasonably assured that the grants will be received.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

17 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured- considered good unless otherwise stated)		
Balance with statutory authorities	163	83
Advances to suppliers	2,148	1,387
Pre-payments	2,945	1,449
Other receivables	57	80
	5,313	2,999

18 Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
300,000,000 (31 March 2021 - 300,000,000) equity shares of ₹1 each	3,000	3,000
	3,000	3,000
Issued and subscribed¹		
236,244,892 (31 March 2021 - 236,244,892) equity shares of ₹1 each	2,362	2,362
	2,362	2,362
Fully paid-up¹		
235,389,892 (31 March 2021 - 235,389,892) equity shares of ₹1 each	2,354	2,354
	2,354	2,354

Note

1. Difference between the issued and subscribed and paid up share capital represents the shares forfeited by the Holding Company in the preceding previous years.

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning of the year	23,53,89,892	2,354	23,53,89,892	2,354
Changes during the year	-	-	-	-
Equity shares at the end of the year	23,53,89,892	2,354	23,53,89,892	2,354

b) Terms/ rights attached to ordinary equity shares

The Holding Company has only one class of equity shares having a face value of ₹1 per share. Each holder of equity shares is entitled to have one vote per share.

The board of directors of the Holding Company in their meeting held on 27 May 2022 has recommended a final dividend @ 350% i.e. ₹3.50 per equity share of face value of ₹1/- each (31 March 2021: ₹3.50 per share). The same shall be paid subject to the approval of shareholders in ensuing annual general meeting of the Holding Company.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

c) Details of shareholders holding more than 5% shares in the Holding Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
1 Anil Mittal Family Trust	4,33,17,296	18.40%	4,30,49,796	18.29%
2 Arun Kumar Gupta Family Trust	4,20,65,146	17.87%	4,17,97,646	17.76%
3 Anoop Kumar Gupta Family Trust	3,88,49,338	16.50%	3,88,49,338	16.50%
4 Reliance Commodities DMCC	2,29,00,000	9.73%	2,29,00,000	9.73%
5 Joint Director of Enforcement, Central region [refer note 47(A)(4)]	1,43,33,221	6.09%	1,43,33,221	6.09%

d) Shares held by the promoters:

Name of the Promoters	As at 31 March 2022			As at 31 March 2021		
	No. of shares held	% of total shares	% of change	No. of shares held	% of total shares	% of change
Anil Mittal Family Trust	4,33,17,296	18.40%	0.11%	4,30,49,796	18.29%	-
Arun Kumar Gupta Family Trust	4,20,65,146	17.87%	0.11%	4,17,97,646	17.76%	-
Anoop Kumar Gupta Family Trust	3,88,49,338	16.50%	-	3,88,49,338	16.50%	-
Binita Gupta Family Trust	7,71,432	0.33%	0.11%	5,03,932	0.21%	-
Anil Kumar Mittal, Karta of Anil Kumar Mittal HUF	35,99,900	1.53%	-	35,99,900	1.53%	-
Arun Kumar Gupta, Karta of Arun Kumar Gupta HUF	48,49,900	2.06%	-	48,49,900	2.06%	-
Anoop Kumar Gupta, Karta of Anoop Kumar Gupta HUF	72,99,900	3.10%	-	72,99,900	3.10%	-
Anil Kumar Mittal	100	0.00%	-	100	0.00%	-
Arun Kumar Gupta	100	0.00%	-	100	0.00%	-
Anoop Kumar Gupta	100	0.00%	-	100	0.00%	-
Priyanka Mittal	100	0.00%	-	100	0.00%	-
Ashish Mittal	100	0.00%	-	100	0.00%	-
Kunal Gupta	184	0.00%	0.01%	100	0.00%	-
Akshay Gupta	100	0.00%	-	100	0.00%	-
Ayush Gupta	100	0.00%	-	100	0.00%	-
Preeti Mittal	100	0.00%	-	100	0.00%	-
Anulika Gupta	100	0.00%	-	100	0.00%	-
Binita Gupta	100	0.00%	-	100	0.00%	-
Neha Gupta	100	0.00%	-	100	0.00%	-
Rashi Gupta	100	0.00%	-	100	0.00%	-
	14,07,54,296	59.80%	0.34%	13,99,51,712	59.46%	-

e) Shares reserved for issue under option

The Holding Company has not reserved any shares for issuance under options.

f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

No bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

19 Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Retained earnings	3,33,252	2,95,465
(ii) General reserve	59,550	59,550
(iii) Securities premium	9,655	9,655
(iv) Capital reserve	82	82
(v) Capital redemption reserve	77	77
(vi) Cash flow hedge reserve	7	54
(vii) Foreign currency translation reserve	2,046	2,014
	4,04,670	3,66,897

Note :

1. Refer Consolidated Statement of Changes in Equity for the movement in equity.

Description and purpose of reserves:

(i) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(ii) General reserve

The Holding Company has transferred a portion of the net profit of the Holding Company to general reserve from time to time and it is not the item of other comprehensive income. Also the Holding Company has earlier forfeited the partly paid equity shares with the requisite approvals. The amount originally received against forfeited shares is also included in the general reserve.

(iii) Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in securities premium reserve.

(iv) Capital reserve

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

(v) Capital redemption reserve

The Holding Company has recognised capital redemption reserve on buyback of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back.

(vi) Cash flow hedge reserve

The cash flow reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges.

(vii) Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the subsidiaries foreign operations from their functional currencies to the Holding Company presentation currency i.e. ₹32 lacs are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to Consolidated Statement of Profit and Loss on the disposal of the foreign operation.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

20 Borrowings

Non-current

Particulars	As at 31 March 2022	As at 31 March 2021
Secured term loan from banks (refer note below)		
Rupees loan	587	1,941
	587	1,941
Less: Current maturities of non-current borrowings (refer note 23)	587	1,344
	-	597

A Details of security of non-current borrowings

The Holding Company has executed deed of hypothecation in favour of SBICAP Trustee Company Limited (acting as Security Trustee) and created mortgage on its movable and immovable properties located at various locations vide memorandum of entries for an amount of ₹931 lacs (31 March 2021 - ₹18,405 lacs) in the form of term loan facilities taken from State Bank of India under consortium. The same is secured by first pari-passu charge on all movable and immovable fixed assets of the Holding Company, both present and future (except immovable fixed assets situated at Maharashtra and Madhya Pradesh) for which the Holding Company has executed the Non Disposable Undertaking) and second pari-passu charge on all current assets including but not limited to stock of raw materials, semi-finished and finished goods, consumable stores and spares, bills receivables and book debts and all other movables of whatsoever nature and where ever arising, both present and future of the Holding Company.

B Details of repayment of non-current borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Rupee term loan from State Bank of India of ₹9,408 lacs, interest to be paid on monthly basis at 10 bps above 3 Months MCLR subject to quarterly reset i.e 6.75% p.a (31 March 2021: 3 Months MCLR subject to quarterly reset i.e 6.75% p.a) and repayable in 28 quarterly installments of ₹336 lacs each, starting from December 2015.	587	1,941
	587	1,941

21 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current provision for employee benefits		
Provision for compensated absences (refer note 40C)	925	874
	925	874

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

22 Deferred tax liabilities (net)¹

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities		
Property, plant and equipment and intangible assets	13,688	14,314
Right to use assets	1,271	1,473
	14,959	15,787
Deferred tax assets		
Lease liabilities	(1,404)	(1,548)
Provision for employee benefit expenses	(277)	(262)
Others	(263)	(168)
	(1,944)	(1,978)
	13,015	13,809

Note:

1. Refer note 39C for the movement in deferred tax.

23 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Secured		
Working capital facilities from bank		
- Rupees Loan (refer note B (i) and (ii) below)	-	19,500
Current maturities of non-current borrowings (refer note 20)	587	1,344
	587	20,844
Unsecured		
Loans from related parties (refer note C below)	8,352	9,339
	8,352	9,339
	8,939	30,183

A. Details of security of current borrowings

- The Holding Company has executed deed of hypothecation in favour of SBICAP Trustee Company Limited (acting as Security Trustee) and created mortgage on its movable and immovable properties located at various locations vide memorandum of entries for an amount of ₹155,500 lacs (31 March 2021 : ₹175,400 lacs) in the form of loan and other facilities sanctioned by banks under consortium. The same is secured by first pari-passu charge on all current assets including but not limited to stock of raw materials, semi-finished and finished goods, consumable stores and spares, bills receivables and book debts and all other movables of whatsoever nature and where ever arising, both present and future and second pari-passu charge on all movable and immovable fixed assets of the Holding Company, both present and future (except immovable fixed assets situated at Maharashtra and Madhya Pradesh for which the Holding Company has executed the Non Disposable Undertaking) of the Holding Company.

