



July 22, 2015

1. The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai - 400 023  
Fax No: 022-22722039/3121/3132
2. The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (E)  
Mumbai-400 051  
Fax No: 022-26598237/8238

Dear Sir/Madam,

**Sub: Correction in Annual Report 2014-15**

With reference to the above cited subject, we would like to bring to your notice the following inadvertent printing errors in the first column of the table regarding year of issuance of bonus shares on page no 25 in point no v (c) (i) of Annexure –E:

Year wrongly printed	Correction
1980	1983
1992	1987
1994	1990
2011	1999

Further, in point no v (c) (ii) second paragraph, the year 1980 to be substituted by 1983 and shall be read accordingly.

Request you to take the same on records.

We sincerely apologize for the inconvenience caused in this regard.

Also, please find enclosed herewith the scanned copy of revised Annual Report for uploading on your respective website.

Thanking you,

Yours sincerely,  
**For Britannia Industries Limited**

  
**Rajesh Arora**  
**Company Secretary**

Encl: As above

FOUNDED ON TRUST. BUILT ON TASTE.

ANNUAL REPORT 2014-15



BRITANNIA INDUSTRIES LIMITED - A WADIA ENTERPRISE



## FOUNDED ON TRUST. BUILT ON TASTE.

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At Britannia we are absolutely dedicated to consumer joy, the joy that people experience when they consume a Britannia product. Everything we do is designed to deliver that perfect product. Be it the care with which we choose ingredients, create recipes, or how fastidiously we make our products, they're all done to hear our consumers ring the bell of appreciation. And every time the bell rings, we feel a quiet sense of satisfaction, for we know that each such ring strengthens consumer trust in us. That trust which is the very foundation of our business.

**Ting Ting Ti Ding.**

# Britannia Annual Report 2014-15

## BOARD OF DIRECTORS

### CHAIRMAN :

Mr. Nusli N Wadia

### MANAGING DIRECTOR :

Mr. Varun Berry

### DIRECTORS :

Mr. A K Hirjee

Mr. Avijit Deb

Mr. S S Kelkar

Mr. Nimesh N Kampani

Mr. Jeh N Wadia

Mr. Keki Dadiseth

Dr. Ajai Puri

Mr. Nasser Munjee

Mr. Ness N Wadia

Dr. Vijay L Kelkar

Mrs. Ranjana Kumar

### MANAGEMENT TEAM :

Mr. Amlan Datta Majumdar

- Chief Financial Officer

Mr. Vinay Singh Kushwaha

- Vice President-Supply Chain

Mr. Hemant Rupani

- Vice President-Sales

Mr. Manjunath Desai

- Vice President-Strategy & Business Development

Mr. Sudhir Nema

- Vice President-R&D and Quality

Mr. Ali Harris Shere

- Head-Marketing

Mr. Ritesh Rana

- Head-Human Resource

Mr. Anindya Dutta

- Head-Dairy Business

Mr. Manoj Balgi

- Head-Procurement

Mr. Gunjan Shah

- Head-International Business

### COMPANY SECRETARY:

Mr. Rajesh Arora

### AUDITORS :

B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre,

11-12/1, Inner Ring Road, Koramangala,

Bangalore - 560 071.

### BANKERS :

Bank of America N. A.

Indian Bank

Bank of Tokyo-Mitsubishi UFJ

Standard Chartered Bank

Citibank N. A.

State Bank of India

HDFC Bank Limited

The Hongkong and Shanghai Banking Corporation Limited

ICICI Bank Limited

The Royal Bank of Scotland N. V.

(Corporate Identity Number: L15412WB1918PLC002964)

Registered Office: 5/1A, Hungerford Street, Kolkata - 700 017.

Executive Office : Prestige Shantiniketan, The Business Precinct, Tower C, 16<sup>th</sup> & 17<sup>th</sup> Floor,  
Whitefield Main Road, Mahadevpura Post, Bangalore-560048.

Phone : 033 22872439/2057; 080 39400080 Fax : 033 22872501; 080 25063229

Website: [www.britannia.co.in](http://www.britannia.co.in) E-mail ID: [investorrelations@britindia.com](mailto:investorrelations@britindia.com)

## CONTENTS

Financial Highlights.....	01
Report of the Directors & Annexures .....	02
Information on Subsidiary and Associate Companies .....	46
Management Discussion and Analysis .....	48
Report on Corporate Governance .....	52
Independent Auditor's Report .....	71
Balance Sheet.....	74
Statement of Profit and Loss.....	75
Cash Flow Statement.....	76
Notes to Financial Statements.....	78
Independent Auditor's Report on the Consolidated Financial Statements .....	124
Consolidated Balance Sheet .....	126
Consolidated Statement of Profit and Loss .....	127
Consolidated Cash Flow Statement .....	128
Notes to Consolidated Financial Statements .....	130
Significant Ratios.....	161
Ten Year Financial Statistics : 2006 -2015 .....	162

# Britannia Annual Report 2014-15

## FINANCIAL HIGHLIGHTS

₹ in crores	2014-15	2013-14	% Change
<b>STANDALONE</b>			
Net Sale of Products	7,100.46	6,232.09	14%
Profit from Operations	654.23	533.24	23%
Shareholders' Funds	1,235.62	853.46	45%
Capital Expenditure	88.04	98.59	(11%)
Profit Before Exceptional Items and Tax	740.55	562.62	32%
Profit Before Tax	882.61	542.62	63%
Net Profit	622.41	369.83	68%
Cash Profit	739.68	433.21	71%
Per Equity Share (Nominal value of ₹ 2/- each)			
Earnings (Basic)	51.90	30.87	68%
Dividend	16.00	12.00	33%
Dividend + Tax	19.26	14.04	37%
<b>CONSOLIDATED</b>			
Net Sale of Products	7,775.09	6,829.32	14%
Profit from Operations	719.43	544.02	32%
Profit Before Tax	949.59	569.32	67%
Net Profit	688.64	395.35	74%

REPORT OF THE DIRECTORS

The Directors present their Annual Report together with the Statement of Accounts for the year ended 31 March 2015.

1. FINANCIAL RESULTS

Particulars	₹ in crores	
	Year ended 31 March 15	Year ended 31 March 14
Sale of Products	7,269.26	6,347.85
Other Operating Revenues	75.53	75.30
Other Income	87.53	34.82
<b>Profit from Operations</b>	<b>654.23</b>	<b>533.24</b>
(PBT before other income, finance costs and exceptional items)		
Profit before exceptional items and tax	740.55	562.62
Exceptional Items*	142.06	(20.00)
<b>Profit Before Tax</b>	<b>882.61</b>	<b>542.62</b>
Less: Tax Expense	260.20	172.79
<b>Net Profit</b>	<b>622.41</b>	<b>369.83</b>
Add: Profit brought forward	491.15	326.89
<b>Profit available for appropriation</b>	<b>1,113.56</b>	<b>696.72</b>
Less: Proposed Dividend	191.88	143.91
Less: Tax on Proposed Dividend	39.06	24.46
Less: Dividend (including tax on dividend) on equity shares issued under ESOS after the year end	-	0.22
Less: Transfer to General Reserve	62.24	36.98
Less: Additional depreciation due to revision in useful life of Fixed Assets as per Companies Act, 2013 (Net of Deferred tax)	9.31	-
Balance carried forward to Balance Sheet	811.07	491.15
<b>Net Cash Flow from Operating Activities</b>	<b>515.33</b>	<b>614.51</b>

\* Includes profit on sale of land & building of ₹ 159.92 crores, provision for diminution in value of investments in Daily Bread Gourmet Foods (India) Private Limited of ₹ 4 crores and Voluntary Retirement Scheme (“VRS”) related cost to all workmen at Delhi factory of ₹ 13.86 crores.

2. OVERVIEW OF COMPANY PERFORMANCE

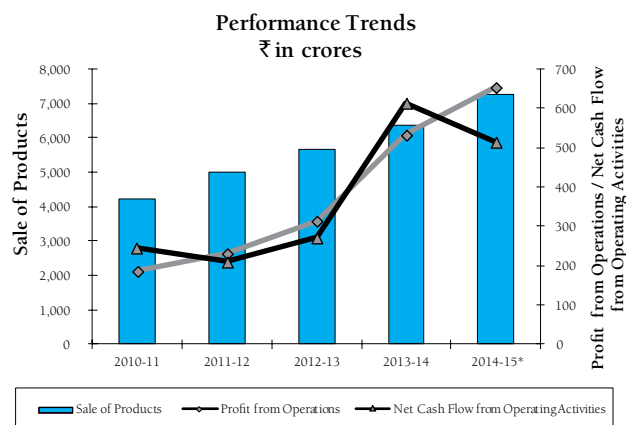
In an economic environment, wherein revenue growth in the FMCG sector has slowed down, your Company achieved a sales growth of 14.5% and added ₹ 921.41 crores to sales. Profit from operations increased 22.7% from ₹ 533.24 crores to ₹ 654.23 crores. Earnings per share (of ₹ 2/- each) increased from ₹ 30.87 to ₹ 51.90.

During the year, your Company focused on product innovation, brand building and distribution to grow faster than the market. Your Company’s brands have become iconic over time due to a combination of superior product and endearing communication.

Your Company’s focus on building new capabilities and a robust pipeline of innovation resulted in new launches in the form of NutriChoice Heavens, Good Day Chunkies and Britannia Nut n Raisin Romance Cake. Coupled with leading edge go-to-market approaches, these innovations tap new sources of growth and profitable revenue, while building brand differentiation and relevance.

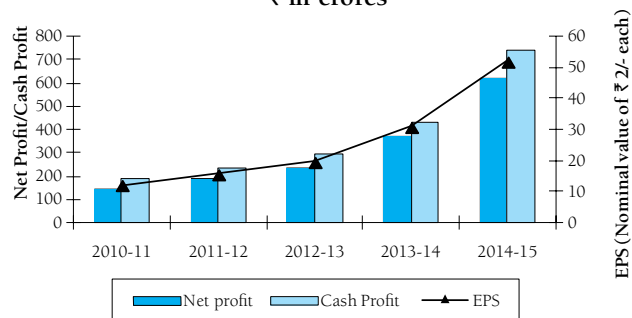
Your Company is focused to balance cost, quality and aspiration in its brand for consumer affordability at every price point. Cost effectiveness has been a key pillar of your Company’s value creation strategy and this was achieved through scale in operations, technology interventions, complexity and wastage reduction in the value chain along with efficient management of working capital. Your Company will continue and intensify the thrust on cost effectiveness in the coming year as well.

Trend lines of key performance parameters are shown in the tables below:



\*“Net cash flow from operating activities” is after considering Fixed Deposits of ₹ 175 crores made during the year.

Net Profit, Cash Profit and EPS  
₹ in crores



### 3. DIVIDEND

The Board of Directors are pleased to recommend a dividend of 800% on the paid up equity share capital of the Company, which amounts to ₹ 16/- per share, for consideration and approval by the Members at the Annual General Meeting. The total payout amounts to ₹ 230.94 crores including dividend distribution tax of ₹ 39.06 crores.

### 4. CONSOLIDATED FINANCIAL RESULTS

Your Company has prepared Consolidated Financial Statements in accordance with Accounting Standard 21 - "Consolidated Financial Statements", prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Consolidated Financial Statements reflect the results of the Company and those of its Subsidiaries and Associates. As required by Clause 32 of the Listing Agreement the Audited Consolidated Financial Statements together with the Independent Auditor's Report thereon are annexed and form part of this Annual Report.

Consolidated Sale of Products of your Company for the year ended 31 March 2015 was ₹ 7,944.18 crores compared with ₹ 6,945.52 crores in the previous year, a growth of 14.4%. Consolidated Net Profit for the year ended 31 March 2015 was ₹ 688.64 crores compared with ₹ 395.35 crores in the previous year, a growth of 74.2%.

Particulars	₹ in crores	
	Year ended 31 March 15	Year ended 31 March 14
Sale of Products	7,944.18	6,945.52
Other Operating Revenues	83.33	83.39
Other income	87.96	33.59
<b>Profit from Operations</b> (PBT before other income and finance costs)	719.43	544.02
<b>Profit Before Tax</b>	949.59	569.32
<b>Net Profit</b>	688.64	395.35

### SUBSIDIARIES & ASSOCIATES

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of our Subsidiaries and Associates in the prescribed format AOC-1 has been annexed and forming part of this Report.

The statement provides the details of performance, financial position of each of the Subsidiaries and Associates. Your Company does not have any Material Subsidiary (as defined under the Listing Agreement) as on 31 March 2015.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each Subsidiary, are available on our website: [www.britannia.co.in](http://www.britannia.co.in).

Your Directors present herewith a broad overview of the operations and financials of Subsidiaries and Associates of your Company:

#### *Britannia Dairy Private Limited (BDPL)*

The Dairy business of your Company was favourably impacted by moderate inflation in milk price during the year and the business grew profitably by focusing on value added products and ensuring higher realization. The business registered a turnover of ₹ 329.48 crores compared to ₹ 299.32 crores in the previous year, a growth of 10.1% and achieved a Net Profit of ₹ 29.47 crores compared to ₹ 10.67 crores in the previous year, a growth of 176.2%.

#### *Daily Bread Gourmet Foods (India) Private Limited (Daily Bread)*

Daily Bread is a manufacturer of premium gourmet bakery products, including specialty breads, cakes, pastries and cookies. Its operations are largely confined to Bangalore. The turnover (net sale of products) of Daily Bread was ₹ 15.75 crores during the year, compared with ₹ 19.94 crores in the previous year. Loss for the year was ₹ 3.50 crores compared to ₹ 3.30 crores in the previous year.

#### *Strategic Food International Co. LLC, Dubai (SFIC)*

SFIC sales increased by 22.9% at AED 19.86 crores (₹ 330.65 crores) compared with AED 16.16 crores (₹ 265.71 crores) for the previous year. SFIC posted a net profit of AED 1.94 crores (₹ 32.34 crores) as



compared to AED 0.29 crores (₹ 4.74 crores) in the previous year. Continued focus on product mix, productivity improvement and cost efficiencies helped to drive a profitable growth.

### *Al Sallan Food Industries Co. SAOC (ASFI)*

ASFI sales are primarily to SFIC and for the year ended 31 March 2015 closed at RO 1.02 crores (₹ 162.20 crores) as compared to RO 0.86 crores (₹ 135.30 crores) for the previous year. It posted a net profit of RO 0.20 lakhs (₹ 0.32 crores) against a loss of RO 2.13 lakhs (₹ 3.34 crores) in the previous year.

### *Britannia and Associates (Mauritius) Private Limited, Mauritius (BAMPL)*

BAMPL, a Company formed in Mauritius is a wholly-owned subsidiary of your Company, is the holding Company of Britannia and Associates (Dubai) Private Company Limited, a Jebel Ali Free Zone Offshore Company, which in turn holds investments in Strategic Food International Co. LLC, Dubai, Al Sallan Food Industries Co. SAOC, Oman and Strategic Brands Holding Company Limited, Dubai, a Jebel Ali Free Zone Offshore Company.

The combined revenue and loss of holding companies for the year ended 31 March 2015 was USD 0.08 crores (₹ 5.08 crores) and USD 0.002 crores (₹ 0.14 crores) compared to USD 0.13 crores (₹ 7.69 crores) and profit of USD 0.005 crores (₹ 0.30 crores) respectively in the previous year.

### *Britannia Dairy Holdings Private Limited, Mauritius (BDH)*

BDH, a Company formed in Mauritius is a wholly-owned subsidiary of your Company. BDH holds certain trademarks relating to the Dairy business of your Company. BDH is not engaged in any commercial activity.