Further, the current borrowings of the Holding Company are also secured vide the personal guarantees of Mr Anil Kumar Mittal, Mr Arun Kumar Gupta, Mr Anoop Kumar Gupta and Mr. Ashish Mittal (the liability of Mr. Ashish Mittal shall be limited only to the extent of the immovable properties mortgaged by him in favour of the security trustee for the benefit of working capital lenders).

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

- During the year ended 31 March 2020, the Holding Company has created subservient charge by way of hypothecation in favour of HDFC Bank Limited and created mortgage on its movable and immovable properties located at various locations for an amount of ₹20,000 lacs. The same now stands submerged with the overall working capital facilities of ₹155,500 lacs as mentioned above and as sanctioned inter-alia by HDFC Bank Limited under consortium.

B. Details of repayment of the current borrowings

Secured:

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Short-term working capital loan from banks		
The Holding Company has obtained short-term working capital loan from consortium banks. The facilities carries interest at repo rate / MCLR along with spread (i.e 4.20% p.a to 7.85% p.a) of respective banks.	-	9,500
(ii) EPC - Rupee loan		
The Holding Company has obtained Export Packing credit facility from consortium banks and is repayable after the stipulated period. The facilities carries interest at T- bills along with spread (i.e 4.00% p.a to 4.22% p.a) of respective banks.	-	10,000

C. Unsecured:

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Loans from related parties		
The Group has obtained loans from directors which are interest free and repayable on demand.(Refer Note 46)	8,352	9,339

24 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding due of micro enterprises and small enterprises	1,198	698
Total outstanding due of creditors other than micro enterprises and small enterprises		
Trade payables	6,373	8,918
Acceptances	10,486	12,290
	18,057	21,906

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Notes :

A. Detail of dues to micro, small and medium enterprises as defined under the Micro, Small And Medium Enterprises Development Act, 2006 ('MSMED Act, 2006'), to the extent intimation has been received from the 'Supplier' regarding their status under the MSMED Act, 2006

Particulars	As at 31 March 2022	As at 31 March 2021
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year	1,198	698
Principal amount remaining unpaid ¹ , and	-	-
Interest accrued and remaining unpaid	-	-
(ii) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
	1,198	698

1. According to the records of the Holding Company, there are no overdue principal amount/interest payable for delayed payment to such vendors at the balance sheet date. The amount payable to Micro and Small enterprises doesn't include any amount due for period more than the stipulated time prescribed under the MSMED Act, 2006.

Trade payables ageing schedule for the year ended 31 March 2022

Particulars	Not due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Un-disputed						
- Total outstanding due of micro enterprises and small enterprises	1,198	-	-	-	-	1,198
- Total outstanding due of creditors other than micro enterprises and small enterprises	16,261	468	32	83	15	16,859
Total	17,459	468	32	83	15	18,057

Trade payables ageing schedule for the year ended 31 March 2021

Particulars	Not due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Un-disputed						
- Total outstanding due of micro enterprises and small enterprises	698	-	-	-	-	698
- Total outstanding due of creditors other than micro enterprises and small enterprises	17,151	3,617	333	45	62	21,208
Total	17,849	3,617	333	45	62	21,906

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

25 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	121	76
Employees related payables	1,092	991
Expenses payable ¹	15,204	14,361
Security deposits	30	36
Unclaimed dividend ²	48	48
	16,495	15,512

Note

1. It included the provision for CSR on ongoing project. (Refer note 41)
2. The amount is not due for deposit to Investor Education and Protection Fund.

26 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advance from customer (refer note 38D)	2,850	1,930
Statutory dues payable	1,163	758
	4,013	2,688

27 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Current provision for employee benefits		
Provision for gratuity (refer note 40B)	100	251
Provision for compensated absences (refer note 40C)	178	168
	278	419

28 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A Revenue from sale of finished goods		
Export	1,44,297	1,89,667
Domestic	2,63,542	1,98,187
B Revenue from sale of stock in trade		
Domestic	719	1,084
C Sale of electricity		
Export ¹	-	12
Domestic ²	11,044	9,170
D Other operating revenue		
Income from subsidies ³	900	69
Liquidated damages received ⁴	32	45
Scrap sales	522	954
	4,21,056	3,99,188

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Notes:

- It includes the sale of certified emission reduction certificates.
- During the year ended 31 March 2022, the Holding Company has recognised revenue of ₹778 lacs pertaining to previous years 2019 till 2021, related to the energy supplied from wind mill to the Andhra Pradesh ('DISCOM'). During the previous period, the Holding Company had not recognised the said revenue due to the uncertainty of recoverability of the amount as DISCOM had disputed the rate at which power purchased agreement ('PPA') was signed and was paying the Holding Company at the lower rate. However, in current year, the Hon'ble High Court, Andhra Pradesh, vide its order dated 15 March 2022 issued a directive to DISCOM to pay the amount for each unit of energy supplied by the Holding Company as per the rates mentioned in the PPA. Accordingly, the Holding Company has now recognised revenue at the contractually agreed rate.
- It includes GBI of ₹78 lacs (31 March 2021: ₹69 lacs) and income from RODTEP of ₹822 lacs (31 March 2021: ₹Nil). The Holding Company has complied all the attached condition.
- Liquidated damages received by the Holding Company from its vendor for non execution of contract terms.
- Refer note 38, for disaggregation of revenue from operations and other disclosures.

29 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income		
Interest income on financial assets carried at amortised cost	284	443
Other	194	-
Dividend income	54	41
Other non-operating income		
Rental income ¹	113	56
Net gain on redemption and fair valuation of investments through profit and loss ²	1,732	1,046
Net gain on foreign currency transaction and translation	1,220	165
Net gain on sale of property, plant and equipment	42	-
Liabilities/provisions no longer required written back	470	67
Gain on modification/termination of lease	6	86
Other	156	364
	4,271	2,268

Note:

- This includes rental income derived from investment properties for ₹110 lacs (refer note 5).
- This includes net gain on fair value changes for ₹417 lacs (31 March 2021: ₹805 lacs). Refer note 12 for details of investments classified at fair value through profit or loss.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

30 Cost of materials consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Paddy	1,95,868	1,98,412
Semi finished rice	81,228	1,00,020
Packing and other consumables	18,185	16,083
Amount of opening stock-in-trade used as raw material for production (refer note 32C)	401	-
	2,95,682	3,14,515

31 Purchase of stock-in-trade

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Seeds	553	681
	553	681

32 Changes in inventories of finished goods and stock-in-trade

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Opening stock		
Finished goods	1,91,400	1,52,043
Stock-in-trade	761	818
	1,92,161	1,52,861
B. Closing stock		
Finished goods	1,81,346	1,91,400
Stock-in-trade	472	761
	1,81,818	1,92,161
C. Amount of opening stock-in-trade used as raw material (refer note 30)	(401)	-
	9,942	(39,300)

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

33 Employee benefits expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries wages and bonus	9,372	8,363
Contribution to provident and other funds (refer note 40A and 40D)	567	500
Gratuity (refer note 40B)	217	185
Staff welfare expenses	288	173
	10,444	9,221

34 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on:-		
- Term loans	96	194
- Cash credit/working capital facility	632	1,528
- Leases Liabilities	505	557
Other borrowing costs	107	80
	1,340	2,359

35 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment (Refer Note 3)	6,257	6,107
Depreciation on investment property (Refer Note 5)	17	-
Depreciation on right-of-use assets (Refer Note 4)	1,125	1,065
Amortisation on intangible assets (Refer Note 6)	23	23
	7,422	7,195

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

36 Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Power and fuel	1,800	1,819
Consumption of stores and spares	1,240	1,058
Repairs and maintenance:-		
- Machinery	3,054	2,769
- Buildings	344	364
- Others	89	69
Fumigation	699	577
Freight inward	1,872	1,567
Travelling and conveyance	473	284
Communication expense	80	71
Rent	330	121
Legal and professional expense	713	861
Fees, rates and taxes	1,438	1,050
Vehicle running and maintenance	222	194
Insurance	1,059	898
Printing and stationery	114	95
Testing and inspection	458	533
Donation and charity	67	39
Clearing, forwarding and freight charges	15,385	11,373
Sales and business promotion	185	156
Advertisement	4,751	4,024
Meeting and seminar expense	18	12
Commission and brokerage	1,289	915
Corporate social responsibility expenses (refer note 41)	1,491	1,451
Security service charges	346	327
Sub-contractual expense	299	548
Balances written off	21	245
Net loss on sale of property, plant and equipment	-	14
Miscellaneous expenses	394	415
	38,231	31,849

A. Research and development expenditure

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue expenditure	553	526

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

37 Earnings per share

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity shareholders	45,940	55,891
Numbers of weighted average equity share outstanding at the year end for basic and diluted	23,53,89,892	23,53,89,892
Nominal value per share in ₹	1.00	1.00
Basic / Diluted earnings per share in ₹	19.52	23.74

38 Disaggregation of revenue from operations

A. Revenues by Geography

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rice and other related products		
- within India	2,64,261	1,99,271
- outside India	1,44,297	1,89,667
	4,08,558	3,88,938
Electricity		
- within India	11,044	9,170
- other than India	-	12
	11,044	9,182
Income from subsidies and others	932	114
	932	114
Sale of scrap		
- within India	522	954
	522	954

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

B. Revenues by offerings

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of goods		
- Rice	3,83,972	3,68,930
- Seeds	719	1,084
- Quinoa and others	1,428	1,610
By products		
- Furfural Alcohol	3,635	1,629
- Bran Oil	10,849	7,904
- Furfural oil	1,312	821
- De-oiled cake	4,180	3,824
- Glucose	287	190
- Others	2,176	2,946
	4,08,558	3,88,938
Sale of electricity	11,044	9,182
Sale of scrap	522	954
Income from subsidies and others	932	114

C. Reconciliation of revenue from operations with the contracted price

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contracted price	4,33,162	4,09,776
Less: Trade discounts, volume rebates, etc	12,106	10,588
Revenue from operations	4,21,056	3,99,188

D. Contract balances

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
- Contract assets ¹	912	798
- Contract liabilities ²	2,850	1,930

Notes

- The contract assets are in form of receivables, which are included in income receivable, primarily relate to the Holding Company rights to consideration for power sold to the customers but not billed at the reporting date. The contract assets are transferred to receivables when it will be billed subsequently.
- The contract liabilities are in form advance received from customer for which the obligation of supply of goods/service is not completed at the year end.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

E. Movement in contract assets and contract liabilities

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance of contract liabilities	1,930	1,328
Addition in balance of contract liabilities for current year	2,850	1,930
Amount of revenue recognised against opening contract liabilities	1,930	1,328
Closing balance of contract liabilities	2,850	1,930
Opening balance of contract assets	798	1,157
Addition in balance of contract assets for current year	912	798
Amount of billing recognised against opening contract assets	798	1,157
Closing balance of contract assets	912	798

39 Income tax

A Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Enacted income tax rate applicable to the Holding Company	25.17%	25.17%
Profit before tax	61,713	74,936
Add: Loss from foreign operation not taxable	64	138
Taxable profit	61,777	75,074
Expected tax expenses	15,549	18,895
Tax effect of:		
Non deductible expenses (net)	393	382
Tax for earlier years	-	(27)
Non taxable Income	(139)	(203)
Others	(30)	(2)
Total income tax expense in the Statement of Profit and Loss	15,773	19,045

B. The major components of income tax expense for the year end are:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Statement of Profit and Loss		
Current income tax		
Current tax	16,567	19,824
Deferred tax	(794)	(779)
	15,773	19,045

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Other comprehensive income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Tax expense on the items recognised in other comprehensive income during the year		
Remeasurement of defined benefit plans	(31)	18
Profit/(Loss) on cash flow hedge reserve	17	(244)
	(14)	(226)

C. Movement of temporary differences

Particulars	Balance as at 1 April 2021	Recognised in Statement of Profit and Loss during the year	Balance as at 31 March 2022
Deferred tax liabilities			
Property, plant and equipment and intangible assets	14,314	(626)	13,688
Right-of-use assets	1,473	(202)	1,271
Deferred tax assets			
Lease Liabilities	(1,548)	144	(1,404)
Provision for employee benefit expenses	(262)	(15)	(277)
Others	(168)	(95)	(263)
	13,809	(794)	13,015

Particulars	Balance as at 1 April 2020	Recognised in Statement of Profit and Loss during the year	Balance as at 31 March 2021
Deferred tax liabilities			
Property, plant and equipment and intangible assets	14,952	(638)	14,314
Right-of-use assets	1,883	(410)	1,473
Deferred tax assets			
Lease Liabilities	(1,908)	360	(1,548)
Provision for employee benefit expenses	(220)	(42)	(262)
Others	(119)	(49)	(168)
	14,588	(779)	13,809

D The Holding Company does not have any carry forward losses as at year end.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

40 Employee benefit obligations

A. Defined contribution plans

Particulars	As at 31 March 2022	As at 31 March 2021
Employer's contribution to provident fund	483	415
	483	415

B. Defined benefit plans

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Holding Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Holding Company contributes the ascertained liability to Kotak Mahindra Life Insurance Company Limited with whom the plan assets are maintained.

Policy for recognizing actuarial gains and losses:

Actuarial gains and losses of defined benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognized in other comprehensive income. Risks associated with the plan provisions are actuarial risks. These risk are investment risk, interest rate risk, mortality risk and salary risk.

Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

The following table sets out the funded status and the amount recognised in the Holding Company's financial statements:

Particulars	As at 31 March 2022	As at 31 March 2021
a. Amounts to be recognised		
Present value of obligation	(1,945)	(1,858)
Fair value of plan assets	1,845	1,607
Net (liability) recognised	(100)	(251)
Current liability	(100)	(251)
Non-current liability	-	-
b. Changes in present value of defined benefit obligation:		
Defined benefit obligation at the beginning of the year	1,858	1,519
Current service cost	200	161
Interest cost	128	104
Remeasurement actuarial (gain)/loss		
-due to change demographic assumptions	(1)	19
-due to change financial assumptions	(86)	172
-due to change experience	(42)	(36)
Benefits paid	(112)	(81)
Defined benefit obligation at the end of the year	1,945	1,858
c. Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	1,607	1,166
Expected return on plan assets	111	80
Contributions made	251	353
Benefits paid	(112)	(81)
Return on plan assets, excluding interest income	(12)	89
Fair value of plan assets at the end of the year	1,845	1,607
d. Expenses recognized in Statement of profit and loss (refer note 33)		
Current service cost	200	161
Interest expense (net)	17	24
Expense for the year ended	217	185
e. Recognized in other comprehensive income		
Remeasurements-actuarial (gain)/loss on obligation for the period	(129)	155
Return on plan assets, excluding interest income	12	(89)
Net income at the end of the period	(117)	66
f. Actuarial assumptions		
Discount rate	7.31%	6.93%
Expected rate of return on plan assets	7.31%	6.93%
Expected rate of increase in compensation levels	7.00%	7.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban) 60 Years	Indian Assured Lives Mortality (06-08) 60 Years
Retirement Age	60 Years	60 Years
Attrition / Withdrawal rates	2%	2%
g. Investment details		
Insurance fund	1,845	1,607
h. The Holding Company expects to contribute ₹305 lacs to gratuity fund in the next financial year.		