### *Investment Companies*

Boribunder Finance and Investments Private Limited (Boribunder), Flora Investments Company Private Limited (Flora) and Gilt Edge Finance and Investments Private Limited (Gilt Edge) form the Investment Subsidiaries of your Company.

The combined revenue and profit of the Investment Subsidiaries for the year ended 31 March 2015 was Nil and ₹ 0.17 crores respectively.

Further, pursuant to Section 2(87) of the Companies Act, 2013, the following Companies engaged in manufacturing of biscuits at various locations are also Subsidiaries of your Company. The Revenue from Operations / Net Sales and Net Profit of the said Subsidiaries for the year ended 31 March 2015 are as under:

Name of Subsidiary	₹ in crores	
	Revenue from Operations / Net Sales	Net Profit
International Bakery Products Limited	25.94	(0.82)
J B Mangharam Foods Private Limited	25.44	0.02
Manna Foods Private Limited	41.48	1.26
Ganges Vally Foods Private Limited	20.96	0.10
Sunrise Biscuit Company Private Limited	147.09	0.22

### *Welfare Companies*

Britannia Employees General Welfare Association Private Limited, Britannia Employees Educational Welfare Association Private Limited and Britannia Employees Medical Welfare Association Private Limited are three of the other Subsidiaries of your Company. These are Companies limited by guarantee, with no share capital and have been set up for general, educational and medical welfare of the employees of your Company. They are not engaged in any commercial activity.

Besides the above, there are two other Subsidiary Companies namely, (i) Vasana Agrex and Herbs Private Limited and (ii) Snacko Bisc Private Limited. They are not engaged in any commercial activity. The financial details of these Companies are forming part of this Report.

There are two Associate Companies namely, (i) Klassik Foods Private Limited and (ii) Nalanda Biscuits Company Limited. The financial details of these Companies are forming part of this Report.

## 5. RESERVES

Your Company has transferred an amount of ₹ 62.24 crores to the General Reserve for the Financial Year ended 31 March 2015.

## 6. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31 March 2015 was ₹ 23.99 crores. There has been no change in the Equity Share Capital of the Company during the year.

## 7. PUBLIC DEPOSITS

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year.

## 8. THE BRITANNIA PROMISE TO SPREAD DELIGHT

Your Company's oath to deliver a unique and ecstatic experience to its consumers, by maximizing on aspiration-worthiness, cost-effectiveness and quality has continued to be the guiding principle of operations. Guided by the Britannia Promise, the Management of your Company constantly assesses the current state of our products versus the desired state. The rigour and commitment behind product innovations which delivered new-to-market experiences is testimony to the promise being at the core of our being. This reflects in our performance in the market place as well. Several opportunities are in the pipeline and will be rolled out in the coming year, each delighting consumers and strengthening our brand credentials.

Your Company recognizes that it is only as good as the last product it has delivered to consumers. Keeping this in mind, all employees of your Company continuously challenge themselves to ensure that the products that reach consumers are not only superior to competitors in their design but they also reach them with consistently high quality. Consequently, each employee of your Company maintains market-place-vigilance on a regular basis and is effectively an independent market information source reporting back into a mechanism designed to identify and correct market place deficiencies quickly and comprehensively.

## 9. BRANDS

Brands are your Company's competitive edge and hence keeping them vibrant and relevant is paramount. The year 2014-15 saw a slew of new initiatives - big innovations, renovations, promotions, activations and advertising which kept your Company's brands salient in the Indian Consumer's minds.

The year 2014-15 saw subdued consumer sentiment on account of economic slowdown, but your Company created excitement with its brand, in addition to delivering good quality consistently to achieve its goals. Big strategic shifts were made to augment its media presence along with building strong associations in the field of Cricket and Cinema to touch every Indian's heart. The Company also took big strides in the Digital space by associating with leaders in E-Commerce and by expanding its own digital footprint to help reach and connect with the growing base of our digital savvy consumers.

Your Company's pillar brands - Good Day, NutriChoice, MarieGold, 50-50 and Milk Bikis continued their strong growth through product superiority, impactful advertising, activations and by staying price- competitive.

The two biggest strength areas of your Company - Indulgence and Health saw heightened activity. The year 2014-15 saw a renewed vigour with which your Company focused on regaining thought leadership by bringing "first of its kind" organoleptically superior offerings into the market. Good Day Chunkies brought the world's best cookie experience to India and NutriChoice Heavens made Health more delightful. IPL partnerships and activations, competitive pricing strategy and new advertising initiatives also made sure that our brands Good Day and NutriChoice continued their leadership within their respective categories. The year also saw the relaunch of the Company's iconic Bourbon.

Your Company's parent brand "Britannia" strengthened its consumer connect by associating with big properties like Filmfare and Cricket. These properties also helped build stature for the Company, setting it apart from the rest of the competition in the category.

With the Britannia Promise as the North Star, your Company feels confident that impactful innovations and renovations will continue to fuel the Company's growth in the years to come.

## 10. SUPPLY CHAIN AND MANUFACTURING OPERATIONS

Your Company has been focusing on developing a competitive edge in manufacturing by deploying Cost Efficiency and Operational Excellence programs across the value chain and is also working on scaling up some of the existing manufacturing units.

Your Company increased operating control on capacity with the successful completion of Jhagadia Factory expansion and acquisition of a Contract Manufacturing unit in Chennai. Two more Greenfield factories are under construction in Perundurai, Tamil Nadu and Bidadi, near Bangalore which are scheduled to be commissioned in Financial Year 2015-16. Your Company has successfully installed and commissioned a state-of-the-art biscuit line in Gwalior Factory and has rolled out NutriChoice Heavens and Good Day Chunkies (Innovation products) in the market. All these have helped in creating the right capacity and capability with superior technology to meet the growing demand and rising consumer expectation.

The APO Planning tool has been further consolidated with focus on integrating the challenging demand-supply scenario with optimum inventory management to better serve the market. In the area of logistics the focus was on execution effectiveness, reduction in the distance travelled for products and optimum space utilization for higher throughput.

## 11. QUALITY PROGRAMS

Your Company is committed to provide superior quality and safe products of better nutritional value to consumers. Your Company continued to work to enhance delivered product quality by building superior product design, manufacturing excellence and structured quality programs. You will be pleased to know that your Company continued the quality excellence journey by building capability for international quality standards, product quality sustenance programs and focus on driving the quality culture.

Three of your factories (Manna Foods Private Limited, Madurai, J B Mangharam Foods Private Limited, Gwalior and Britannia Industries Limited, Jhagadia) were recognized for excellence in quality by CII and were recipients of National Award for Food Safety-2014.

## 12. RESEARCH AND DEVELOPMENT (R&D)

Your Company's Research and Development (R&D) team continues to play a very vital role in your Company's goal to deliver profitable growth by developing superior organoleptic products, while keeping the focus on value engineering of the product and packaging. This year was marked with various new launches and restage of two pillar brands - Tiger Glucose and Bourbon biscuits. The R&D team developed truly differentiated, highly indulgent and best tasting "Good Day Chunkies" with 30% melting chocolate chips and range of healthier cookies "NutriChoice Heavens" made with oats, cranberry, almond and banana. The packaging team delivered differentiated packaging for these innovations in the market with embossed cartons for better shelf display and premium appeal.

Your Company has been working in the area of micronutrient deficiencies in the population through its micronutrient fortified products. Special iron and folic acid fortified biscuit was developed earlier to address the iron deficiency anemia in children. In partnership with BAIF Development Research Foundation, these biscuits were fed to children as a part of nutrition intervention program in rural Karnataka and a significant reduction in the prevalence of anemia was observed after the intervention and these results have been published in Indian Journal of Pediatrics, March 2015 issue.

You will be pleased to know that your Company has invested significantly in R&D and strengthened the teams with recruitment of talented resources and initiated construction of a new state-of-the-art R&D centre in Bangalore. These should help your Company to steer ahead in disruptive innovation while significantly revamping the existing portfolio.

## 13. INFORMATION TECHNOLOGY (IT)

IT systems are the backbone which support timely decisions through conversion of data into actionable information. During 2014-15, your Company started realizing the benefits of handheld application, enabling the sales team to plan and expand direct coverage. Your Company has successfully rolled out application for capturing outlets covered by Rural Preferred distributors and also consolidated some of the finance activities like customer claims / vendor payments in line with global trends.

In 2015-16, your Company plans to enhance analytical capabilities by introducing HANA (in-memory computing platform) in areas like sales/marketing and finance which will support real-time operations, smarter decision making and deliver better business results. Your Company is also looking at centralizing / consolidating other activities in line with global trends, which will help in increasing flexibility to respond to market changes.

### 14. ENVIRONMENT AND SAFETY

Energy conservation and the use of clean fuels continue to be a priority area for your Company. A focused Energy Program has been established with a view to carry out specific initiatives in the field of Energy Efficiency and Conservation.

Centralization of Oven Controls leading to substantial savings in energy has been initiated in the last year and is expected to be completed in all factories by 2015-16.

Environment, Health and Safety are treated as core values at your Company. Your Company has strengthened its workplace systems and practices as a part of ZERO accident culture through several accident prevention programs and has introduced site level performance indicators which include (Lead, Lag and System related) to promote a positive and proactive culture at work place. Your Company focused on continual improvement programs at units through KAIZEN and Safety improvement initiatives. Your Company also extended safety programs at depots covering fire, electrical and operational safety.

Your Company initiated several activities as part of employee engagement in safety management which is detailed below:

- (a) Enhancing the awareness on safety practices at work place through safety week initiatives.
- (b) Imparting hands-on training to workmen for following safe work practices.
- (c) Visual display at work place for creating awareness on hazards and risks.
- (d) Mock drills as part of emergency response system.
- (e) Safety inspection program to identify unsafe conditions and eliminate them.
- (f) Near miss reporting and review for capturing and mitigating potential hazards.
- (g) Hazard and risk study at factories to capture process related hazards and risks associated with them.

- (h) Hazard alert system as part of horizontal deployment of workplace recommendations to improve safety systems.

- (i) Safety in project management as part of contractor safety program.

- (j) Visitor safety guidelines at factories.

### 15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

For your Company, CSR means Corporate Sustainable Responsibility and this means embedding CSR into its business model. With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company as part of its CSR initiatives have undertaken projects as per the CSR Policy and the details of the CSR Activities are given as Annexure 'A' forming part of this Report.

### 16. PENSION

The proceedings in the suit filed by the Pensioners Welfare Association ('the Association') are in progress in the Honourable City Civil and Sessions Court, Bangalore.

Related matters have been dealt within Note No. 33 of the Financial Statements, which are self-explanatory.

### 17. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of energy conservation, technology absorption, foreign exchange earnings and outgoing in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are given as Annexure 'B' forming part of this Report.

### 18. CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement a separate Report on Corporate Governance along with the Auditor's Certificate on its compliance is forming part of this Annual Report.

### 19. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of your Company had appointed Mrs. Ranjana Kumar as an Additional Director of the Company with effect from 8 July 2014, in terms of Section 161 of the Companies Act, 2013 and Article 94 of the Articles of Association of the Company. Further the Members at the 95<sup>th</sup> Annual General Meeting held on 12 August 2014 had approved appointment of Mrs. Ranjana Kumar as Director of the Company.

The Members of the Company at the 95<sup>th</sup> Annual General Meeting held on 12 August 2014 had approved appointment of Dr. Ajai Puri, Mr. Keki Dadiseth, Mr. Avijit Deb, Mr. Nimesh N Kampani, Mr. S S Kelkar, Mr. Nasser Munjee, Dr. Vijay L Kelkar and Mrs. Ranjana Kumar as Independent Directors of the Company to hold office for five consecutive years with effect from the date of the Annual General Meeting held on 12 August 2014 upto 11 August 2019 with an option to retire from the office at any time during the term of appointment. The Company issued letter of appointment to all the Independent Directors as per Schedule IV to the Companies Act, 2013. Further, no Director resigned from the Company during the year under review.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ness N Wadia, Director, retiring by rotation at the ensuing Annual General Meeting, is eligible for re-appointment.

Mr. Vivek P Raizada, Company Secretary (CS) and Key Managerial Personnel (KMP) ceased to be CS & KMP of the Company with effect from the close of business hours on 10 October 2014. Mr. Rajesh Arora was appointed as Company Secretary (CS) and Key Managerial Personnel (KMP) of the Company with effect from 3 February 2015.

Mr. Vinod Krishna Menon, Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) ceased to be CFO & KMP of the Company with effect from the close of business hours on 17 November 2014. Mr. Amlan Datta Majumdar was appointed as Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company with effect from 12 March 2015.

### 20. DIRECTORS' RESPONSIBILITY

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31 March 2015 and of the profit of the Company for the year;

- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Annual Accounts are prepared on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s) and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operationally effective during the Financial Year 2014-15.

### 21. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have given a declaration under sub-section (7) of Section 149 of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

### 22. BOARD MEETINGS

A calendar of meetings is prepared and circulated in advance to the Directors. The details of the Board Meetings held during the year are covered in the Clause No. 2 of the Corporate Governance Report.

### 23. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance and that of its statutory committees viz., Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and that of the individual Directors. The manner in which the evaluation has been carried out is covered in the Clause No. 3(b) of the Corporate Governance Report.

## 24. REMUNERATION POLICY

The details of the Remuneration Policy are covered in the Clause No. 3(b) of the Corporate Governance Report. It is hereby affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

## 25. AUDIT COMMITTEE

The Board has constituted the Audit Committee. The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The details of the Audit Committee along with Meetings held during the year are covered in the Clause No. 3(a) of the Corporate Governance Report.

## 26. RELATED PARTY TRANSACTIONS

The Company has formulated a Policy on dealing with Related Party Transactions. The Policy is disclosed on the website of the Company. weblink: [http://britannia.co.in/pdfs/statutory\\_disclosures/Britannia%20Industries%20Limited-Policy%20On%20Related%20Party%20Transactions.pdf](http://britannia.co.in/pdfs/statutory_disclosures/Britannia%20Industries%20Limited-Policy%20On%20Related%20Party%20Transactions.pdf). All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the year were in the ordinary course of business and on an arms length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. However, pursuant to the provisions of Clause 49 of the Listing Agreement, prior approval of the Audit Committee was sought for entering into the Related Party Transactions.

During the year, the Company had not entered into any contract/ arrangement /transactions with Related Parties which could be considered as material, as defined under the Listing Agreement. In accordance with Accounting Standard 18, the Related Party Transactions are disclosed under Note No. 44 of the Standalone Financial Statements.

## 27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The details about the adequacy of Internal Financial Controls are covered in the Clause (H) of the Management Discussion and Analysis Report.

## 28. PARTICULARS OF EMPLOYEES

The information as per Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. However, as per the provisions of Section 136 of the Companies Act, 2013, the report and accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## 29. EMPLOYEE STOCK OPTION SCHEME (ESOS)

The information pursuant to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, erstwhile Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and as per Section 62(1) (b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is given as Annexure 'C' forming part of this Report.

## 30. COST AUDIT

The Order dated 24 January 2012 issued by the Ministry of Corporate Affairs (MCA) – Cost Audit Branch, Government of India, mandated Cost Audit being applicable to your Company as it manufactures packaged food products falling within Chapter 19 of the Central Excise Tariff Act, 1985. The Company was accordingly required to get its cost accounting records audited by a Cost Auditor.

As per Section 148 and other applicable provisions of the Companies Act, 2013, the Board of Directors based on the recommendation of the Audit Committee had appointed M/s. N I Mehta & Co., Cost Accountants, as Cost Auditors to carry out the audit of the Cost Records of the Company for the Financial Year 2014-15.