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

i. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate		
1% increase	(202)	(201)
1% decrease	241	242
Future salary increase		
1% increase	224	225
1% decrease	(193)	(193)
Employee turnover rate		
1% increase	9	1
1% decrease	11	(1)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant and may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of another as some of the assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the balance sheet date, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

j. Maturity profile of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Within next 12 months	176	171
Between 1-5 years	285	243
Beyond 5 years	5,070	4,770

C. Other long term benefit plans

Other long-term benefit plans represents the compensated absences provided to the employees of the Holding Company.

a. Amounts to be recognised

Particulars	As at 31 March 2022	As at 31 March 2021
Current liability	178	168
Non-current liability	925	874

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

b. Changes in present value of other long-term benefit plans:

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation at the beginning of the year	1,042	873
Current service cost	95	75
Interest cost	72	60
Remeasurement actuarial (gain)/loss		
-due to change demographic assumptions	1	9
-due to change financial assumptions	(44)	92
-due to change experience	68	37
Benefits paid	(131)	(104)
Defined benefit obligation at the end of the year	1,103	1,042

c. Expenses recognised in Statement of Profit and Loss

Particulars	As at 31 March 2022	As at 31 March 2021
Current service cost	95	75
Interest cost	72	60
Remeasurement actuarial loss	25	137
Expense for the year ended	192	272

d. Actuarial valuation has been done with the following assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	7.31%	6.93%
Expected rate of return on plan assets	NA	NA
Expected rate of increase in compensation levels	7.00%	7.00%
	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (06-08)
Mortality Rate		
Attrition / withdrawal rates	2%	2%

D. Employer's contribution to employee state insurance corporation

84 85

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

41 Corporate social responsibility ("CSR")

In accordance with the provisions of section 135 of the Companies Act, 2013, the Holding Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ('CSR'). Basis the recommendation of CSR committee, the board of directors of the Company had approved and paid ₹308 lacs towards promoting education, healthcare and hunger eradication (31 March 2021: ₹180 lacs).

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Total CSR spent during the year	308	180
Accrual towards unspent obligation in relation to		
Ongoing project	1,314	1,271
Other than ongoing project	-	-
Total	1,622	1,451
Less: Excess spent during the year to be carry forward to financial year 2022-23*	131	-
Amount recognised in Statement of Profit and Loss	1,491	1,451
Gross amount required to be spent during the year	1,491	1,451
Amount approved by the board to be spent during the year	1,491	1,451
Amount spent during the year on		
(i) Construction / Acquisition of any asset	-	11
(ii) On purpose other than (i) above	308	169
Total amount spent	308	181
Amount yet to be spent on ongoing project	1,314	1,271
Total	1,622	1,451
Less: Excess spent during the year to be carry forward to financial year 2022-23*	131	0
Total	1,491	1,451

Details of ongoing CSR projects under Section 135(6) of the Act

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening Balance at the beginning of the year		
With the Company	1,271	-
In Separate CSR Unspent account	-	-
Amount deposited in specified fund of Schedule VII	-	-
Amount accrued as provision during the year	1,491	1,451
Amount transfer to separate unspent CSR Account	1,271	-
Amount spent during the year		
From Company's bank account	308	180
From Separate CSR unspent account	141	-
Closing Balance at the end of the year		
With the Company*	1,183	1,271
In Separate CSR Unspent account	1,130	-
Total	2,313	1,271

* This amount was remitted to KRBL Foundation and Annamrita Foundation during the period for the purpose of above-mentioned CSR projects. Subsequently, in the month of April 2022, this amount has been deposited to the Unspent CSR A/c, held in the name of the Holding Company.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

Particulars	For the year ended 31 March 2022
Details of CSR expenditure under Section 135(5) of the Act in respect of unspent amount other than ongoing projects:	
Balance unspent as at 01 April 2021	-
Amount deposited in Specified Fund of Schedule VII of the Act within six months	-
Amount required to be spent during the year	308
Amount spent during the year	308
Balance unspent as at 31 March 2022	-
Details of excess CSR expenditure under Section 135(5) of the Act	
Balance excess spent as at 01 April 2021	-
Amount required to be spent during the year	1,491
Amount spent during the year	1,622
Balance excess spent as at 31 March 2022	131

42 Capital management

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence.

The Group monitors capital using a ratio of "Net Debt" to "Total Equity". For this purpose, Net Debt is defined as total borrowings less cash and cash equivalents. Total equity comprises of equity share capital and other equity. During the year, no significant changes were made in the objectives, policies or processes relating to the management of the Group's capital structure.

The Group's net debt to total equity ratio is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current borrowings (refer note 20)	-	597
Current borrowings (refer note 23)	8,939	30,183
Less: Cash and cash equivalents ¹ (refer note 13)	(18,659)	(15,942)
Net debt	-	14,838
Equity share capital	2,354	2,354
Other equity	4,04,670	3,66,897
Total equity	4,07,024	3,69,252
Net debt to total equity ratio	-	0.04

Note:

1. It includes investment in mutual funds (refer note 13).

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

43 Dividends

Particulars	As at 31 March 2022	As at 31 March 2021
A Dividend declared and paid during the year		
Final dividend for the financial year ended 31 March 2021 ₹3.50 per share (For the year ended 31 March 2020 : ₹Nil per share)	8,239	-
B Proposed dividends on equity shares not recognised as liability		
Final dividend recommended by the board of directors for the year ended 31 March 2022 ₹3.50 per share of ₹1 each (31 March 2021: ₹3.50 per share) subject to approval of shareholders in the ensuing annual general meeting.	8,239	8,239
C Remittance in foreign currency on account of dividend		
Number of shareholders to whom final dividend for the financial year 2020-21 remitted in foreign currency	3	NA
Number of equity shares held by the shareholders to whom final dividend for the financial year 2020-21 remitted in foreign currency.	2,40,00,000	NA
Amount of dividend paid (₹ in lacs)	8,40,00,000	-
Year to which the dividend relates	2020-21	NA

Note :

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as liability as at reporting date.

44 Financial instruments

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in the consolidated financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Group presently does not make significant investments in equity shares, except for entities where it exercises control or joint control or significant influence.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

A Disclosure in respect of financial risk management

1. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments, cash and cash equivalents, deposits and security deposits.

Credit risk management:

Concentration of credit risk with respect to trade receivables are limited, due to the Holding Company's customer base being large and diverse. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Holding Company grants credit terms in the normal course of business.

The long aged trade receivables, mainly comprise of receivables from DISCOM companies and as per past experience, there has been no credit loss on account of customer's inability to pay as the revenue is agreement driven and all the customers are government companies. Thus, the Company's historical experience of collecting receivables, supported by the level of default indicate a low credit risk and so trade receivables are considered to be a single class of financial assets.

On the basis of the above assessment, the Holding Company identified and written off an amount of ₹21 lacs of trade receivable balances, which were subject to dispute and will not be realisable at the reporting date.

Other financial assets

Further, credit risk in respect of other receivables and loans, mainly comprise of security deposit, unbilled revenue, cash and bank equivalents and interest accrued on deposits which are managed by the Group, by way of assessing financial condition and current economic trends. The Group considers the probability of default associated with the other receivable and loan is very low at the year respective year end and thus would not require any provision, except as disclosed below.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	As at 31 March 2022	As at 31 March 2021
Loans	13	53
Trade receivables	28,934	20,129
Other financial assets	2,255	3,862
Total	31,202	24,044

Summary of the Holding Company's exposure to credit risk by age of the outstanding from various customers/trade receivables is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Not past due	16,043	13,424
Past due 0-180 days	9,058	4,209
Past due 181 days-one year	1,998	1,119
Past due one year-two year	1,146	992
More than two year	689	385
Total	28,934	20,129
Loss allowance	-	-
Total	28,934	20,129

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Reconciliation of loss allowance- Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Loss allowances in the beginning of the year	-	-
Loss allowance recognised during the year	-	-
Loss allowances actualised	-	-
Loss allowances at the close of the year	-	-

The following table gives details in respect of percentage of revenue generated from top customer:

Particulars	As at 31 March 2021
Top one customer having more than 10% of the total revenue	17.36%
No customer is having more than 10% of the total revenue during 31 March 2022 (31 March 2021 - ₹69,300 lacs) pertaining to Agri Segment.	

2. Liquidity Risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

(i) Financing arrangements

The Holding Company had access to the following undrawn borrowing facilities at the end of reporting period.

Particulars	As at 31 March 2022	As at 31 March 2021
Fund based		
- Expiring with in one year (cash credit and other facilities)	1,57,500	1,38,000

(ii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

For the year ended 31 March 2022

Particulars	Carrying amount	On demand	6 months or less	6 months to 1 year	1-2 years	More than 2 years
Non-current borrowings	-	-	-	-	-	-
Current borrowings	587	-	587	-	-	-
Loan from related parties	8,352	8,352	-	-	-	-
Trade payables	18,057	-	18,057	-	-	-
Lease liabilities	5,579	-	338	189	448	4,604
Other financial liabilities	16,495	78	16,417	-	-	-

For the year ended 31 March 2021

Particulars	Carrying amount	On demand	6 months or less	6 months to 1 year	1-2 years	More than 2 years
Non-current borrowings	597	-	-	-	597	-
Current borrowings	20,844	19,500	672	672	-	-
Loan from related parties	9,339	9,339	-	-	-	-
Trade payables	21,906	-	21,906	-	-	-
Lease liabilities (including interest payable)	6,152	-	411	417	476	4,848
Other financial liabilities	15,512	84	15,428	-	-	-

3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- interest rate risk;
- price risk; and
- currency risk

(i) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at year end, the Group has following borrowings:

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings	587	21,441

Interest rate sensitivity

A change of 100 bps in interest rates would have following impact on profit before tax /equity	As at 31 March 2022	As at 31 March 2021
100 bps increase- decrease in profits tax /equity	3	107
100 bps decrease- increase in profits tax /equity	3	107

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates (after considering repayments) were utilised for the whole financial year.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

(ii) Price risk

The Group is mainly exposed to the price risk due to its investment in equity shares. The price risk arises due to uncertainties about the future market values of these investments.

The table below summarises the impact of increases/decreases of the index on the Group's equity and profit for the year. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

Impact on profit before tax/equity	As at 31 March 2022	As at 31 March 2021
Share price increase by 5%	104	94
Share price decrease by 5%	(104)	(94)

(iii) Currency Risk

The Group operates internationally and consequently the Group is exposed to foreign exchange risk through its sales in overseas market. The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows policies which includes the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

The Holding Company has Outstanding Forward contracts and options of USD 68.60 Mio (P.Y. USD 42.00 Mio).

Foreign currency exposure recognized by the Company that have not been hedged by a derivative instrument are as under:¹

Particulars	₹ in lacs		USD in lacs		EURO in lacs	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Financial assets						
Trade receivables	5,402	4,727	56	65	9	-
Cash and cash equivalents	16,238	15,368	214	210	-	-
Other Receivable	86	834	6	11	-	-
Security Deposits	-	1,097	-	15	-	-
Advance to supplier	5	-	0	-	-	-
Financial liabilities						
Trade payables	8	605	0	8	-	-
Advance from customers	2,530	1,793	14	25	17	-

Foreign currency risk sensitivity:

A change of 5% in foreign currency would have following impact on profit before tax/Other equity

Particulars	USD	
	5% increase	5% decrease
31-03-2022 (₹ in lacs) ¹	224	224
31-03-2021 (₹ in lacs) ¹	167	167

1. The foreign currency exposure for currencies other than USD and EURO is immaterial to the Holding Company.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Foreign currency risk

The Holding Company has designated certain forward contracts and borrowings as eligible hedging instruments for hedge of foreign currency forecast sales. Pursuant to this, the effective portion of change in value of the hedging instruments has been recognised in 'cash flow hedge reserve' in other comprehensive income. Such amount is reclassified to profit or loss as and when the forecast transaction occurs or the hedges are no longer effective.

The Holding Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, AED, GBP and Euro. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Holding Company's policy is to hedge all material foreign exchange risk associated with highly probable forecast sales transactions denominated in foreign currencies. The Holding Company's policy is to hedge the risk of changes in foreign currency. The Holding Company uses combination of pre-shipment credit in foreign currency (PCFC) and forward contracts (derivative instruments) to hedge its exposure in foreign currency risk. The Holding Company designate both change in spot and forward element of forward contracts and change in spot of PCFCs to hedge exposure in foreign currency risk on highly probable forecast sales.

Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position

For the year ended 31 March 2022									
Type of hedge and risks	Notional amount	Carrying amount of hedging instrument	Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness		
		Assets	Liabilities						
Cash flow hedge									
Foreign currency risk									
(i) Forward Contracts and options	USD 430	(10.72)	-	May 2021 - Nov 2021	1:1	76.56	-	-	-

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

For the year ended 31 March 2021									
Type of hedge and risks	Notional amount	Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	
		Assets	Liabilities						
Cash flow hedge									
Foreign currency risk									
(i) Pre-shipment credit in foreign currency (PCFCs)		-	-		-	-	-	(434)	(433)
(ii) Forward Contracts and options	USD 420	(100.73)	-	April 2021 - May 2021	1:1	73.70	-	-	-

(b) Disclosure of effects of hedge accounting on financial performance

For the year ended 31 March 2022				
Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge				
Foreign currency risk				
(i) Pre-shipment credit in foreign currency (PCFCs)	420	0	420	Revenue

For the year ended 31 March 2021				
Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge				
Foreign currency risk				
(i) Pre-shipment credit in foreign currency (PCFCs)	433.63	(0.72)	432.91	Revenue

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

The Holding Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For PCFCs, hedge effectiveness is measured by comparing change in the discounted spot restatement of hypothetical derivative with change in the value of actual hedging instrument i.e. PCFC.

In hedges of foreign currency forecast sales, ineffectiveness mainly arises because of Change in timing of hedged item from that of the hedging instrument and cost of hedging. The ineffectiveness arised in the hedges have been disclosed in above table.

(c) Movements in cash flow hedging reserve

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance at the beginning of the year	(54)	624
Add: Changes in value of PCFCs/ Forward	(10)	(74)
Less: Amount reclassified to profit or loss	74	(848)
Less: Deferred tax relating to above (net)	(17)	244
Closing Balance at the end of the year	(7)	(54)

B Fair value disclosure

1. Fair value measurement of financial instruments [criteria for recognition of financial instrument is explained in note 2 (i)]

	31 March 2022			31 March 2021		
	FVTPL	FVOCI	Amortised cost ¹	FVTPL	FVOCI	Amortised cost ¹
Financial Assets						
Investments (other than in subsidiary) ²	2,079	-	-	1,889	-	-
Loans	-	-	13	-	-	53
Cash and cash equivalents	-	-	18,659	-	-	15,942
Other bank balances	-	-	20,441	-	-	244
Trade receivables	-	-	28,934	-	-	20,129
Other financial assets	-	98	2,795	-	101	3,963
Total	2,079	98	70,842	1,889	101	40,331
Financial liabilities						
Borrowings	-	-	8,939	-	-	30,780
Trade payables	-	-	18,057	-	-	21,906
Lease liabilities	-	-	5,579	-	-	6,152
Other financial liabilities	-	-	16,495	-	-	15,512
Total	-	-	49,070	-	-	74,350

1. The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments.

Further, these instruments are valued at level 3 and their fair value are considered to be same as their carrying value, as there is an immaterial change in the lending rate.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

2. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation each level follows underneath the table.

Assets and liabilities measured at amortised cost, for which fair value are disclosed

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers among levels 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(A) Financial instruments valued at fair value through profit and loss and fair value through other comprehensive income

	31 March 2022		31 March 2021	
	Level 1	Level 2	Level 1	Level 2
Financial Assets				
Investments (other than in subsidiary)	2,079	-	1,889	-
Other Financial Assets	-	98		101
Total	2,079	98	1,889	101

(B) Financial instruments valued at amortised cost

	31 March 2022	31 March 2021
	Level 3	Level 3
Financial assets		
Loans	13	53
Cash and cash equivalents	18,659	15,942
Other bank balances	20,441	244
Trade receivables	28,934	20,129
Other financial assets	2,795	3,963
Total	70,842	40,331
Financial liabilities		
Borrowings	8,939	30,780
Trade payables	18,057	21,906
Lease liabilities	5,579	6,152
Other financial liabilities	16,495	15,512
Total	49,070	74,350

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

3. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include the use of discount cash flows for estimating fair value of loans to employees, security deposits and borrowings.

The carrying amounts of trade receivables, cash and cash equivalents, consignment debtors, interest accrued, other receivables, other bank balances, trade payables, employee payables and other current payables are considered to be the same as fair values, due to their short term nature.

The fair value for loans and security deposits were calculated based on cash flow discounted using a current lending rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of loans to employees and security deposits approximates the carrying amount.

The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of borrowings approximates the carrying amount.

The fair valuation of investments in quoted equity shares is based on the current bid price of respective investments as at the balance sheet date.