Later the MCA had notified the Companies (Cost records and Audit) Rules, 2014 and Companies (Cost records and Audit) Amendment Rules, 2014 specifying the Industry/Sector/Product/Service for maintaining and auditing of Cost Records.

As the above Rules were not applicable to your Company, the audit of the Cost Records was not carried out for the Financial Year 2014-15 and the Board of Directors have decided not to appoint Cost Auditor for Financial Year 2015-16.

### 31. STATUTORY AUDITORS

The Members at the 95<sup>th</sup> Annual General Meeting held on 12 August 2014 had appointed M/s. B S R & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 to hold office from the conclusion of that Annual General Meeting till the conclusion of the 5<sup>th</sup> consecutive Annual General Meeting, subject to ratification by the Members at every Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

Accordingly, the Board recommends to the Members of the Company for ratification of the appointment of M/s. B S R & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company.

In this regard, M/s. B S R & Co., LLP, Chartered Accountants have submitted their written consent that they are eligible and qualified to be re-appointed as Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 and also satisfy the criteria provided in Section 141 of the Companies Act, 2013.

### 32. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Parikh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2014-15. The Secretarial Audit Report is given as Annexure 'D' forming part of this Report.

### 33. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note No. 29, 30 and 31 of the Standalone Financial Statements.

### 34. RISK MANAGEMENT POLICY

The Company has formulated a Risk Assessment & Management Policy. The details of the same are covered in the Clause No. 5(d) of the Corporate Governance Report.

### 35. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the Company's operations in future.

### 36. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The details of the Whistle Blower Policy is covered in the Clause No.5 (c) of the Corporate Governance Report. The Whistle Blower Policy is available on the website of the Company. weblink: [http://britannia.co.in/pdfs/statutory\\_disclosures/WHISTLE%20BLOWER%20POLICY.pdf](http://britannia.co.in/pdfs/statutory_disclosures/WHISTLE%20BLOWER%20POLICY.pdf).

### 37. PARTICULARS OF REMUNERATION OF DIRECTORS, KMP's AND EMPLOYEES

A statement containing the details of the Remuneration of Directors, KMP's and Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure 'E' forming part of this Report.

### 38. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, an extract of the Annual Return in Form MGT-9 is given as Annexure 'F' forming part of this Report.

### 39. DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has set up an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace. There was no case of sexual harassment reported during the year under review.

### 40. ACKNOWLEDGEMENTS

Your Directors would like to thank all stakeholders, namely, customers, shareholders, dealers, suppliers, bankers, employees and all other business associates for the continuous support given by them to the Company and its Management.

On behalf of the Board

Place : Mumbai  
Date : 21 May 2015

Nusli N Wadia  
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT  
CORPORATE SOCIAL RESPONSIBILITY POLICY

(Approved by the Board of Directors on 3 February 2015)

**INTRODUCTION**

As per the Companies Act, 2013, all companies having net worth of ₹ 500 crores or more or turnover of ₹ 1,000 crores or more or a net profit of ₹ 5 crores or more during any Financial Year will be required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising three or more Directors, at least one of whom shall be an Independent Director.

Aligning with the guidelines of the Section 135 of the Companies Act, 2013 and the Rules framed there under, we have constituted a Committee, which is responsible for formulating and monitoring the CSR Policy of the Company. The Committee has adopted a Policy that intends to:

- Recommendation of the Project/Programme to be undertaken within the long term vision and strategy of the Company in respect of CSR activities, amount of expenditure to be incurred, type of activities, roles and responsibilities of various stakeholders, etc.,
- Formulation of a monitoring mechanism for ensuring implementation of the Projects/ Programmes undertaken or the end use of the amount spent by it towards CSR activities.

**THE CSR POLICY**

**BACKGROUND**

Corporate Social Responsibility (CSR) embodies the various initiatives and programs of Britannia Industries Limited ("Company") in the communities and environment in which the Company operates. It represents the continuing commitment and actions of the Company to contribute towards economic and social development and growth.

**I. OBJECTIVE**

The CSR Policy of the Company has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The Company will undertake CSR activities specified in Schedule VII to the Companies Act, 2013.

**II. CONSTITUTION OF CSR COMMITTEE**

The Board of Directors of the Company has constituted a CSR Committee of Directors comprising of four Directors with three being Independent Directors.

**III. ROLE OF CSR COMMITTEE**

The CSR Committee will play the following role in fulfilling the Company's CSR objectives:

- Recommendation of the Project/Programme to be undertaken within the long term vision and strategy of the Company in respect of CSR activities, amount of expenditure to be incurred, type of activities, roles and responsibilities of various stakeholders etc.,
- Formulation of a monitoring mechanism for ensuring implementation of the Projects/ Programmes undertaken or the end use of the amount spent by it towards CSR activities.

The contribution will be made for any activities undertaken within India. The Committee will give preference to the local area and areas around it where it operates in spending the amount earmarked for CSR activities.

Surplus arising out of the CSR activities will be utilized for the benefit of the community.

**IV. ROLE OF BOARD OF DIRECTORS**

The role of the Board with respect to CSR is as under:

- Review the recommendations in respect of annual budget for CSR;
- Disclose contents of the Policy in the Company's report/website; and
- Ensure that the Company spends in every Financial Year, at least two percent of the average net profits made during the three immediately preceding Financial Years of the Company on CSR activities.

**V. DISBURSEMENT OF CSR AMOUNT**

The Company may undertake CSR activities, on its own or by pooling the resources into Britannia Nutrition Foundation ("BNF") or Sir Ness Wadia Foundation or other Not-for-Profit Organisations (NGO's) or a combination thereof.

The CSR Committee will decide on the budget allocation for CSR Projects and Programmes and the installments for disbursement of amount.



## VI. PARTNERING ORGANISATIONS

While undertaking any Project or Program with other partnering organizations, the Company will undertake due diligence to evaluate the NGO's reputation, track record, capacity and competency, including organization structure, requisite permits and licenses, presence in desired geography and compatibility with the Group CSR Policy.

## VII. PROCESS FOR UNDERTAKING CSR ACTIVITIES / PROJECTS THROUGH PARTNERING NGO'S

The following procedure will be adhered to while undertaking/funding CSR activities/Projects through NGO's:

- Presentation of Project/Program details.
- Execution of Memorandum of Understanding (MoU) with the Partnering NGO's, which will detail the key roles and responsibilities of each of the parties for a specified Project or Projects identified by the Wadia Group/Company.
- Scheduling of disbursements of funds relating to the program and monitoring system in accordance with pre-agreed milestones with partners.
- The Committee whilst making any contribution will specify the activities for which it is made and the amount for the same.

## VIII. MONITORING

CSR Committee will institute a transparent monitoring mechanism for implementation of CSR Projects or programmes undertaken by the Company or through NGO's.

## IX. VOLUNTEERING

The Company will encourage and enable employees and other stakeholders to participate in the projects supported by it through Employee Volunteering Programmes (EVP).

The Company will recognize the efforts put in by employees in CSR activities through annual appraisal system. The Head HR will play a specific role in building capacities, skills and talents under the concept of the Company's broader vision on CSR.

## X. SELF ASSESSMENT

The Company will introduce mechanism for self-assessment of CSR activities pursued by it and strive to improve existing policy and systems. It will also undertake impact assessment of the development Projects on the target group.

## XI. DISSEMINATION OF INFORMATION

The CSR Committee will report to the Board of Britannia Industries Limited from time to time the status of the CSR projects/activities undertaken by it along with the report on the impact created by such projects/activities.

The Company would upload this Policy on its website: [www.britannia.co.in](http://www.britannia.co.in). A detailed status report on the CSR activities carried out by Britannia Industries Limited will be disclosed every year as part of the Directors' Report in the Annual Report. The said information will also be uploaded on the website of the Company.

The CSR activities of the Company should be visible through newsletters, websites, press releases and Directors' Annual Report (as an integral part of business) articulated on major occasions and employee/shareholder/dealer meetings.

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

1. A brief outline of the Company's CSR Policy, including overview of Projects or Programs proposed to be undertaken and a reference to the weblink to the CSR Policy and Projects or Programs:

For your Company, CSR means Corporate Sustainable Responsibility and this means embedding CSR into its business model. The CSR activities and programs are initiated towards the communities and environment in which the Company operates. It represents the continuing commitment and actions of the Company towards socio-economic development.

The Company understands the need for promoting health, growth and development of children from lower socio-economic sections of society and has taken up various activities to promote health, growth and development of children and has also contributed towards restoration of hospitals for children as part of its CSR Programs during the Financial Year 2014-15.

The CSR Policy of the Company is disclosed on the website of the Company. weblink:[http://britannia.co.in/pdfs/statutory\\_disclosures/Britannia%20Industries%20Limited-%20CSR%20Policy.pdf](http://britannia.co.in/pdfs/statutory_disclosures/Britannia%20Industries%20Limited-%20CSR%20Policy.pdf).

2. **Composition of the CSR Committee:** CSR Committee comprises of the following Directors:

- I. Mr. Keki Dadiseth – Member
- II. Dr. Ajai Puri – Member
- III. Mr. S S Kelkar – Member
- IV. Mr. Ness N Wadia – Member

3. Average net profit of the Company for last three Financial Years: ₹ 367.43 crores

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : ₹ 7.35 crores

5. Details of CSR spent during the Financial Year:

- a. Total amount to be spent for the Financial Year : ₹ 7.35 crores
- b. Amount unspent, if any : Nil
- c. Manner in which the amount spent during the Financial Year is detailed below:

₹ in crores

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) State or district where Projects or Programs was undertaken	Amount outlay (budget) Project or Program wise	Amount spent on the Projects or Programs (1) Direct exp (2) Over-heads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1	Preservation of heritage building of Bai Jerbai Wadia Hospital for Children (BJWHC)	Promoting preventative health care	State: Maharashtra District: Mumbai	₹ 6.84	₹ 6.84	₹ 6.84	Direct
2	Promoting health care, growth and development of children from lower socio-economic section of the society through BNF	Health care	Rural Areas of Shimoga, Karnataka, Delhi and Mumbai	₹ 0.51	₹ 0.51	₹ 0.51	Direct

i. **Bai Jerbai Wadia Hospital for Children (BJWHC)**

Established in the year 1929, BJWHC, is a 242 bedded pediatric hospital meant exclusively for providing free or subsidized comprehensive health care for children in need of medical care and treatment across India.

Taking forward the vision of BJWHC of providing state-of-the-art comprehensive health care services which are affordable and convenient to children from lower socio-economic sections of society, the hospital proposes two Projects.

It is expected that, proposed Projects will increase accessibility and affordability of basic and specialized medical services among vulnerable children across India.

- BJWHC has been awarded “Best Hospital in Paediatric Care” by the CIMS Healthcare Excellence Awards held on 19 July 2014 at The Lalit Hotel, Mumbai.
- BJWHC has been awarded “Best Single Specialty Hospital” by the South Asia E-Health Summit Awards 2014 held on 10 December 2014 at Delhi.
- BJWHC has been awarded “Best Hospital of the Year (Western India)” by the Worldwide Achievers Healthcare Awards held on 21 January 2015 at Delhi.
- Currently, BJWHC hosts the largest Neonatal ICU in India with 110 beds.

ii. **Britannia Nutrition Foundation (BNF)**

BNF was set up with the belief that every child in India has the right to growth and development through good food - every day. The Foundation disseminates scientific knowledge in the area of nutrition, builds awareness of the massive malnutrition challenge and its solutions and creates a platform for multi-sectoral dialogue and informed action.

The study conducted by the Foundation: Effect of Supplementation with Iron Fortified Biscuits on the Haemoglobin Status of Children in Rural Areas of Shimoga, Karnataka has now been published in the prestigious, peer reviewed medical journal called The Indian Journal of Pediatrics in February 2015.

In 2013, BNF was selected as the ‘nutrition partner’ in a first-of-its-kind project in India, under a Municipal Corporation’s (East Delhi Municipal Corporation (EDMC)) jurisdiction. Through this program BNF assessed the health and nutritional status, including height, weight and haemoglobin of 50,000 children. The program was successfully completed in 2014 and the records of the Health Checks conducted have since been digitized and handed over to EDMC to be made a part of their school records.

The Foundation had partnered with AIIMS (All India Institute of Medical Sciences, Delhi) to do a field study on the efficacy of Nutrition intervention through fortified food to “at-risk child populations”. The study yielded positive results, in that an increase of Haemoglobin to the tune of 1g/ DL in a period of apprx. 90 days, was observed among the study population.

The strong recommendation made by AIIMS, included in the study report was that ‘Iron fortification using biscuits as a vehicle is an effective strategy to address Iron Deficiency Anaemia among school age study children in India’.

BNF also continues to work with Wadia Hospital in Mumbai to supplement the daily diets of all IPD (In-Patient Department) children with Tiger Glucose biscuits.

6. **The CSR committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.**

Sd/-

**Mr. Varun Berry**  
Managing Director

Sd/-

**Mr. Keki Dadiseth**  
Chairman of the Meeting

ANNEXURE 'B' TO THE DIRECTORS' REPORT

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the year ended 31 March 2015.

**A. CONSERVATION OF ENERGY**

**(1) Some of the energy conservation measures undertaken during 2014-15 are:**

- (i) Improved insulation has helped in reducing the heat requirement of ovens for baking.
- (ii) Fuel combustion efficiency improved by installing better efficiency and right sized burners in baking ovens.
- (iii) Air pre-heaters installed for recovering waste heat of flue gases in baking ovens.
- (iv) Variable frequency drives installed in baking to reduce the power consumption.

**(2) Additional investments and proposals, if any, being implemented for reducing energy consumption:**

Your Company has already implemented the initiatives stated above and will extend and expand them wherever applicable. Additional investment of ₹ 20 crores has been planned for 2015-16 in various projects related to further savings in energy consumption and use of alternate fuels.

**(3) Impact of measures at (1) and (2) above:**

In spite of a significant increase in fuel and energy costs, the impact of these on product cost have been marginal as both electricity and baking fuel consumptions were reduced.

Disclosure of particulars with respect to conservation of energy:

For the year ended	31 March 2015	31 March 2014
<b>ELECTRICITY</b>		
(a) Purchased (gwh)	19.79	19.26
Total amount (₹ crores)	12.30	12.10
Rate/Unit (₹/ kwh) # (1gwh = 1,000,000 kwh)	6.22	6.28
(b) Own generation		
(i) Through diesel generator (gwh)	1.95	1.49

For the year ended	31 March 2015	31 March 2014
Unit per litre of diesel oil (kwh / Litre)	3.20	3.22
Cost / Unit (₹ / kwh) (1gwh = 1,000,000 kwh)	17.16	16.89
(ii) Through steam turbine / Generator		
Units (KL)	NIL	NIL
Unit per litre of fuel oil / gas	NIL	NIL
Cost / Unit (₹ / KL)	NIL	NIL
(iii) Others / Internal generation (Baking Fuel Consumption)*		
Quantity (Billion cal)	83,784	83,084
Total Cost (₹ crores)	41.60	45.37
Rate / Unit (₹ / Billion cal)	4,965	5,461
<b>Consumption per unit of Production</b>		
Bakery products		
Biscuits & Cakes (MT)	169,496	155,153
Electricity (kwh/ MT)^	128	134
Baking Fuel (Billion cal / MT)^	0.49	0.54

\* Different baking fuels like furnace oil, piped natural gas, coal gas, HSD and Biomass are used at factories.

# Reduction in the price of purchased power is due to electricity duty benefit at Khurda unit. The increase in cost per unit of own generation of power is due to the increase in price of HSD.