45 Segmental Reporting

A Operating segments

Agri - Comprises of agricultural commodities such as rice, furfural, seed, bran, bran oil, etc.

Energy - Comprises of power generation from wind turbine, husk based power plant and solar power plant.

B Identification of segments

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

C Segment revenue and results [refer note 2(f)]

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure .

D Segment assets and liabilities:

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

E Summary of Segmental Information

S. No.	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
1.	Segment revenue		
(a)	Agri	4,09,903	3,89,892
(b)	Energy	22,186	17,986
	Total segment revenue	4,32,089	4,07,878
	Inter segment revenue - Energy	(11,033)	(8,690)
	Net segment revenue	4,21,056	3,99,188
2.	Segment results		
(a)	Agri	55,878	72,195
(b)	Energy	7,834	5,513
	Total segment results (before finance costs and tax)	63,712	77,708
	Less: Finance costs	1,244	2,167
	Less: Other unallocable expenditures (net of unallocable incomes)	755	605
	Total profit before tax and exceptional items	61,713	74,936
3.	Segment assets		
(a)	Agri	4,13,878	4,00,562
(b)	Energy	60,924	62,221
	Total segment assets	4,74,802	4,62,783
4.	Segment liabilities		
(a)	Agri	44,743	47,133
(b)	Energy	1,134	2,303
(c)	Unallocable	21,812	44,008
	Total Segment liabilities	67,689	93,444
5.	Depreciation and amortisation		
	Agri	4,142	3,949
	Energy	3,280	3,246
	Non-cash income/(expenditure) (other than depreciation and amortisation)		
	Unallocable	1,896	746
6.	Segment revenue - Geographical information:		
(a)	Agri		
	With in India	2,64,784	2,00,225
	Outside India	1,45,119	1,89,667
	Sub-total (a)	4,09,903	3,89,892
(b)	Energy		
	With in India	22,186	17,974
	Outside India	-	12
	Sub-total (b)	22,186	17,986
	Total (a)+(b)	4,32,089	4,07,878
	Inter-segment revenue - Energy	(11,033)	(8,690)
	Total	4,21,056	3,99,188

F Information about major customers

Refer Note 44 (credit risk)

G Information about major products

Refer note 38

46 Related party transactions

a) Key Managerial Personnel's (KMPs):

Mr. Anil Kumar Mittal	Chairman and Managing Director
Mr. Arun Kumar Gupta	Joint Managing Director
Mr. Anoop Kumar Gupta	Joint Managing Director
Ms. Priyanka Mittal	Whole Time Director

b) Additional related parties (KMPs) as per the Companies Act 2013 with whom transactions have taken place during the year:

Mr. Rakesh Mehrotra	Chief Financial Officer (upto 31 October 2021)
Mr. Ashish Jain	Chief Financial Officer (w.e.f 1 November 2021)
Mr. Raman Sapra	Company Secretary

c) Independent Non-Executive Directors:

Mr. Vinod Ahuja
Mr. Ashwani Dua
Mr. Shyam Arora
Mr. Devendra Kumar Agarwal
Mr. Alok Sabharwal (upto 10 August 2021)
Ms. Priyanka Sardana

d) Employee benefit plans where there in significant influence:

KRBL Limited Employees Group Gratuity Trust

e) Relatives of Director/KMPs*:

Mrs. Preeti Mittal	Wife of Mr. Anil Kumar Mittal
Mrs. Anulika Gupta	Wife of Mr. Arun Kumar Gupta
Mrs. Binita Gupta	Wife of Mr. Anoop Kumar Gupta
Mr. Ashish Mittal	Son of Mr. Anil Kumar Mittal
Mrs. Neha Singh	Daughter of Mr. Arun Kumar Gupta
Mr. Kunal Gupta	Son of Mr. Arun Kumar Gupta
Mrs. Rashmi Gupta	Daughter of Mr. Anoop Kumar Gupta
Mr. Akshay Gupta	Son of Mr. Anoop Kumar Gupta
Mr. Ayush Gupta	Son of Mr. Anoop Kumar Gupta
Anil Kumar Mittal HUF	Mr. Anil Kumar Mittal is Karta of Anil Kumar Mittal HUF
Arun Kumar Gupta HUF	Mr. Arun Kumar Gupta is Karta of Arun Kumar Gupta HUF
Anoop Kumar Gupta HUF	Mr. Anoop Kumar Gupta is Karta of Anoop Kumar Gupta HUF
Suraj Prakash Dua HUF	Ashwani Dua is Karta of Suraj Prakash Dua HUF

f) Enterprises over which KMPs are able to exercise significant influence*:

Khushi Ram Behari Lal	Partnership firm in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are partners.
Adwet Warehousing Private Limited	Private limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are directors.
KRBL Foods Limited	Public limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta and Mrs. Binita Gupta are directors.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

KRBL Infrastructure Limited	Public limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta and Mrs. Binita Gupta are directors.
Holistic Farms Private Limited	Private limited company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta are directors.
KRBL Foundation	Section 8 company in which Mr. Anil Kumar Mittal, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, are directors.
g) Trust over which KMPs are able to exercise significant influence*:	
Anil Mittal Family Trust	Trust in which Mr. Anil Kumar Mittal, Mrs. Anil Kumar Mittal, Mr. Ashish Mittal and Ms. Priyanka Mittal are beneficiaries.
Arun Kumar Gupta Family Trust	Trust in which Mr. Arun Kumar Gupta and Mr. Kunal Gupta are beneficiaries.
Anoop Kumar Gupta Family Trust	Trust in which Mr. Anoop Kumar Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are beneficiaries.
Binita Gupta Family Trust	Trust in which Mr. Anoop Kumar Gupta and Ms. Binita Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are beneficiaries.

* This includes only those parties with whom Group had related party transactions.

B Transactions and balances with related parties

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Key Managerial Personnels (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
I Transactions entered during the year						
i Purchase of goods¹						
Khushi Ram Behari Lal	1	2	-	-	-	-
ii Sale of goods¹						
Khushi Ram Behari Lal	1,058	975	-	-	-	-
iii Rent paid¹						
Mr. Anil Kumar Mittal	-	-	3	3	-	-
Mr. Arun Kumar Gupta	-	-	8	8	-	-
Mr. Anoop Kumar Gupta	-	-	8	8	-	-
KRBL Infrastructure Limited	316	314	-	-	-	-
KRBL Foods Limited	651	651	-	-	-	-
Adwet Warehousing Private Limited	204	155	-	-	-	-
Holistic Farms Private Limited	48	48	-	-	-	-
Suraj Prakash Dua HUF	-	-	-	-	59	-
Mrs. Anulika Gupta	-	-	-	-	16	16
Mrs. Binita Gupta	-	-	-	-	2	2
Mrs. Preeti Mittal	-	-	-	-	3	3

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Key Managerial Personnels (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
B Transactions entered during the year (cont'd)						
Mr. Ashish Mittal	-	-	-	-	18	18
Anoop Kumar Gupta HUF	-	-	-	-	14	14
iv Expense incurred (on behalf of company by others)/by company for others						
Khushi Ram behari lal	-	0	-	-	-	-
v Remuneration on account of salary and perquisites²						
Mr. Anil Kumar Mittal	-	-	180	143	-	-
Mr. Arun Kumar Gupta	-	-	207	165	-	-
Mr. Anoop Kumar Gupta	-	-	180	143	-	-
Ms. Priyanka Mittal	-	-	142	114	-	-
Mr. Raman Sapra	-	-	24	15	-	-
Mr. Rakesh Mehrotra	-	-	50	85	-	-
Mr. Ashish Jain	-	-	75	-	-	-
Mr. Ashish Mittal	-	-	-	-	44	35
Mr. Kunal Gupta	-	-	-	-	44	35
Mr. Akshay Gupta	-	-	-	-	44	35
Mr. Ayush Gupta	-	-	-	-	44	35
vi Electricity charges paid						
KRBL Infrastructure Limited	22	17	-	-	-	-
vii Maintenance charges paid						
KRBL Infrastructure Limited	82	82	-	-	-	-
viii Sitting fees paid						
Mr. Vinod Ahuja	-	-	-	-	3	2
Mr. Ashwani Dua	-	-	-	-	3	2
Mr. Shyam Arora	-	-	-	-	3	2
Mr. Devendra Kumar Agarwal	-	-	-	-	3	2
Mr. Alok Sabharwal	-	-	-	-	1	2
Ms. Priyanka Sardana	-	-	-	-	3	2
ix Dividend paid						
Anil Mittal Family Trust	1,507	-	-	-	-	-
Arun Kumar Gupta Family Trust	1,463	-	-	-	-	-
Anoop Kumar Gupta Family Trust	1,360	-	-	-	-	-
Binita Gupta Family Trust	18	-	-	-	-	-