^ Consumption of energy (power and baking fuel) per ton of biscuit produced has reduced due to structured energy program taken up by your Company and improving operational efficiencies in the factories.

**Technology absorption, adaptation and innovation**

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

Various actions were initiated for upgradation of technology and automation in specific areas:

- (i) Using renewable fuels (biomass) as a baking fuel through the gassifier technology has helped in reducing cost of baking fuel.
- (ii) Centralization of oven control by installing PLC, VFD's and pressure transducers on ovens has helped with lesser manual interventions as well as trending of critical parameters for better quality.

**(b) Benefits derived as a result of the above:**

The above initiatives resulted in improved productivity, better energy utilization and reduced energy cost and enhanced process and product quality.

**(c) Details of imported technology:**

Your Company is in the process of importing technology to make unique products which will bring out an organoleptically superior range of biscuits. This will help in improving consumer experience at optimum cost.

**B. TECHNOLOGY ABSORPTION**

**Research and Development (R&D):**

Details of efforts made in technology absorption are as follows:

**1. Core areas of Research by the Company:**

Your Company's R&D function continues to focus on development of organoleptic superior product innovations, renovation of the current portfolio for superior product experience, value engineering, new claims development and validation for healthier product range, building analytical excellence and regulatory compliance for the portfolio.

**2. Benefits delivered as a result of above R&D initiatives :**

Core research areas will enable your Company to innovate ahead of the market and competition, renovate the products for superior value and organoleptic experience, cost reduction while delivering the same experience for profitable

growth, and above all build a very strong pipeline of innovation and organoleptically superior products.

**3. Future plan of action:**

Your Company's R&D function will continue to focus on consumer insight based unique, differentiated yet relevant organoleptic superior innovations, renovation of the portfolio for better value and organoleptics, science based healthier products and claim validation, product portfolio for the new product categories & adjacencies for the launch in coming years leading to sustainable profitable share growth for your Company.

**4. Expenditure on R&D:**

₹ in crores	
Particulars	31 March 15
Capital	0.89
Recurring	15.81
<b>Total</b>	<b>16.70</b>
Total R&D expenditure as a % of turnover	0.23%

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

**Activities relating to exports:**

- (i) The Company actively pursued and secured new export markets for its core products.
- (ii) Total foreign exchange used and earned:

₹ in crores	
Particulars	31 March 15
Foreign exchange used *	88.80
Foreign exchange earned	127.30

\* Foreign exchange used predominantly for dividend and import of raw materials.

On behalf of the Board

Place : Mumbai  
Date : 21 May 2015

Nusli N Wadia  
Chairman



## Britannia Annual Report 2014-15

Particulars	
(c) Options vested (as at 31 March 2015)	<p>Nil.</p> <p>Options vest 1 year after date of grant of options.</p> <p>The first lot of 75,000 options which were granted on 29 October 2008 vested on 29 October 2009, the second lot of 75,000 options which were granted on 27 May 2009 vested on 27 May 2010, the third lot of 100,000 options which were granted on 27 May 2010 vested on 27 May 2011, the fourth lot of 125,000 options which were granted on 27 May 2011 vested on 27 May 2012, the fifth lot of 100,000 options which were granted on 28 May 2012 vested on 28 May 2013 and the sixth lot of 50,000 options which were granted on 26 May 2014 are due for vesting in the current Financial Year (i.e. on 26 May 2015).</p> <p>There were no vested options outstanding to be exercised as at 31 March 2015.</p>
(d) Options exercised (as at 31 March 2015)	4,75,000 Options.
(e) The total number of shares arising as a result of exercise of option	4,75,000 Equity Shares.
(f) Options lapsed	Nil.
(g) Variation of terms of options	Not Applicable.
(h) Money realized by exercise of options till date.	₹ 17,24,66,500/-
(i) Total number of options in force	50,000 options
(j) Employee wise details of options granted to:	
(i) Key Managerial Personnel/Senior Managerial Personnel.	50,000 Options granted to the Managing Director, Mr. Varun Berry.
(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Not Applicable.
(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Not Applicable.
(k) Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard 20 (AS 20) - "Earnings Per Share".	₹ 51.89/-

## Britannia Annual Report 2014-15

Particulars	
(l) Employee Compensation Cost	
(i) Method of calculating Employee Compensation Cost.	The Company has calculated the Employee Compensation Cost using the intrinsic value method of accounting for the Options granted under the Scheme.
(ii) Difference between the Employee Compensation Cost so computed at (i) above and the Employee Compensation Cost that shall have been recognised if it had used the fair value of the Options.	₹ 0.88 crores
(iii) The impact of this difference on the profits and on EPS of the Company.	Had the Company considered 'fair value' method then the additional Employee Compensation Cost would be ₹ 0.88 crores. The profit before tax and EPS would be lower by ₹ 0.88 crores and ₹ 0.07 respectively.
(m) Weighted-average exercise price and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. [Also refer point (b)]	Weighted average Exercise Price for the options granted during the year: ₹ 870.35.  Weighted average Fair Value of Option: ₹ 206.18 per option.
(n) Description of method and significant assumptions used during the year to estimate the fair values of options:	Black-Scholes Model.
i) Risk – free interest rate	8.57%
ii) Expected life of options	3 years
iii) Expected volatility	22.56%
iv) Expected dividends	800% of face value of share
v) Market price (latest available closing price prior to the date of the meeting of the Board for grant)	₹ 870.35 being the closing market price prior to the date of the meeting of the Board for grant, i.e. 23 May 2014.



# Britannia Annual Report 2014-15

## AUDITOR'S CERTIFICATE

To the Board of Directors of Britannia Industries Limited

We have examined the records and documents maintained by Britannia Industries Limited ('the Company') and based on the information and explanations given to us and to the best of our knowledge and belief, we confirm that the Britannia Industries Limited Employee Stock Option Scheme (ESOS) approved by the Company at its Annual General Meeting held on 28 July 2008, duly amended by the special resolutions passed by the Company at its Annual General Meeting held on 9 August 2010 and 6 August 2011, have been implemented in accordance with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 as amended up to Circular No. CIR/CFD/POLICYCELL/14/2013 dated 29 November 2013, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and in accordance with the terms of the aforesaid resolutions passed by the Company.

The certificate is issued on the request of the Management of the Company and is solely for the purpose of compliance with aforesaid SEBI Guidelines. This certificate is not intended to be and should not be used for any other purpose.

*for B S R & Co. LLP*

*Chartered Accountants*

Firm registration number: 101248W/W-100022

**Sunil Gaggar**

*Partner*

Membership number: 104315

Place: Bangalore

Date : 21 May 2015

# Britannia Annual Report 2014-15

## ANNEXURE 'D' TO THE DIRECTORS' REPORT

FORM No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

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

To  
**The Members**  
**Britannia Industries Limited**

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

Based on our verification of the Britannia Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and the representations made by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31 March 2015 generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Britannia Industries Limited for the Financial Year ended on 31 March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and
- (vi) Other laws applicable to the Company as per the representations made by the Company.

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

- (i) Secretarial Standards of The Institute of Company Secretaries of India with respect to board and general meetings are not in force as on the date of this report.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

## Britannia Annual Report 2014-15

We further report that

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

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as represented by the Company and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh & Associates  
Company Secretaries

Signature  
P.N.Parikh  
Partner

Place : Mumbai  
Date : May 21 2015

FCS No: 327  
CP No. 1228

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

**'Annexure A' - Integral part of Secretarial Audit Report**

**To,  
The Members  
Britannia Industries Limited**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates  
Company Secretaries

Signature  
P.N.Parikh  
Partner

Place : Mumbai  
Date : May 21 2015

FCS No: 327  
CP No. 1228

## Britannia Annual Report 2014-15

### ANNEXURE 'E' TO THE DIRECTORS' REPORT

#### DETAILS OF THE REMUNERATION OF DIRECTORS, KMP'S AND EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the Performance of the Company are as under:

S. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2014-15 (₹ in crores)	% increase in Remuneration in the Financial Year 2014-15	Ratio of Remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the Performance of the Company
1.	Mr. Nusli N Wadia Promoter and Non-Executive Chairman	3.68	22%	105.2	-
2.	Mr. Varun Berry Managing Director	4.71	45%	134.7	Profit Before Tax increased by 62.7% and Profit After Tax increased by 68.3% in Financial Year 2014-15
3.	Mr. A K Hirjee Promoter and Non-Executive Director	0.26	(3)%	7.4	-
4.	Mr. Jeh N Wadia Promoter and Non-Executive Director	0.07	(26)%	2.1	-
5.	Mr. Ness N Wadia Promoter and Non-Executive Director	0.39	51%	11.1	-
6.	Mr. Nimesh N Kampani Non-Executive and Independent Director	0.20	30%	5.8	-
7.	Mr. S S Kelkar Non-Executive and Independent Director	0.20	8%	5.8	-
8.	Mr. Avijit Deb Non-Executive and Independent Director	0.12	(22)%	3.3	-
9.	Dr. Ajai Puri Non-Executive and Independent Director	0.21	39%	5.9	-

## Britannia Annual Report 2014-15

S. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2014-15 (₹ in crores)	% increase in Remuneration in the Financial Year 2014-15	Ratio of Remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the Performance of the Company
10	Mr. Nasser Munjee Non-Executive and Independent Director	0.24	22%	6.8	-
11.	Mr. Keki Dadiseth Non-Executive and Independent Director	0.23	10%	6.5	-
12.	Dr. Vijay L Kelkar Non-Executive and Independent Director	0.07	22%	2.1	-
13.	Mrs. Ranjana Kumar Non-Executive and Independent Director	0.07	*	2.1	-
14.	Mr. Vinod Krishna Menon Chief Financial Officer	0.65	**	35.1 <sup>^</sup>	Profit Before Tax increased by 62.7% and Profit After Tax increased by 68.3% in Financial Year 2014-15
15.	Mr. Amlan Datta Majumdar Chief Financial Officer	0.40	***	51.4 <sup>^</sup>	
16.	Mr. Vivek P Raizada Head Legal & Company Secretary	0.25	#	16.1 <sup>^</sup>	
17.	Mr. Rajesh Arora GM-Legal & Company Secretary	0.09	##	15.7 <sup>^</sup>	

<sup>^</sup> Calculated on annualized basis.

\* Details not given as Mrs. Ranjana Kumar was a Director only for part of the Financial Year 2014-15 i.e. with effect from 8 July 2014.

\*\* Details not given as Mr. Vinod Krishna Menon was Chief Financial Officer & Key Managerial Personnel only for part of the Financial Year 2014-15 i.e. upto 17 November 2014.

\*\*\* Details not given as Mr. Amlan Datta Majumdar was Chief Financial Officer & Key Managerial Personnel only for part of the Financial Year 2014-15 i.e. with effect from 12 March 2015. He has been given ₹ 30 Lakhs as joining bonus.

# Details not given as Mr. Vivek P Raizada was the Company Secretary & Key Managerial Personnel only for part of the Financial Year 2014-15 i.e. upto 10 October 2014.

## Details not given as Mr. Rajesh Arora was the Company Secretary & Key Managerial Personnel only for part of the Financial Year 2014-15 i.e. with effect from 3 February 2015.

- ii. The median remuneration of employees of the Company during the Financial Year was ₹ 3.5 Lakhs. In the Financial Year 2014-15, the median remuneration of employees was 7.7% higher compared to previous year.

## Britannia Annual Report 2014-15

- iii. There were 2,605 permanent employees on the rolls of Company as on 31 March 2015.
- iv. The explanation on the relationship between average increase in Remuneration and Company performance: The median remuneration has not increased in line with increase in profits mainly on account of improved productivity achieved through judicious spend on manpower, organizational right sizing, promoting a performance based culture and such other similar measures.
- v. a) Variations in the Market Capitalisation of the Company : The Market Capitalization as on 31 March 2015 was ₹ 25,886.59 crores (₹ 10,114.54 crores as on 31 March 2014), representing growth of 156%.
- b) Price Earnings Ratio of the Company was ₹ 41.59 as at 31 March 2015 and was ₹ 27.32 as at 31 March 2014, representing growth of 52%.
- c) Percentage increase over decrease in the market quotations of the Shares of the Company in comparison to the rate at which the Company came out with the last Public Offer:

The Company had come out with the Initial Public Offer (IPO) in 1978 wherein 1 Equity Share was offered with a face value of ₹ 10/- each at a premium of ₹ 5/- each aggregating to ₹ 15/- per Equity Share.

- (i) The Company had issued Bonus Shares and the details are as follows:

Year	No. of Shares	Ratio	Bonus Shares	Total Shares
1983	100	2:5	40	140
1987	140	2:5	56	196
1990	196	1:2	98	294
1999	294	1:2	147	441

- (ii) Further in the year 2010-11, the Company had sub-divided (split) the Equity Shares, wherein each Equity Share with a face value of ₹ 10/- each had been sub-divided (split) into 5 Equity Shares with a face value of ₹ 2/- each.

100 Shares held in 1983 have now grown to 2,205 Shares after considering the Bonus & Share Split as mentioned in (i) & (ii) above.

The closing price of Company's Equity Share as on 31 March 2015 was ₹ 2,158.55 (NSE) & ₹ 2,158.50 (BSE) respectively, representing increase of 3,17,207% (NSE) & 3,17,200% (BSE) respectively increase over the IPO price, adjusted for Bonus Issue and Share Split till 31 March 2015.

- vi. Average percentage increase made in the salaries of employees other than the Managerial Personnel in the Financial Year 2014-15 was 2% over previous year whereas the Managerial Remuneration for the same period was decreased by 14.2% due to reduction in number of Managerial Personnel. Ms. Vinita Bali resigned as Managing Director with effect from 31 March 2014 and Mr. Varun Berry who was appointed as an Executive Director with effect from 11 November 2013 and became the Managing Director with effect from 1 April 2014. There were no exceptional circumstances for increase in Managerial Remuneration.
- vii. Comparison of Remuneration of the Key Managerial Personnel(s) against the Performance of the Company: The shift in Remuneration of Key Managerial Personnel has been in line with average Market/Industry salary increases. The total Remuneration of Key Managerial Personnel decreased by 31.9% from ₹ 8.96 crores in 2013-14 to ₹ 6.1 crores in 2014-15 whereas the Profit Before Tax increased by 62.7% to ₹ 888.61 crores in 2014-15 (₹ 542.62 crores in 2013-14).
- viii. The key parameters for any variable component of Remuneration availed by the Directors are considered by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee as per the Remuneration Policy of the Company.
- ix. The Ratio of the Remuneration of the highest paid Director to that of the Employees who are not Directors but receive Remuneration in excess of the highest paid Director during the year: There are no such cases wherein any employee received Remuneration in excess of the highest paid Director.
- x. Affirmation that the Remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

# Britannia Annual Report 2014-15

## ANNEXURE 'F' TO THE DIRECTORS' REPORT

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31 March 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

- (i) CIN: L15412WB1918PLC002964
- (ii) Registration Date: 21.03.1918
- (iii) Name of the Company: Britannia Industries Limited
- (iv) Category/ Sub Category of the Company: Company limited by Shares/Indian Non-Government Company
- (v) Address of Registered office and contact details: 5/1A, Hungerford Street, Kolkata - 700 017  
Tel No : 033-22872439/2057; Fax No: 033-22872501
- (vi) Whether listed Company : Yes
- (vii) Name, address and contact details of Registrar & Transfer Agents (RTA):  
Name of Registrar & Transfer Agents: Sharepro Services (India) Pvt. Ltd.

Address	13 AB, Samhita Warehousing Complex, II Floor, Sakinaka Telephone Exchange Lane, off Andheri Kurla Road, Sakinaka, Andheri (East)	
Town / City	Mumbai	
State	Maharashtra	Pin Code: 400072
Telephone with STD Area Code & Number	022 - 67720300/400	
Fax Number	022 - 28591568	Email Address: <a href="mailto:indira@shareproservices.com">indira@shareproservices.com</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the product/ service	% to total turnover of the Company
1.	Manufacture of Biscuits, Cakes and Rusks	10712	~95%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Britannia Dairy Private Limited (BDPL) 5/1A Hungerford Street, Kolkata, West Bengal- 700017	U15201WB2002PTC191511	Subsidiary	100	2(87)

## Britannia Annual Report 2014-15

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
2.	Daily Bread Gourmet Foods (India) Private Limited Prestige Shantiniketan, The Business Precinct, Tower C, 16 <sup>th</sup> Floor, Whitefield Main Road, Mahadevpura Post, Bangalore, Karnataka – 560048	U01549KA2003PTC031859	Subsidiary	100	2(87)
3.	Boribunder Finance and Investments Private Limited D-1/502, Krishna Kaveri Society, Yamuna Nagar, Andheri (West), Mumbai, Maharashtra – 400053	U65990MH1983PTC030883	Subsidiary	100	2(87)
4.	Flora Investments Company Private Limited D-1/502, Krishna Kaveri Society, Yamuna Nagar, Andheri (West), Mumbai, Maharashtra – 400053	U65923MH1983PTC030875	Subsidiary	100	2(87)
5.	Gilt Edge Finance and Investments Private Limited D-1/502, Krishna Kaveri Society, Yamuna Nagar, Andheri (West), Mumbai, Maharashtra – 400053	U65923MH1983PTC030884	Subsidiary	100	2(87)
6.	Ganges Vally Foods Private Limited Village-Jagannatpur, P O Bamunari, Hooghly, West Bengal – 712250	U15440WB1992PTC054793	Subsidiary	51.00	2(87)
7.	Sunrise Biscuit Company Private Limited Pub Boragaonganagar, Guwahati, Assam – 781033	U15412AS1985PTC002361	Subsidiary	99.16	2(87)
8.	International Bakery Products Limited India Land Tech Park, Tower B, 5 <sup>th</sup> Floor, III Main Road, Ambattur Industrial Estate, Chennai, Tamil Nadu – 600058	U15419TN1997PLC037876	Subsidiary	100	2(87)
9.	J. B. Mangharam Foods Private Limited D-1/502, Krishna Kaveri Society, Yamuna Nagar, Andheri (West), Mumbai, Maharashtra – 400053	U15100MH1984PTC031983	Subsidiary	100	2(87)
10.	Manna Foods Private Limited Prestige Shantiniketan, The Business Precinct, Tower C, 16 <sup>th</sup> Floor, Whitefield Main Road, Mahadevpura Post, Bangalore, Karnataka – 560048	U15400KA1994PTC015687	Subsidiary	100	2(87)



## Britannia Annual Report 2014-15

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
11.	Snacko Bisc Private Limited India Land Tech Park, Tower B, 5 <sup>th</sup> Floor, III Main Road, Ambattur Industrial Estate, Chennai-600058	U15419TN1997PLC037876	Subsidiary	100	2(87)
12.	Vasana Agrex and Herbs Private Limited India Land Tech Park, Tower B, 5 <sup>th</sup> Floor, III Main Road, Ambattur Industrial Estate, Chennai-600058	U01119TN1996PTC034766	Subsidiary	100	2(87)
13.	Britannia Employees Educational Welfare Association Private Limited* Reay Road (East), Mazagaon, Mumbai, Maharashtra- 400010	U85110MH1992GAT242375	Subsidiary	N.A	2(87)
14.	Britannia Employees General Welfare Association Private Limited* Reay Road (East), Mazagaon, Mumbai, Maharashtra- 400010	U85110MH1992GAT243304	Subsidiary	N.A	2(87)
15.	Britannia Employees Medical Welfare Association Private Limited* Reay Road (East), Mazagaon, Mumbai, Maharashtra- 400010	U91120MH1992PTC242376	Subsidiary	N.A	2(87)
16.	AL Sallan Food International Co. SAOC PO Box No. 970, Sohar, Postal Code: 311, Sultanate of Oman	Body Corporate	Subsidiary	65.46	2(87)
17.	Strategic Food International Co.LLC, Dubai PO Box No. 53193, Dubai, United Arab Emirates.	Body Corporate	Subsidiary	100	2(87)
18.	Britannia and Associates (Dubai) Private Company Limited, Dubai PO Box No. 4254, Dubai, United Arab Emirates.	Body Corporate	Subsidiary	100	2(87)
19.	Britannia and Associates (Mauritius) Private Limited, Mauritius Apex Fund Services (Mauritius) Ltd, 4 <sup>th</sup> Floor, Raffles Tower, 19 Cybercity, Ebene, Republic of Mauritius.	Body Corporate	Subsidiary	100	2(87)

## Britannia Annual Report 2014-15

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
20.	Britannia Dairy Holdings Private Limited, Mauritius Apex Fund Services (Mauritius) Ltd, 4 <sup>th</sup> Floor, Raffles Tower, 19 Cybercity, Ebene, Republic of Mauritius.	Body Corporate	Subsidiary	100	2(87)
21.	Strategic Brands Holding Company Limited, Dubai Po Box No. 4421, Dubai, United Arab Emirates.	Body Corporate	Subsidiary	100	2(87)
22	Klassik Foods Private Limited Plot No F-30 Midcsatpur, Nasik, Maharashtra - 422007	U15120MH1981PTC025662	Associate	26.02	2(6)
23	Nalanda Biscuit Company Limited Khagual Road, Naya Tola, PS-Phulwari Sharif, Patna, Bihar - 801505	U15410BR1986PLC002262	Associate	35.00	2(6)

\*Company limited by guarantee.

#### IV. SHARE HOLDING PATTERN

Equity Share Capital Breakup as percentage of Total Equity

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year (II-I)
	Demat	Physical	Total	% of Total Shares (I)	Demat	Physical	Total	% of Total Shares (II)	
<b>A. Promoters</b>									
(1) Indian									
(a) Individual/HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp	-	-	-	-	-	-	-	-	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	-	-	-	-	-	-	-	-	-
(2) Foreign									
(a) NRIs-Individuals	2,250	-	2,250	-	2,250	-	2,250	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp	6,08,66,095	-	6,08,66,095	50.75	6,08,66,095	-	6,08,66,095	50.75	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>6,08,68,345</b>	<b>-</b>	<b>6,08,68,345</b>	<b>50.75</b>	<b>6,08,68,345</b>	<b>-</b>	<b>6,08,68,345</b>	<b>50.75</b>	<b>-</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>6,08,68,345</b>	<b>-</b>	<b>6,08,68,345</b>	<b>50.75</b>	<b>6,08,68,345</b>	<b>-</b>	<b>6,08,68,345</b>	<b>50.75</b>	<b>-</b>

## Britannia Annual Report 2014-15

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year (II-I)
	Demat	Physical	Total	% of Total Shares (I)	Demat	Physical	Total	% of Total Shares (II)	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	44,99,376	1,250	45,00,626	3.75	62,42,506	1,250	62,43,756	5.21	1.46
(b) Banks/FI	1,64,739	5,350	1,70,089	0.14	1,87,122	5,350	1,92,472	0.16	0.02
(c) Central Govt	-	-	-	-	23,677	-	23,677	0.02	0.02
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	54,06,974	500	54,07,474	4.51	45,68,568	500	45,69,068	3.81	(0.70)
(g) FIs	2,41,11,621	-	2,41,11,621	20.11	2,29,10,271	-	2,29,10,271	19.10	(1.01)
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1):-</b>	<b>3,41,82,710</b>	<b>7,100</b>	<b>3,41,89,810</b>	<b>28.51</b>	<b>3,39,32,144</b>	<b>7,100</b>	<b>3,39,39,244</b>	<b>28.30</b>	<b>(0.21)</b>
<b>2. Non-Institutions</b>									
(a) Bodies Corp.									
(i) Indian	38,47,818	44,955	38,92,773	3.25	44,16,862	25,270	44,42,132	3.71	0.46
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	1,33,26,181	30,07,818	1,63,33,999	13.62	1,34,72,310	28,28,491	1,63,00,801	13.59	(0.03)
(ii) Individual Shareholders holdings nominal share capital in excess of ₹ 1 lakh	32,31,068	13,86,675	46,17,743	3.85	29,62,563	13,86,675	43,49,238	3.63	(0.22)
(c) Others -Trusts	23,145	-	23,145	0.02	26,055	-	26,055	0.02	-
<b>Sub-total(B)(2):-</b>	<b>2,04,28,212</b>	<b>44,39,448</b>	<b>2,48,67,660</b>	<b>20.74</b>	<b>2,08,77,790</b>	<b>42,40,436</b>	<b>2,51,18,226</b>	<b>20.95</b>	<b>0.21</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>5,46,10,922</b>	<b>44,46,548</b>	<b>5,90,57,470</b>	<b>49.25</b>	<b>5,48,09,934</b>	<b>42,47,436</b>	<b>5,90,57,470</b>	<b>49.25</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>11,54,79,267</b>	<b>44,46,548</b>	<b>11,99,25,815</b>	<b>100</b>	<b>11,56,78,279</b>	<b>42,47,436</b>	<b>11,99,25,815</b>	<b>100</b>	<b>-</b>

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to total Shares	
1	Associated Biscuits International Limited	53,904,500	44.95	NIL	53,904,500	44.95	NIL	NIL
2	Dowbiggin Enterprises Pte Ltd	13,92,510	1.16	NIL	13,92,510	1.16	NIL	NIL
3	Nacupa Enterprises Pte Ltd	13,92,510	1.16	NIL	13,92,510	1.16	NIL	NIL
4	Spargo Enterprises Pte Ltd	13,92,510	1.16	NIL	13,92,510	1.16	NIL	NIL
5	Valletort Enterprises Pte Ltd	13,92,510	1.16	NIL	13,92,510	1.16	NIL	NIL
6	Bannatyne Enterprises Pte Ltd	13,91,555	1.16	NIL	13,91,555	1.16	NIL	NIL
7	Mr. Nusli Neville Wadia	2,250	0.00	NIL	2,250	0.00	NIL	NIL
	<b>Total</b>	<b>60,868,345</b>	<b>50.75</b>	<b>NIL</b>	<b>60,868,345</b>	<b>50.75</b>	<b>NIL</b>	<b>NIL</b>

(iii) Change in Promoters' Shareholding (please specify, if there is no change) :

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the Beginning of the year	No change during the year			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus sweat equity etc.,)	No change during the year			
	At the end of the Year	No change during the year			

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

1. Arisaig Partners (Asia) Pte Ltd. A/C Arisaig (Client ID: 10438382)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	1,06,71,488	8.90	1,06,71,488	8.90
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	-42,19,804	-3.52	-42,19,804	-3.52
At the End of the Year (or on the date of separation, if separated during the year)	64,52,404	5.38	64,52,404	5.38

## Britannia Annual Report 2014-15

**Note:**

Increase: NIL

Decrease: Sold 11,87,000 shares on 14.11.2014; 1,14,038 shares on 09.01.2015; 2,19,012 shares on 16.01.2015; 1,13,724 shares on 23.01.2015; 2,60,987 shares on 30.01.2015; 2,39,031 shares on 06.02.2015; 9,03,143 shares on 13.02.2015; 3,04,526 shares on 20.02.2015; 2,31,361 shares on 27.02.2015; 4,13,594 shares on 06.03.2015; 2,32,123 shares on 13.03.2015 and 545 shares on 20.03.2015.

2. Life Insurance Corporation of India (Client ID: 10000012)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	28,97,676	2.42	28,97,676	2.42
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweat equity etc..)	-6,19,889	-0.52	-6,19,889	-0.52
At the End of the Year (or on the date of separation, if separated during the year)	22,77,787	1.90	22,77,787	1.90

**Note:**

Increase: NIL

Decrease: Sold 25,000 shares on 15.08.2014; 1,54,765 shares on 22.08.2014; 56,243 shares on 29.08.2014; 44,774 shares on 05.09.2014; 1,82,492 shares on 12.09.2014; 39,205 shares on 16.01.2015; 19,260 shares on 23.01.2015; 51,042 shares on 20.03.2015; 37,182 shares on 27.03.2015 and 9,926 shares on 31.03.2015.

3. Morgan Stanley Asia (Singapore) PTE (Client ID: 10077067)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc..)	+17,12,930 - 96,019	+1.43 -0.08	+17,12,930 - 96,019	+1.43 -0.08
At the End of the Year (or on the date of separation, if separated during the year)	16,16,911	1.35	16,16,911	1.35

**Note:**

Increase: Acquired 14,78,771 shares on 19.12.2014; 3,285 shares on 09.01.2015; 86,253 shares on 16.01.2015; 24,820 shares on 23.01.2015; 7,538 shares on 06.02.2015; 19,613 shares on 13.02.2015; 24,525 shares on 20.02.2015; 13,946 shares on 27.02.2015; 22,804 shares on 06.03.2015; 29,106 shares on 13.03.2015 and 2,269 shares on 31.03.2015.

Decrease: Sold 4,819 shares on 31.12.2014; 89 shares on 02.01.2015; 14,733 shares on 30.01.2015 and 76,378 shares on 27.03.2015.

## Britannia Annual Report 2014-15

4. General Insurance Corporation of India (Client ID: 10000029)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	13,01,125	1.08	13,01,125	1.08
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the End of the Year (or on the date of separation, if separated during the year)	13,01,125	1.08	13,01,125	1.08

5. Arisaig Partners (Asia) Pte Ltd. A/C Arisaig A/C Arisaig Global Emerging Markets Consumer Fund (Singapore) Pte. Ltd (Client ID: 10723923)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	+10,49,600	+0.88	+10,49,600	+0.88
At the End of the Year (or on the date of separation, if separated during the year)	10,49,600	0.88	10,49,600	0.88

**Note:**

*Increase: Acquired 10,49,600 shares on 14.11.2014.*

*Decrease: NIL*

6. Merrill Lynch Capital Markets Espana S.A. S.V (Client ID: 10015153)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	8,24,061	0.69	8,24,061	0.69
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	+2,46,538 - 90,019	+0.21 -0.08	+2,46,538 - 90,019	+0.21 -0.08
At the End of the Year (or on the date of separation, if separated during the year)	9,80,580	0.82	9,80,580	0.82

**Note:**

*Increase: Acquired 6,097 shares on 15.08.2014; 11,148 shares on 22.08.2014; 34,265 shares on 29.08.2014; 12,266 shares on 05.09.2014; 16,699 shares on 19.09.2014; 13,178 shares on 30.09.2014; 9,965 shares on 17.10.2014; 28,442 shares on 24.10.2014; 17,149 shares on 31.10.2014; 17,104 shares on 13.02.2015; 30,483 shares 06.03.2015; 25,476 shares on 20.03.2015; 14,185 shares on 27.03.2015 and 10,081 shares on 31.03.2015.*

*Decrease: Sold 6,983 shares on 12.12.2014; 13,420 shares on 19.12.2014; 2,350 shares on 31.12.2014; 29,433 shares on 23.01.2015; 13,485 shares on 06.02.2015 and 24,348 shares on 13.03.2015.*

7. Kotak Mahindra Old Mutual Life Insurance (Client ID: 30026774)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	5,29,260	0.44	5,29,260	0.44
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	+5,79,659 -1,73,496	+0.48 -0.14	+5,79,659 -1,73,496	+0.48 -0.14
At the End of the Year (or on the date of separation, if separated during the year)	9,35,423	0.78	9,35,423	0.78

**Note:**

**Increase:** Acquired 2,318 shares on 04.04.2014; 2,188 shares on 11.04.2014; 428 shares on 18.04.2014; 2,641 shares on 25.04.2014; 3,499 shares on 02.05.2014; 4,171 shares on 09.05.2014; 2,192 shares on 16.05.2014; 737 shares on 23.05.2014; 1,223 shares on 20.06.2014; 465 shares on 30.06.2014; 292 shares on 11.07.2014; 766 shares on 25.07.2014; 12,219 shares on 08.08.2014; 5,134 shares on 15.08.2014; 45,000 shares on 22.08.2014; 30,000 shares on 29.08.2014; 2,569 shares on 05.09.2014; 28,101 shares on 12.09.2014; 3,991 shares on 19.09.2014; 5,189 shares on 30.09.2014; 345 shares on 03.10.2014; 46,477 shares on 10.10.2014; 85,764 shares on 17.10.2014; 46,243 shares on 24.10.2014; 42,600 shares on 31.10.2014; 324 shares on 07.11.2014; 10,294 shares on 28.11.2014; 17,000 shares on 05.12.2014; 7,914 shares on 23.01.2015; 1,50,072 shares on 30.01.2015 and 19,503 shares on 06.02.2015.