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Key Managerial Personnels (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
B Transactions entered during the year (cont'd)						
Anil Kumar Mittal HUF	-	-	-	-	126	-
Arun Kumar Gupta HUF	-	-	-	-	170	-
Anoop Kumar Gupta HUF	-	-	-	-	255	-
Mr. Anil Kumar Mittal ³	-	-	0	-	-	-
Mr. Arun Kumar Gupta ³	-	-	0	-	-	-
Mr. Anoop Kumar Gupta ³	-	-	0	-	-	-
Ms. Priyanka Mittal ³	-	-	0	-	-	-
Mr. Ashish Mittal ³	-	-	-	-	0	-
Mr. Kunal Gupta ³	-	-	-	-	0	-
Mr. Akshay Gupta ³	-	-	-	-	0	-
Mr. Ayush Gupta ³	-	-	-	-	0	-
Mrs. Binita Gupta ³	-	-	-	-	0	-
Mrs. Anulika Gupta ³	-	-	-	-	0	-
Mrs. Neha Singh ³	-	-	-	-	0	-
Mrs. Rashmi Gupta ³	-	-	-	-	0	-
Mrs. Preeti Mittal ³	-	-	-	-	0	-
x Advances given						
Mr. Raman Sapra	-	-	-	-	-	-
Mr. Rakesh Mehrotra	-	-	-	-	-	-
xi Advances adjusted against salary						
Mr. Rakesh Mehrotra ³	-	-	-	0	-	-
xii CSR provision of expense						
KRBL Foundation	-	-	-	-	1,250	-
xiii Borrowings- Unsecured loans availed						
Mr. Anil Kumar Mittal	-	-	549	867	-	-
Mr. Arun Kumar Gupta	-	-	557	978	-	-
Mr. Anoop Kumar Gupta	-	-	927	856	-	-
xiv Borrowings-Unsecured loans repaid						
Mr. Anil Kumar Mittal	-	-	915	101	-	-
Mr. Arun Kumar Gupta	-	-	941	127	-	-
Mr. Anoop Kumar Gupta	-	-	1,165	96	-	-
xv Interest paid on advance received for supply of goods						
Khushi Ram Behari Lal	45	79	-	-	-	-
xvi Discount allowed on sale of goods						
Khushi Ram Behari Lal	-	47	-	-	-	-

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Key Managerial Personnels (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
B Transactions entered during the year (cont'd)						
xvii Advance received against supply of goods						
Khushi Ram Behari Lal	1,936	1,823	-	-	-	-
xviii Advance received against supply of goods returned back						
Khushi Ram Behari Lal	958	1,557	-	-	-	-
II Balances outstanding at the year end						
i Unsecured borrowings-Current						
Mr. Anil Kumar Mittal	-	-	2,823	3,189	-	-
Mr. Arun Kumar Gupta	-	-	2,260	2,644	-	-
Mr. Anoop Kumar Gupta	-	-	3,232	3,471	-	-
Ms. Priyanka Mittal	-	-	34	34	-	-
ii Receivable (payable)						
Khushi Ram Behari Lal	24	-	-	-	-	-
iii Receivable (payable)						
KRBL Infrastructure Limited	-	(5)	-	-	-	-
iv Receivable on account of security deposit/prepaid lease						
KRBL Infrastructure Limited ⁶	971	971	-	-	-	-
v Employee related payables						
Mr. Anil Kumar Mittal	-	-	9	7	-	-
Mr. Arun Kumar Gupta	-	-	7	1	-	-
Mr. Anoop Kumar Gupta	-	-	8	7	-	-
Ms. Priyanka Mittal	-	-	3	2	-	-
Mr. Raman Sapra	-	-	1	1	-	-
Mr. Rakesh Mehrotra ³	-	-	-	0	-	-
Mr. Ashish Mittal	-	-	7	-	2	2
Mr. Kunal Gupta	-	-	-	-	2	2
Mr. Akshay Gupta	-	-	-	-	2	2
Mr. Ayush Gupta	-	-	-	-	2	2

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

(All amounts stated in ₹ lacs, unless otherwise stated)

Particulars	Enterprises/Trusts over which significant influence is exercised by KMPs		Key Managerial Personnels (KMPs)		Other Related Parties	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
II. Balances outstanding at the year end (cont'd)						
vi Other balances outstanding at the end of the year, net (payable)/receivable						
Mr. Arun Kumar Gupta ³	-	-	0	-	-	-
Mr. Anoop Kumar Gupta	-	-	-	-	-	-
Ms. Priyanka Mittal	-	-	-	-	-	-
Mr. Rakesh Mehrotra	-	-	-	-	-	-
Mr. Ashish Mittal ³	-	-	-	-	(0)	0
Mr. Ayush Gupta	-	-	-	-	-	-
Mr. Raman Sapra ³	-	-	-	(0)	-	-

1. Transactions are inclusive of Goods and Services tax.

2. As gratuity and compensated absences are computed for all the employees in aggregate, the amount relating to relatives of KMPs cannot be individually identified.

3. Amounts are below rounding off thresholds adopted by the Group.

4. Personal guarantee has been given by Mr. Anil Kumar Mittal, Mr. Anoop Kumar Gupta and Mr. Arun Kumar Gupta in respect of working capital consortium loan taken by the Holding Company, as at the year ended 31 March 2022, the outstanding amount of loan is ₹Nil (31 March 2021 ₹19,500 lacs) and Mr. Ashish Mittal (relative of key managerial personnel) to the extent of the immovable properties as specified in consortium agreement.

5. All related party transactions are at arms length price and in the ordinary course of business.

6. The present value of security deposit is shown in note 8 and note 16.

47 Contingent liabilities and commitments

A Contingent liabilities

(i) Claims against the Company not acknowledged as debts*		As at 31 March 2022	As at 31 March 2021
Income tax matters ¹		96	21,780
Indirect taxes ²		6,772	7,126
Enforcement directorate investigation matter ³		1,532	1,532
Other matters		1,171	1,093
		9,571	31,531

1 In the year ended 31 March 2019, the Holding Company had received assessment orders along with demand notices under Section 153A/143(3) of the Income-tax Act, 1961, with respect to assessment years 2010-11 to 2016-17, aggregating to ₹126,920 lacs (including interest), which was contested by the Holding Company before CIT (Appeals), New Delhi. The Hon'ble CIT(Appeals) vide its order dated 11 March 2020, granted partial relief to the Holding Company and reduced the said demand to ₹9,883 lacs (including interest). The Holding Company had already deposited an amount of ₹18,990 lacs, (net of refund), under protest, in respect of tax demand raised by the ITD.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

Later, The Holding Company and the Income Tax Department ('ITD') had filed appeals before the Hon'ble Income Tax Appellate Tribunal (Hon'ble Tribunal), New Delhi, for the matters sustained and set-aside at the CIT (Appeals) levels, respectively. Further, the Holding Company had also received penalty orders for AY 2010-11 to 2016-17 on the issues sustained by CIT(A) to the tune of ₹11,896 lacs, against which appeals was filed before CIT(A).

Subsequent to the year ended 31 March 2022, the Hon'ble Tribunal vide its consolidated order dated 9 May 2022, has granted relief in favour of The Holding Company reducing the liability to ₹96 lacs (including interest) and has dismissed all the appeals filed by ITD. The sustained matter by the Hon'ble Tribunal has been remand back to the Income-tax officer for further review. Simultaneously, CIT(A) has also quashed the demand of penalty, raised by the assessing officer of ₹11,896 lacs. At the year end, the management has assessed ₹96 lacs as contingent liability and is evaluating available legal remedies.

2 Indirect taxes mainly comprise of matter relating to VAT, sales tax pending at various levels and also includes the matters related to mandi fee levied under the Agricultural Produce Market Committee Act, 2003 for an amount of ₹1,138 lacs.