**Decrease:** Sold 203 shares on 13.06.2014; 6,616 shares on 14.11.2014; 3,233 shares on 21.11.2014; 10,000 shares on 12.12.2014; 4,225 shares on 19.12.2014; 40,713 shares on 31.12.2014; 900 shares on 02.01.2015; 7,272 shares on 09.01.2015; 9,191 shares on 13.02.2015; 20,493 shares on 20.02.2015; 24,911 shares on 27.02.2015; 24,560 shares on 06.03.2015; 14,146 shares on 13.03.2015; 3,666 shares on 20.03.2015; 2,072 shares on 27.03.2015 and 1,295 shares on 31.03.2015.

8. United India Insurance Company Limited (Client ID: 10000543)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	8,34,372	0.70	8,34,372	0.70
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	-60,000	-0.05	-60,000	-0.05
At the End of the Year (or on the date of separation, if separated during the year)	7,74,372	0.65	7,74,372	0.65

**Note:**

**Increase:** NIL

**Decrease:** Sold 35,000 shares on 30.06.2014; 5,000 shares on 25.07.2014 and 20,000 shares on 01.08.2014.

9. Goldman Sachs Investment (Mauritius)I Ltd (Client ID: 10090603)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	5,57,918	0.46	5,57,918	0.46
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	+ 4,27,468 -2,84,791	+0.36 -0.24	+ 4,27,468 -2,84,791	+0.36 -0.24
At the End of the Year (or on the date of separation, if separated during the year)	7,00,595	0.58	7,00,595	0.58

**Note:**

**Increase:** Acquired 667 shares on 16.05.2014; 20,594 shares on 23.05.2014; 26,186 shares on 04.07.2014; 18,984 shares on 11.07.2014; 12,298 shares on 25.07.2014; 5,701 shares on 01.08.2014; 4,242 shares on 29.08.2014; 78,890 shares on 12.09.2014; 80,799 shares on 19.09.2014; 73,474 shares on 30.09.2014; 73,984 shares on 10.10.2014; 861 shares on 24.10.2014; 904 shares on 31.10.2014; 11,855 shares on 07.11.2014; 14,314 shares on 14.11.2014; 431 shares on 02.01.2015; 1,228 shares on 23.01.2015; 505 shares on 30.01.2015 and 1,551 shares on 06.02.2015.

**Decrease:** Sold 418 shares on 08.08.2014; 515 shares on 03.10.2014; 51,082 shares on 21.11.2014; 21,224 shares on 28.11.2014; 619 shares on 19.12.2014; 50,944 shares on 16.01.2015; 503 shares on 27.02.2015; 21,190 shares on 06.03.2015; 31,715 shares on 13.03.2015; 72,369 shares on 20.03.2015; 12,019 shares on 27.03.2015 and 22,193 shares on 31.03.2015.

10. Robeco Capital Growth Funds A/C Robeco Capital (Client ID: 10711180)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	+6,74,690	+0.56	+6,74,690	+0.56
At the End of the Year (or on the date of separation, if separated during the year)	6,74,690	0.56	6,74,690	0.56

**Note:**

**Increase:** Acquired 60,452 shares on 14.11.2014; 48,493 shares on 21.11.2014; 32,793 shares on 28.11.2014; 27,000 shares on 05.12.2014; 49,986 shares on 09.01.2015; 52,147 shares on 23.01.2015; 1,75,774 shares on 30.01.2015; 63,403 shares on 20.02.2015; 18,527 shares on 27.02.2015; 75,261 shares on 06.03.2015; 29,854 shares on 13.03.2015; 41,000 shares on 20.03.2015.

**Decrease:** NIL



11. Tiger Global Mauritius Fund\* (Client ID: 10064045)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	26,70,000	2.23	26,70,000	2.23
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	-26,70,000	-2.23	-26,70,000	-2.23
At the End of the Year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

**Note:**

**Increase:** NIL

**Decrease:** Sold 5,22,443 shares on 04.07.2014; 1,55,854 shares on 11.07.2014; 2,06,703 shares on 18.07.2014; 1,32,096 shares on 25.07.2014; 1,57,904 shares on 01.08.2014; 65,861 shares on 22.08.2014; 2,41,832 shares on 29.08.2014; 77,125 shares on 05.09.2014; 5,80,182 shares on 12.09.2014; 90,500 shares on 30.09.2014; 2,12,000 shares on 03.10.2014; 34,531 shares on 10.10.2014; 85,969 shares on 17.10.2014; 97,608 shares on 24.10.2014 and 9,392 shares on 31.10.2014.

\* Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01.04.2014.

12. Morgan Stanley Asia (Singapore) Pte\* (Client ID: 10707572)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	15,53,472	1.30	15,53,472	1.30
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweat equity etc.,)	+1,86,512 -17,39,984	+0.15 -1.45	+1,86,512 -17,39,984	+0.15 -1.45
At the End of the Year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

**Note:**

**Increase:** Acquired 20,000 shares on 04.04.2014; 2,681 shares on 18.04.2014; 1,367 shares on 20.06.2014; 2,000 shares on 18.07.2014; 1,791 shares on 08.08.2014; 8,719 shares on 15.08.2014; 11,307 shares on 22.08.2014; 10,161 shares on 29.08.2014; 4,905 shares 05.09.2014; 53,870 shares on 12.09.2014; 14,537 shares on 19.09.2014; 11,812 shares on 30.09.2014; 1,628 shares on 03.10.2014; 3,397 shares on 10.10.2014; 3,228 shares on 17.10.2014; 2,434 shares on 31.10.2014; 2,698 shares on 14.11.2014; 4,415 shares on 21.11.2014; 16,739 shares on 28.11.2014; 8,823 shares on 05.12.2014.

**Decrease:** Sold 13,021 shares on 02.05.2014; 21,455 shares on 09.05.2014; 36,111 shares on 16.05.2014; 9,444 shares on 23.05.2014; 64,278 shares on 30.05.2014; 48,582 shares on 06.06.2014; 51,426 shares on 13.06.2014; 3,987 shares on 30.06.2014; 2,518 shares on 11.07.2014; 1,620 shares on 25.07.2014; 8,575 shares on 24.10.2014; 158 shares on 07.11.2014; 973 shares on 12.12.2014 and 14,77,836 shares on 19.12.2014.

\* Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01.04.2014.

13. LO Funds - Emerging Consumer\* (Client ID: 30032047)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	7,85,000	0.65	7,85,000	0.65
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	-7,85,000	-0.65	-7,85,000	-0.65
At the End of the Year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

**Note:**

**Increase:** NIL

**Decrease:** Sold 25,000 shares on 22.08.2014; 72,733 shares on 29.08.2014; 1,18,737 shares on 05.09.2014; 18,530 shares on 12.09.2014; 40,716 shares on 19.09.2014; 9,284 shares on 30.09.2014; 13,695 shares on 10.10.2014; 16,305 shares on 17.10.2014; 45,000 shares on 31.10.2014; 45,000 shares on 07.11.2014; 20,000 shares on 14.11.2014; 30,000 shares on 21.11.2014; 40,000 shares on 28.11.2014; 40,000 shares on 05.12.2014; 45,000 shares on 31.12.2014; 5,000 shares on 02.01.2015; 10,000 shares on 16.01.2015; 15,000 shares on 23.01.2015; 15,000 shares on 30.01.2015; 35,000 shares on 06.02.2015; 65,000 shares on 13.02.2015; 33,000 shares on 20.02.2015 and 27,000 shares on 27.02.2015.

\* Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01.04.2014.

14. Government Pension Fund Global\* (Client ID: 10004781)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	6,58,785	0.55	6,58,785	0.55
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	-6,58,785	-0.55	-6,58,785	-0.55
At the End of the Year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

**Note:**

**Increase:** NIL

**Decrease:** Sold 1,08,558 shares on 16.05.2014; 47,200 shares on 06.06.2014; 45,277 shares on 13.06.2014; 83,200 shares on 20.06.2014; 5,000 shares on 19.09.2014; 38,324 shares on 10.10.2014; 1,56,226 shares on 17.10.2014 and 1,75,000 shares on 21.11.2014.

\* Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01.04.2014.

15. HDFC Trustee Company Limited - HDFC Tax\* (Client ID: 10009126)

For each of Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	6,27,087	0.53	6,27,087	0.53
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	-2,62,687	-0.22	-2,62,687	-0.22
At the End of the Year (or on the date of separation, if separated during the year)	3,64,400	0.31	3,64,400	0.31

**Note:**

*Increase: NIL*

*Decrease: Sold 27,000 shares on 11.07.2014; 1,04,817 shares on 08.08.2014; 75,270 shares on 31.12.2014; 40,000 shares on 02.01.2015 and 15,600 shares on 09.01.2015*

*\* Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01.04.2014.*

*Note: The above changes in shareholding are derived based on weekly benpose statement.*

(v) **Shareholding of Directors and Key Managerial Personnel:**

1. **Mr. Nusli N Wadia, Promoter and Non-Executive Chairman**

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	2,250	0.00	2,250	0.00
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	2,250	0.00	2,250	0.00

2. **Mr. Varun Berry, Managing Director**

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

3. Mr. A K Hirjee, Promoter and Non-Executive Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

4. Mr. S S Kelkar, Non-Executive and Independent Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

5. Mr. Ness N Wadia, Promoter and Non-Executive Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

6. Mr. Jeh N Wadia, Promoter and Non-Executive Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

7. Mr. Nimesh N Kampani, Non-Executive and Independent Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

8. Mr. Nasser Munjee, Non-Executive and Independent Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

9. Mr. Keki Dadiseth, Non-Executive and Independent Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

10. Mr. Avijit Deb, Non-Executive and Independent Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

11. Dr. Vijay L Kelkar, Non-Executive and Independent Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

12. Dr. Ajai Puri, Non-Executive and Independent Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

13. Mrs. Ranjana Kumar, Non-Executive and Independent Director

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

14. Mr. Vivek P Raizada, Company Secretary\*

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

\*Mr. Vivek P Raizada had resigned from the position of Company Secretary and Key Managerial Personnel with effect from close of business hours on 10 October 2014.

## Britannia Annual Report 2014-15

### 15. Mr. Vinod Krishna Menon, Chief Financial Officer\*

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

*\*Mr. Vinod Krishna Menon had resigned from the position of Chief Financial Officer and Key Managerial Personnel with effect from close of business hours on 17 November 2014.*

### 16. Mr. Rajesh Arora, Company Secretary\*

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

*\*Mr. Rajesh Arora has been appointed as Company Secretary and Key Managerial Personnel with effect from 3 February 2015.*

### 17. Mr. Amlan Datta Majumdar, Chief Financial Officer\*

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the Beginning of the year	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.,)	NIL	NIL	NIL	NIL
At the end of the Year	NIL	NIL	NIL	NIL

*\*Mr. Amlan Datta Majumdar has been appointed as Chief Financial Officer and Key Managerial Personnel with effect from 12 March 2015.*

## Britannia Annual Report 2014-15

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lakhs)

	Secured Loans Excluding Deposits*	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	45.00	-	-	45.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>45.00</b>	<b>-</b>	<b>-</b>	<b>45.00</b>
<b>Change in Indebtedness during the Financial Year</b>				
• Addition	75.00	-	-	75.00
• Reduction	(23.00)	-	-	(23.00)
<b>Net Change</b>	<b>52.00</b>	<b>-</b>	<b>-</b>	<b>52.00</b>
Indebtedness at the end of the Financial Year				
i) Principal Amount	97.00	-	-	97.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>97.00</b>	<b>-</b>	<b>-</b>	<b>97.00</b>

\* Relates to Motor Vehicles taken on lease.

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Varun Berry Managing Director	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	255.44	255.44
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.97	0.97
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-
2.	Stock Options*	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others	-	-
5.	Others		
	- Bonus / Performance linked incentive	200.00	200.00
	- Contribution to Provident Fund, Meal Voucher and Medical Insurance premium	15.41	15.41
	<b>Total (A)</b>	<b>471.42</b>	<b>471.42</b>
	Ceiling as per the Act	3,600.00	3,600.00

\*During FY 2014-15, Mr. Varun Berry, Managing Director has been granted 50,000 stock options at an exercise price of ₹ 870.35 per option.



## Britannia Annual Report 2014-15

### B. Remuneration to other Directors:

(₹ in lakhs)

Sr. No	Particulars of Remuneration	Name of Directors								Total Amount
		Mr. Keki Dadiseth	Mr. Avijit Deb	Mr. Nimesh N Kampani	Mr. S S Kelkar	Dr. Ajai Puri	Mr. Nasser Munjee	Dr. Vijay L Kelkar	Mrs. Ranjana Kumar	
	Fee for attending Board /Committee meetings	3.0	1.6	2.8	2.2	0.8	2.8	1.0	1.0	15.2
	Commission	19.8	9.9	17.4	18.2	20.0	21.1	6.2	6.2	118.8
	Others, please specify	-	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>22.8</b>	<b>11.5</b>	<b>20.2</b>	<b>20.4</b>	<b>20.8</b>	<b>23.9</b>	<b>7.2</b>	<b>7.2</b>	<b>134.0</b>

(₹ in lakhs)

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Nusli N Wadia	Mr. A K Hirjee	Mr. Jeh N Wadia	Mr. Ness N Wadia	
	Fee for attending Board / Committee meetings	1.6	3.6	1.0	3.0	9.2
	Commission	366.7	22.3	6.2	36.0	431.20
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>368.3</b>	<b>25.9</b>	<b>7.2</b>	<b>39.0</b>	<b>440.4</b>
	<b>Total (B) = (1+2)</b>					<b>574.4</b>
	Total Managerial Remuneration					550.0
	Overall Ceiling as per the Act					720.0

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

#### (i) Remuneration to Chief Financial Officer:

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Vinod Krishna Menon	Amlan Datta Majumdar	Total
		01.04.2014 to 17.11.2014*	12.03.2015 to 31.03.2015**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	57.42	6.84	64.26
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4.52	-	4.52
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others	-	-	-
5.	Others			
	- Joining Bonus	-	30.00	30.00
	- Bonus / Performance Linked Incentive	-	2.65	2.65
	- Contribution to Provident Fund, Meal Voucher and Medical Insurance premium	3.33*	0.30	3.63
	<b>Total</b>	<b>65.27</b>	<b>39.79</b>	<b>105.06</b>

\* Mr. Vinod Krishna Menon was the Chief Financial Officer and Key Managerial Personnel for the period 01.04.2014 to 17.11.2014. In his case, in others, contribution to the Pension Fund is also included.

\*\* Mr. Amlan Datta Majumdar has been appointed as Chief Financial Officer and Key Managerial Personnel w.e.f 12.03.015.

## Britannia Annual Report 2014-15

(ii) Remuneration to Company Secretary:

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Vivek P Raizada	Rajesh Arora	Total
		01.04.2014 to 10.10.2014*	03.02.2015 to 31.03.2015**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24.09	6.67	30.76
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.03	0.02	0.05
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others	-	-	-
5.	Others			
	- Bonus / Performance Linked Incentive	-	1.68	1.68
	- Contribution to Provident Fund, Meal Voucher and Medical Insurance premium	0.97	0.27	1.24
	<b>Total</b>	<b>25.09</b>	<b>8.64</b>	<b>33.73</b>

\* Mr. Vivek P Raizada was the Company Secretary and Key Managerial Personnel for the period 01.04.2014 to 10.10.2014.

\*\* Mr. Rajesh Arora has been appointed as Company Secretary and Key Managerial Personnel w.e.f 03.02.2015

Note: During the year, there was a change in the position of CFO and Company Secretary. Hence, the remuneration for the different tenures has been given separately.

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding Fees imposed	Authority [RD / NCLT/ COURT/	Appeal Made, If any (give Details)
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

FORM -AOC -I

(Statement Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

PART - A. SUBSIDIARIES

₹ in '000

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate (closing rate)	Exchange Rate (average rate)	Capital *	Reserves *	Total Assets (including investments) *	Total Liabilities (excluding shareholders funds) *	Investments (except investment in subsidiaries) *	Turnover (revenue from operations + other income) #	Profit Before Tax #	Provision for Tax #	Profit After Tax #	Proposed Dividend #	% Of Shareholding	Country
1	Borbunder Finance and Investments Private Limited	INR	1.00	1.00	26,710	(13,191)	13,755	237	120	-	(39)	-	(39)	-	100.00	India
2	Britannia Dairy Private Limited	INR	1.00	1.00	117,800	744,200	1,236,900	374,900	529,900	3,333,800	294,700	-	294,700	-	100.00	India
3	Britannia Employees Educational Welfare Association Private Limited	INR	1.00	1.00	1,752 ^	1,248	3,092	92	-	171	132	41	91	-	N.A.	India
4	Britannia Employees General Welfare Association Private Limited	INR	1.00	1.00	1,750 ^	1,121	2,986	114	-	163	123	38	85	-	N.A.	India
5	Britannia Employees Medical Welfare Association Private Limited	INR	1.00	1.00	1,800 ^	878	2,761	83	40	140	99	31	68	-	N.A.	India
6	Daily Bread Gourmet Foods (India) Private Limited	INR	1.00	1.00	276,726	(255,486)	68,073	46,833	-	158,229	(35,135)	-	(35,135)	-	100.00	India
7	Flora Investments Company Private Limited	INR	1.00	1.00	2,843	15,545	18,937	549	-	1,286	1,236	379	857	-	100.00	India
8	Ganges Valley Foods Private Limited	INR	1.00	1.00	6,000	34,902	76,285	35,383	-	210,175	1,509	480	1,029	-	51.00	India
9	Gilt Edge Finance and Investments Private Limited	INR	1.00	1.00	2,498	16,325	19,378	555	-	1,286	1,233	375	858	-	100.00	India
10	International Bakery Products Limited	INR	1.00	1.00	5,000	(6,398)	327,058	328,456	-	260,240	(1,184)	7,051	(8,235)	-	100.00	India
11	JB Mangharam Foods Private Limited	INR	1.00	1.00	4,502	36,494	293,702	252,707	26	271,519	4,553	4,386	167	-	100.00	India
12	Manna Foods Private Limited	INR	1.00	1.00	48,750	7,885	650,912	594,277	209	420,022	15,724	3,146	12,578	-	100.00	India
13	Sunrise Biscuit Company Private Limited	INR	1.00	1.00	141,995	10,987	415,344	262,362	-	1,505,377	4,048	1,802	2,246	-	99.16	India
14	Al Sallan Food International Co. SAOC	OMR	162.34	158.79	324,680	(864,351)	682,708	1,222,379	-	1,636,929	3,214	-	3,214	-	65.46	Oman
15	Strategic Food International Co. LLC, Dubai	AED	17.02	16.65	331,890	(110,182)	1,466,267	1,244,560	-	3,378,939	323,421	-	323,421	-	100.00	Dubai
16	Britannia and Associates (Dubai) Private Company Limited, Dubai	USD	62.51	61.14	17	(141,023)	2,364,098	2,505,105	-	20,960	(11,819)	-	(11,819)	-	100.00	Dubai - JAFZA
17	Britannia and Associates (Mauritius) Private Limited, Mauritius	USD	62.51	61.14	1,523,499	(1,928)	2,494,360	972,789	-	29,802	10,698	321	10,377	-	100.00	Mauritius
18	Britannia Dairy Holdings Private Limited, Mauritius	USD	62.51	61.14	463,387	(224,925)	238,596	134	-	-	(23,332)	-	(23,332)	-	100.00	Mauritius
19	Strategic Brands Holding Company Limited, Dubai	USD	62.51	61.14	17	(5,133)	43	5,159	-	-	(577)	-	(577)	-	100.00	Dubai - JAFZA
20	Vasana Agrex and Herbs Private Limited	INR	1.00	1.00	100	(105,471)	1	105,371	-	-	(19)	-	(19)	-	100.00	India
21	Snacko Bisc Private Limited	INR	1.00	1.00	255,208	(420,253)	235	165,280	-	-	(20)	-	(20)	-	100.00	India

\* Converted using closing exchange rate.

# Converted using average exchange rate.

^ Represents contribution.

# Britannia Annual Report 2014-15

## PART - B ASSOCIATES

₹ in '000

Sr. No.	Name of the Associate Company	Klassik Foods Private Limited	Nalanda Biscuits Company Limited
1	Latest Unaudited Balance Sheet Date	31.03.2015	31.03.2015
2	Share of Associate held by the Company on the year end		
	Number of Shares	3,390	87,500
	Amount of Investment in Associate	3,198	2,908
	Extend of Holding %	26.02	35.00
3	Description of how there is significant influence	Voting power	Voting power
4	Reason why the associate is not consolidated	N.A.	N.A.
5	Net worth attributable to Shareholding as per latest unaudited Balance Sheet	7,150	8,782
6	Profit / Loss for the year	1,034	5,594
	(i) Considered in consolidation	269	1,849
	(ii) Not Considered in consolidation	765	3,745

*for and on behalf of the Board of Directors*

Chairman:	Nusli N Wadia
Managing Director:	Varun Berry
Directors:	A K Hirjee
	S S Kelkar
	Nasser Munjee
	Nimesh N Kampani
	Jeh N Wadia
	Ajai Puri
	Ness N Wadia
	Ranjana Kumar
Chief Financial Officer:	Amlan Datta Majumdar
Company Secretary:	Rajesh Arora

Place : Mumbai  
Date : 21 May 2015

MANAGEMENT DISCUSSION AND ANALYSIS

(A) INDUSTRY STRUCTURE AND DEVELOPMENT

Your Company operates in two distinct industries viz. Bakery and Dairy.

I. Bakery

Bakery industry comprises primarily of four products viz. Biscuits, Cake, Rusk and Bread. Biscuit is the largest category accounting for a little over two-third of the overall bakery industry growing at 10-14% per annum in the last five years. Cake, Rusk and Bread constitute the rest. While Cake and Rusk categories have seen growth in mid-teens, Bread category has experienced growth of mid to high single digits over the last five years.

a) Biscuit

Despite its large category size, biscuit consumption in India lags rest of the world considerably on a per capita basis. For example, Indonesia spends 1.5 times and Brazil spends ~10 times more per capita than India on Biscuits. This gap is explained by both volume consumption depth and extent of the value addition. These two gaps will be future source of growth for biscuit category in India.

As a natural extension of the above, it is segments with high value-addition such as cookies that are growing faster than the overall category. Consumers have been seeking better products consistently and this is leading to premiumization.

Competition in biscuit market is vigorous and participation is from large Indian companies with national foot print such as yours, medium sized companies with regional foot print and multinationals.

b) Cake

Relatively speaking, Cake is a nascent category in India with basic and less differentiated products dominating the market. There is immense scope for organoleptic value addition and building consumption. Cake market in India has one national player viz. your Company and some notable regional players strong within their region.

c) Rusk

Rusk is similar to cake in its market and competitive structure. Per capita expenditure on rusk is modest as it is in other bakery categories. Growth in this category is expected to come from format upgrades as well as consumption increase through specific product and marketing solutions.

d) Bread

Bread on account of its relatively low shelf life is a category with localized production reaching the proximate market. Your Company while being the largest national player encounters local competition.

II. Dairy

India remains the largest producer and consumer of dairy. However, as in the case of other food products, Indians trail much of the world in per capita dairy consumption. This gap is getting bridged rapidly with demand growing at a faster pace than supply. Many industry experts opine that this is likely to cause a supply deficit in the near future.

Largeness of the Dairy opportunity is visible to all; as a result the industry this year saw heightened activity with several private companies announcing entry, cooperatives expanding footprint and multinationals formally entering.

While the growth in the last few years has been on account of increasing milk consumption; value added segments of dairy such as Cheese and Set Dahi in which your Company participates have grown at a faster pace.

A range of factors will drive the growth of dairy industry going forward:

- i) With time available to manage households declining; consumers will seek day-to-day needs in ready to consume and convenient forms. With this dairy industry which is overwhelmingly unorganized today will shift steadily towards the organized sector;
- ii) With increasing affluence there will be demand for the value added product; as a result dairy market will shift from basic to processed;

- iii) Consumption of all dairy products will go up as consumers gravitate towards a more balanced diet as income levels increase.

The levers of success going forward are likely to be:

- a) Access to quality milk as basic raw material;
- b) The right product value addition capability
- c) Access to a cold chain.

### (B) BUSINESS STRATEGY

Your Company's business strategy is articulated in the Britannia Promise, which employees of your Company adopted two years ago.

India is steadily growing in affluence and Indian consumer is looking for an upgrade in all things including food. With their relatively higher economic growths, India and China will continue to be the most attractive destinations for economic activity globally. This means a fast evolving consumer will be met with increasingly superior product portfolio created through domestic innovation and transfer of knowledge from overseas.

Your Company's strategy to stay ahead of competition and grow faster than market and improve profitably is built on four fundamental blocks:

- I. Product portfolio that is organoleptically superior while balancing price, quality and consumer aspiration;
- II. Supply chain organization that improves productivity and quality continuously;
- III. Diligence in market place by increasing distribution reach and leveraging existing distribution infrastructure;
- IV. Brand building

#### Bakery

Strengthening and expansion of sales and distribution network which started last year continued this year with vigour and resulted in significant improvement in key metrics such as direct coverage. On the product front your Company focussed on the organoleptically high-end segment. As part of this program, three significant innovations viz. NutriChoice Heavens, Good Day Chunkies and Britannia Nut n Raisin Romance

Cake were launched. All three are at a significant premium to the average category in which they operate. Initial consumer and trade reactions have been positive and your Company will build on these innovations in the coming years.

In addition, this year your Company put consumer activation on the front burner to buttress its iconic brands. This was accomplished by associating with marquee properties in Cricket and Cinema. These activities made the presence of your Company's brands even more salient thereby helping establish that special connect with consumers critical for securing repeat business.

New age media has been gaining significance year on year and your Company has been engaging with the media actively over the years. This year your Company further strengthened its presence on new age media through exciting activities on brands such as Bourbon and NutriChoice. The year also saw relaunch of "britannia.co.in", the digital face of your Company with refreshed content and strong organoleptic design. The makeover has been appreciated widely. While this is a new beginning, your Company has set up a system to keep its website and other digital assets constantly updated, vibrant and dynamic.

#### Dairy

Your Company continues to drive development of a differentiated portfolio and in line with the overarching corporate strategy and have been working on further strengthening the organoleptic performance of its products.

To remain competitive in the market your Company is continuously extracting benefits from an integrated sales and distribution system and diversified sourcing. In the coming year, your Company will implement various initiatives in all areas of operations to create an efficient and robust supply chain and build cold chain capabilities to enhance sales and service to the trade and final consumers. The business will identify more opportunities to reduce recipe cost and optimize cost structurally across the value chain.

### (C) SEGMENT INFORMATION

The primary business segment of your Company is Foods comprising (i) Bakery products - Biscuit, Bread, Cake and Rusk, and (ii) Dairy products – Milk, Butter, Cheese, Ghee, Dahi, Milk-based ready to drink beverages and Dairy Whitener.

## (D) OUTLOOK

In the near term it is expected that the economic conditions will not change significantly. Your Company estimates industry growth to be 8-10% which is lower than growth rates of earlier years. This presents challenge on the revenue front in the short run. However, in the longer-term your Company expects the growth to return to 12-14% level mainly because the economy will regain its earlier growth momentum thus restoring the virtuous cycle viz, “higher disposable income → higher aspiration → higher consumption → higher job creation → higher disposable income”.

Your Company has institutionalized a culture and mind-set of thrift through focussed programs and formal organization structure. This will put your Company in a better position to deal with cost volatility that is a normal part of business.

## (E) FINANCIAL AND OPERATIONAL PERFORMANCE

Sale of Products in the domestic market for bakery products and exports from India representing the standalone performance of your Company grew 14.5% from ₹ 6,347.85 crores in 2013-14 to ₹ 7,269.26 crores in 2014-15. Net Profit grew 68.3% from ₹ 369.83 crores to ₹ 622.41 crores.

The key financials are as under:

Particulars	₹ in crores	
	2014-15	2013-14
Sales of Products	7,269.26	6,347.85
Total Expenditure	6,522.97	5,779.59
Profit Before Tax	882.61	542.62
Tax Expense	260.20	172.79
Net Profit	622.41	369.83

## (F) OPPORTUNITIES AND THREATS

### Bakery

Rising income and aspiration of consumers is the largest opportunity for your Company. This will ensure that the right consumer mix will produce profitable growth.

To exploit this opportunity, your Company is actively seeking technology solutions which help service consumer needs in a differentiated manner while effecting cost savings/efficiencies. Your

Company is uniquely positioned to encash on the following opportunities:

- a. Nascent categories of Rusk & Cake
- b. Disruptive innovation in Bakery
- c. Large & profitable international markets
- d. Rural growth in India
- e. Untapped geographies in India

These opportunities are equally visible to the current and future competitors of your Company and that constitutes the primary threat. Intensified competition due to lower industry growth, challenges in retaining a pool of talented human capital & fast changing regulatory needs are some of the major threats seen by your Company.

A combination of ahead-of- market innovations, consistent quality delivery, supporting the brand aggressively through consistent and competitive investment and continuous enhancement of capability and efficiency of distribution pipeline will help your Company address the threats.

### Dairy

Increasing consumer and industry appetite for value added dairy constitutes the single largest opportunity. Infrastructure improvement including cold chain that aids easier distribution is another opportunity.

Increased competitive activity and a forecasted supply deficit are two of the biggest threats seen by your Company.

Your Company is working actively to evolve strategies to neutralise these threats.

## (G) RISKS AND CONCERNS

Growth of individual categories is linked to the overall economic growth. Primary risk to the business will be on account of adverse changes to the economy. Volatility in commodity prices is the other significant risk.

## (H) INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company's Internal Control Systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information.