3 A portion of land parcels and building thereupon, situated at Dhuri, Punjab was attached by the Directorate of Enforcement ('ED') to the extent of value of ₹1,532 lacs in connection with a money laundering investigation. The Appellate Tribunal, PMLA, New Delhi, ("Appellate Tribunal") had restored the possession of the attached land on interim basis in favour of the Holding Company. However, aforesaid attachment would continue till conclusion of the matter. Against the order of the Appellate Tribunal, ED had filed an appeal before the Hon'ble High Court of Delhi, which is pending for hearing. The Holding Company filed an application before the Hon'ble High Court of Delhi for restoration of possession of the land in favour of the Holding Company and Hon'ble High court allowed The Holding Company to take physical possession of the said land parcels and building thereupon for specified purpose against the deposit of ₹1,113 lacs, (deposited on 5 November 2020), as an interim relief until conclusion of the aforesaid matter, without prejudice to the rights and contentions of the parties to be decided in the appeal. The management based upon the legal assessments, is confident that it has a favourable case and the said attachment shall be vacated.

4 The Holding Company's Joint Managing Director, Mr. Anoop Kumar Gupta ('JMD'), had been detained and released on bail by the Directorate of Enforcement ('ED') pursuant to certain allegations against the Holding Company, KRBL DMCC (a subsidiary of KRBL Limited) and JMD. As per criminal complaint filed it is alleged that M/s Rawasi Al Khaleej General Trading LLC ('RAKGT') had received proceeds of crime of USD 24.62 million in AgustaWestland case during the period 2008-2010 which in turn had been transferred to KRBL Limited through KRBL DMCC. Basis the affidavit filed by Balsharaf Group (one of the customer of the Holding Company) in the Hon'ble High Court of Delhi in the said matter, the amount of USD 24.62 million had been received by RAKGT in the account of Balsharaf Group. Pursuant to this, ED had attached 14,333,221 shares of Balsharaf Group held in KRBL Limited. Based on the opinion taken from the independent legal counsel, the management is of the view that since the investigation is still ongoing no adverse opinion can be drawn.

The Holding Company had appointed an independent professional firm ('IP') to review the aforesaid allegations, to assess the impact, if any, on the financial statement and control environment of the Holding Company. Subsequent to the year ended 31 March 2022, the IP has issued a report to the board of directors with respect to the aforesaid review. The board of the directors has discussed and approved the report, and has responded to the observation contained therein, basis that no further action is proposed.

However, pending the ongoing investigation on the above matter, no adjustment has been made in the consolidated financial statement. The management of the Holding Company is confident that the above stated matter will be resolved soon. The statutory auditors of the Holding Company have issued qualified opinion on the aforementioned issue for the year ended 31 March 2022.

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

B Capital commitments

Estimated amount of contracts remaining to be executed, to the extent not provided for:

Particulars	As at 31 March 2022	As at 31 March 2021
Property, plant and equipment (net of advances)	99	285
Intangible assets (net of advance)	32	75

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

48 Assets pledged as security and other loan covenants

A Assets pledged as security

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current assets		
First charge		
Property, plant and equipments including capital work in progress	85,498	86,161
Intangible assets	215	159
Total non-current assets pledged as security	85,713	86,320
Current assets		
First charge		
Pari-pasu		
Inventories	2,81,610	2,96,421
Financial assets (current and non-current)	73,019	42,563
Other assets (current and non-current)	27,579	28,555
Total current assets pledged as security	3,82,208	3,67,539
Total assets pledged as security	4,67,921	4,53,859

B The Holding Company has filed the statements of current assets with the consortium lenders in accordance with the sanction letters and these statements are in agreement with the books of accounts for that period.

C During the year, the Holding Company has only borrowed the working capital loans from the consortium lenders and they are used for its intended purpose.

49 Reconciliation of liabilities arising from financing activities:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Non-current borrowings		
Opening balance	1,941	3,301
Proceeds	-	-
Repayment	1,354	1,360
Net (gain) /loss on foreign currency transactions and translation	-	-
Closing balance	587	1,941
Current borrowings		
Opening balance	28,837	46,270
Movement (net)	(20,487)	(16,585)
Net (gain)/loss on foreign currency transactions and translation	-	(848)
Closing balance	8,350	28,837
Lease liabilities (As per Ind AS 116)		
Opening balance	6,152	7,580
Non cash proceeds	276	(690)
Payment of lease liabilities	(849)	(738)
Closing balance	5,579	6,152
Finance cost		
Interest accrued as at the beginning of the year	76	965
Expenses incurred	1,340	2,359
Expenses paid	(1,295)	(3,248)
Interest accrued as at the end of the year	121	76

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

50 Additional information as required for preparation of consolidated financial statements to Schedule III to the Companies Act 2013:

For the year ended 31 March 2022

Particulars	Holding Company KRBL Limited	Subsidiaries Companies KRBL DMCC, Group foreign	K B Exports Private Limited indian	Consolidation adjustments/ eliminations	Total
Net assets (i.e. total assets minus total liabilities)					
- as % of consolidated net assets	100%	0%	0%	0%	100%
- Amount	4,06,320	921	295	(424)	4,07,113
Share in profit and loss after tax					
- as % of consolidated profit and loss	100%	0%	0%	0%	100%
- Amount	46,004	(64)	0	-	45,940
Share in other comprehensive income					
- as % of consolidated other comprehensive income	55%	45%	0%	0%	100%
- Amount	39	32	-	-	71
Share in total comprehensive income					
- as % of consolidated total comprehensive income	100%	0%	0%	0%	100%
- Amount	46,043	(32)	0	-	46,011

For the year ended 31 March 2021

Particulars	Holding Company KRBL Limited	Subsidiaries Companies KRBL DMCC, Group foreign	K B Exports Private Limited indian	Consolidation adjustments/ eliminations	Total
Net assets (i.e. total assets minus total liabilities)					
- as % of consolidated net assets	100%	0%	0%	0%	100%
- Amount	3,68,516	953	295	-425	3,69,339
Share in profit and loss					
- as % of consolidated profit and loss	100%	0%	0%	0%	100%
- Amount	56,029	(138)	(0)	-	55,891
Share in other comprehensive income					
- as % of consolidated other comprehensive income	115%	(15%)	0%	0%	100%
- Amount	630	(34)	-	-	596
Share in total comprehensive income					
- as % of consolidated total comprehensive income	100%	0%	0%	0%	100%
- Amount	56,659	(172)	(0)	-	56,487

51 Disclosures pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

The Holding Company has not provided any loans, security and corporate guarantees covered under section 186 of the Companies act, 2013 and accordingly, the disclosure requirements to the extent does not apply to the company. Refer note 11 for details of other investments.

Summary of the consolidated significant accounting policies and other explanatory information for the year ended 31 March 2022 (Cont'd)

52 Additional regulatory information required by Schedule III to the Companies Act, 2013

- i. The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- ii. The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- iii. The Group have complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- iv. The Group does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- v. The Group have not traded or invested in Crypto currency or virtual currency during the year.
- vi. There is no income surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961 (such as search or survey), that have not been recorded in the books of account.
- vii. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ('Intermediaries') with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of Group ('Ultimate Beneficiaries') or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- viii. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that Group shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

53 Basis the management's assessment, it has been concluded that the Group has made no transactions with struck-off companies under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. Further, there are no outstanding balances at balance sheet date with struck-off companies.

54 Transfer pricing

As per the international transfer pricing norms introduced in India with effect from 1 April 2001, the Holding Company is required to use certain specified methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Holding Company is in the process of conducting a transfer pricing study for the current financial year. However, in the opinion of the management the same would not have a material impact on these consolidated financial statements. Accordingly, these consolidated financial statements do not include any adjustments for the transfer pricing implications, if any.

As per our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Rohit Arora

Partner

Membership No. 504774

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

Anil Kumar Mittal

Chairman and Managing Director

DIN-00030100

Anoop Kumar Gupta

Joint Managing Director

DIN-00030160

Raman Sapra

Company Secretary

Membership No. F9233

Ashish Jain

Chief Financial Officer

Place : Noida

Date : 27 May 2022



GIVE A HEALTHY START TO THIS FESTIVE SEASON





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