An external independent firm carries out the internal audit of the Company operations and reports its findings to the Audit Committee on a regular basis.

Internal Audit also evaluates the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness through periodic reporting.

Your Company has a code of business conduct for all employees and a clearly articulated and internalized delegation of financial authority. These authority levels are periodically reviewed by management and modifications, if any, are submitted to the Audit Committee and Board for approval. Your Company also takes prompt action on any violations of the code of business conduct by its employees.

The Audit Committee also reviews the risk management framework periodically and ensures it is updated and relevant.

### (I) HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company has laid high emphasis on driving an effective and transparent Performance Culture and an open mindset. Leaders today provide feedback not only on performance but also on demonstration of Core Values and Leadership skills defined for each layer of Organization hierarchy. Top performers and high achievers are recognized for their exemplary performance as part of the rewards and recognition program. In the year gone by, your Company has focused on functional training programs such as Food Safety and Regulations, Energy Management,

Lean Sigma, TQM, Industrial Safety, to name a few.

Your Company is committed to creating an environment of learning and development, promote internal talent and develop cross functional expertise. Your Company provides learning opportunities through facilitator led learning, workshops and experiential learning through cross-functional projects, programs and assignments.

In 2014-15, your Company has continued to maintain amicable Industrial Relation footprint by focusing on increased worker level engagement through formal and informal communication and training forums.

As of 31 March 2015, your Company had 2,605 employees (including 1,161 workmen) on its rolls.

### (J) CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, competitive actions, changes in Government regulations, tax regimes, economic developments in India and in countries in which the Company conducts business and other incidental factors.



# Britannia Annual Report 2014-15

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company considers good Corporate Governance a pre-requisite for meeting the needs and aspirations of its shareholders and other stakeholders in the Company and firmly believes that the same could be achieved by maintaining transparency in its dealings, creating robust policies and practices for key processes and systems with clear accountability, integrity, transparent governance practices and the highest standard of regulatory compliance.

### 2. BOARD OF DIRECTORS

The Board is headed by a Non-Executive Chairman, Mr. Nusli N Wadia and comprises eminent persons with high credentials of considerable professional experience and expertise in diverse fields who actively contribute in the deliberations of the Board, covering all strategic policy matters and decisions.

As on close of business hours of 31 March 2015, the Board comprised of Thirteen (13) Directors as mentioned below:

Category	No of Directors	% to total number of Directors
Executive Director	1	8%
Non-Executive Directors	4	31%
Independent Directors	8	61%

During the year 2014-15, five (5) Board Meetings were held, the dates of the Meetings being 26 May 2014, 12 August 2014, 14 November 2014, 3 February 2015 and 25 March 2015. The maximum gap between any two Board Meetings held during the year was not more than one hundred and twenty days.

The details of composition of the Board, Directors' attendance at the Board Meetings and at the last Annual General Meeting, Outside Directorships and the Board Committee Memberships as on close of business hours on 31 March 2015 are given hereunder:

Name of the Director / Director Identification Number (DIN)	Nature of Directorship	No. of Board Meetings attended	Whether attended last AGM held on 12 August 2014	No. of outside Directorship held #	No. of Board Committees of other Companies in which a Member / Chairman ##
Mr. Nusli N Wadia (DIN: 00015731)	Promoter and Non-Executive Chairman	5	Yes	7	Nil
Mr. Varun Berry (DIN: 05208062)	Managing Director	5	Yes	Nil	Nil
Mr. Keki Dadiseth (DIN: 00052165)	Non-Executive and Independent	4	Yes	9	Member - 3 / Chairman - 4
Mr. Avijit Deb (DIN: 00047233)	Non-Executive and Independent	3	Yes	Nil	Nil
Mr. A K Hirjee (DIN: 00044765)	Promoter and Non-Executive	5	Yes	4	Member - 2 / Chairman - 4
Mr. Nimesh N Kampani (DIN: 00009071)	Non-Executive and Independent	5	Yes	7	Member - 1 / Chairman - 2

## Britannia Annual Report 2014-15

Name of the Director / Director Identification Number (DIN)	Nature of Directorship	No. of Board Meetings attended	Whether attended last AGM held on 12 August 2014	No. of outside Directorship held #	No. of Board Committees of other Companies in which a Member / Chairman ##
Mr. S S Kelkar (DIN: 00015883)	Non-Executive and Independent	5	Yes	7	Member – 3 / Chairman - 1
Mr. Jeh N Wadia (DIN: 00088831)	Promoter and Non-Executive	5	Yes	4	Member – 1/ Chairman - Nil
Dr. Ajai Puri (DIN: 02631587)	Non-Executive and Independent	3	Yes	Nil	Nil
Mr. Nasser Munjee (DIN: 00010180 )	Non-Executive and Independent	5	Yes	9	Member - 1 / Chairman - 4
Mr. Ness N Wadia (DIN: 00036049)	Promoter and Non-Executive	5	Yes	6	Member – 1/ Chairman - Nil
Dr. Vijay L Kelkar (DIN: 00011991)	Non-Executive and Independent	4	Yes	6	Member - 3 / Chairman - 1
Mrs. Ranjana Kumar (DIN: 02930881)	Non-Executive and Independent	4	Yes	4	Member - 1 / Chairman - 2

**Note:**

Mr. Nusli N Wadia, Mr. Jeh N Wadia and Mr. Ness N Wadia are relatives in terms of Section 2 (77) of the Companies Act, 2013 read with Companies (Specification of definitions details) Rules, 2014

# Excludes alternate directorship and directorship in foreign companies, private companies and companies governed by Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956).

## Excludes Committees other than Audit Committee and Stakeholders Relationship Committee of Public Limited Companies.

During the year under review, Mrs. Ranjana Kumar was appointed as an Additional Director of the Company by the Board of Directors with effect from 8 July 2014, in terms of Section 161 of the Companies Act, 2013 and Article 94 of the Articles of Association of the Company. Further, the Members at the 95<sup>th</sup> Annual General Meeting held on 12 August 2014 approved appointment of Mrs. Ranjana Kumar as Director of the Company.

The Members at the 95<sup>th</sup> Annual General Meeting held on 12 August 2014 approved appointment of all the Independent Directors to hold office for five consecutive years with effect from the date of the Annual General Meeting held on 12 August 2014 upto 11 August 2019 with an option to retire from the office at any time during the term of appointment. The Company issued letter of appointment to all the Independent Directors as per Schedule IV to the Companies Act, 2013 and the terms and conditions of their appointment are disclosed on the website of the Company. weblink: [http://britannia.co.in/pdfs/statutory\\_disclosures/Draft%20Letter%20of%20%20Appointment%20-%20Independent%20Directors.pdf](http://britannia.co.in/pdfs/statutory_disclosures/Draft%20Letter%20of%20%20Appointment%20-%20Independent%20Directors.pdf).

### 3. BOARD COMMITTEES

The Board has constituted the following Committees of Directors:

(a) **Audit Committee:**

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Audit Committee as on 31 March 2015, comprised of following six (6) Non-Executive Directors:

Mr. Nasser Munjee	-	Chairman
Mr. Nimesh N Kampani	-	Member
Mr. Keki Dadiseth	-	Member
Mr. Avijit Deb	-	Member
Mr. A K Hirjee	-	Member
Mr. Ness N Wadia	-	Member

The Chairman of the Committee Mr. Nasser Munjee is an Independent Director. Apart from Mr. Nasser Munjee, the other Independent Directors are Mr. Nimesh N Kampani, Mr. Keki Dadiseth and Mr. Avijit Deb.

All the members of the Audit Committee are financially literate and Mr. Nasser Munjee, Mr. Nimesh N Kampani, Mr. Keki Dadiseth and Mr. A K Hirjee have financial management expertise.

Mr. Rajesh Arora, GM - Legal and Company Secretary, is the Secretary to the Audit Committee.

The role of the Audit Committee flows directly from the Board of Director's overview function on corporate governance, which holds the Management accountable to the Board and the Board accountable to the stakeholders. The term of reference of the Audit Committee broadly includes Acting as a catalyst, in helping the organization achieve its objectives, the Audit Committee's primary role is to review the Company's financial statements, internal financial reporting process, internal financial controls, the audit process, adequacy, reliability and effectiveness of the internal control systems and risk management process, vigil mechanism, related party transactions, monitoring process for compliance with laws and regulations and the code of conduct.

The Audit Committee also reviews Management letters and the responses thereto by the Management.

During the year under review, the Audit Committee held six (6) Meetings, the dates of the meetings being 23 May 2014, 4 August 2014, 12 August 2014, 13 November 2014, 29 January 2015 and 25 March 2015.

The attendance of the members at the Audit Committee Meetings held during the year under review is as follows:

Name	No. of Audit Committee Meetings Attended
Mr. Nasser Munjee	6
Mr. Nimesh N Kampani	6
Mr. Keki Dadiseth	6
Mr. Avijit Deb	4
Mr. A K Hirjee	6
Mr. Ness N Wadia	6

## Britannia Annual Report 2014-15

At the Annual General Meeting of the Company held on 12 August 2014, the Chairman of the Audit Committee, Mr. Nasser Munjee, was present.

The Managing Director, Chief Financial Officer, Internal Auditors, Statutory Auditors and other Executives as considered appropriate, also attended the Audit Committee Meetings.

### Internal Audit and Control:

M/s. Aneja & Associates, Chartered Accountants, are the Internal Auditors of the Company and their internal audit plan and remuneration are approved by the Audit Committee. The reports and findings of the Internal Auditor and the internal control system are periodically reviewed by the Audit Committee.

### (b) Nomination and Remuneration Committee:

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Nomination and Remuneration Committee as on 31 March 2015 comprised of the following Directors:

Mr. Keki Dadiseth	-	Chairman
Mr. Nusli N Wadia	-	Member
Mr. A K Hirjee	-	Member
Mr. Nimesh N Kampani	-	Member
Mr. Nasser Munjee	-	Member
Dr. Ajai Puri	-	Member

The Chairman of the Committee, Mr. Keki Dadiseth, is an Independent Director. Apart from Mr. Keki Dadiseth, the other Independent Directors are Mr. Nasser Munjee, Mr. Nimesh N Kampani and Dr. Ajai Puri.

Mr. Rajesh Arora, GM - Legal and Company Secretary, is the Secretary to the Nomination and Remuneration Committee.

The broad terms of reference of the Nomination and Remuneration Committee includes:

- Setup and composition of the Board, its Committees and the leadership team of the Company comprising Key Managerial Personnel ("KMP" as defined by the Companies Act, 2013) and Executive Team (as defined by the Committee).
- Evaluation of performance of the Board, its Committees and individual Directors.
- Remuneration for Directors, KMP, Executive Team and other employees.
- Oversight of the familiarisation programme of Directors.
- Oversight of the HR philosophy, HR and People strategy and key HR practices.

During the year under review, the Nomination and Remuneration Committee held three (3) Meetings, the dates of the meetings being 26 May 2014, 3 February 2015 and 25 March 2015.

The attendance of the members at the Nomination and Remuneration Committee Meetings held during the year under review is as follows:

Name	No. of Nomination and Remuneration Committee Meeting Attended
Mr. Keki Dadiseth	3
Mr. Nusli N Wadia	3
Mr. A K Hirjee	3
Mr. Nimesh N Kampani	2
Mr. Nasser Munjee	2
Dr. Ajai Puri	1

### **Evaluation of Performance of the Board, its Committees and individual Directors**

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (SEBI) under Clause 49 of the Listing Agreement (as may be applicable), the Board of Directors (Board) has carried out an annual evaluation of its own performance and that of its Committees and individual Directors.

The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. The Nomination and Remuneration Committee reviewed the performance of the individual Directors.

A separate meeting of independent Directors was also held to review the performance of non-independent Directors, performance of the Board as a whole and performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. This was followed by a Board meeting that discussed the performance of the Board, its Committees and Individual Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition the Chairperson was also evaluated on the key aspects of his/her role.

### **Policy on Board Diversity**

Pursuant to the provisions of the Clause 49 of the Listing Agreement, the Policy on Board Diversity is framed and adopted

The broad objectives of the Policy are:

- Diversity and inclusion initiatives based on sound business principles and objectives;
- To help the Company build a Board that can draw upon a wide range of perspectives, expertise, knowledge and experience;
- To bridge the gap in Board composition for achieving optimum and balanced Board with a wide range of attributes; and
- To encourage healthy and open discussion and promote independence of judgement in Board and Committee deliberations.

### **Remuneration Policy**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Remuneration Policy is framed and adopted.

The broad objectives of the Policy are:

- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations; and
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

### Managing Director

Mr. Varun Berry was appointed as Managing Director for a period of five years with effect from 1 April 2014 to 31 March 2019. The said appointment, its terms and conditions including remuneration was approved by the members of the Company at the Annual General Meeting held on 12 August 2014. The terms and conditions of appointment and remuneration payable to Mr. Varun Berry as Managing Director were fixed by the Board of Directors of the Company and to this effect, an agreement was entered between the Managing Director and the Company.

The remuneration to Mr. Varun Berry comprises of basic salary of ₹ 1,25,00,000/- (Rupees One Crore Twenty Five Lakhs Only) per annum effective 1 April 2014 in the range of ₹ 1,25,00,000/- (Rupees One Crore Twenty Five Lakhs Only) per annum to ₹ 2,16,00,000/- (Rupees Two Crores Sixteen Lakhs Only) per annum with such increments each year, as may be decided by the Nomination and Remuneration Committee and/or the Board of Directors, based on merit and taking into account the Company's performance for the year. Other benefits, perquisites and allowances will be determined by the Board from time to time. Reimbursement of actual medical expenses incurred on self and family (wife and children). Bonus / Performance Linked Incentives is decided based on performance criteria laid down by the Board. Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the Rules of the Company. The aggregate of the remuneration shall be within the maximum limits as laid down under Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to the requisite approval of the Central Government, if and to the extent necessary. Notwithstanding anything to the contrary, in the event of there being no profits or inadequate profits, the Company will pay remuneration to Mr. Varun Berry by way of salary and perquisites and allowances as specified above in compliance with abovementioned provisions and with the approval of the Central Government, if and to the extent necessary.

As per the agreement referred to above, either party to the agreement is entitled to terminate the employment by giving not less than six calendar months prior notice in writing to the other party, provided however that the Company shall be entitled to terminate the incumbent's employment at any time by payment to him six months' basic salary in lieu of such notice.

The details of remuneration paid/payable to Mr. Varun Berry for the year 2014-15 are as follows:

Name	Salary / Benefits (₹)	Bonus / performance linked incentives (₹)	Total (₹)*	No. of Stock Options granted on 26 May 2014
Mr. Varun Berry	2,71,42,176*	2,00,00,000	4,71,42,176	50,000

\*Contributions to employee retirement / post retirement and other employee benefits which are based on actuarial valuation done on an overall Company basis are excluded from above.

#### Notes:

- (i) Vesting period of Options: A minimum period of 1 year from the date of grant.
- (ii) Exercise period of Options: A maximum period of 3 years from the date of vesting.
- (iii) As on the close of business on 31 March 2015, Mr. Varun Berry did not hold any shares of the Company.
- (iv) Details of the Options granted including Exercise Price etc. are given in Annexure C to the Report of the Directors.

### Non-Executive Directors

The Non-Executive Directors are paid sitting fees and commission on the net profits of the Company. The Board collectively decides the aggregate amount of commission for each year and the amount of commission payable to individual Non-Executive Directors is determined based on their attendance at the meetings of the Board of Directors and its Committees and their contribution. The Members of the Company have approved the payment of commission to Non-Executive Directors at the Annual General Meeting held on 12 August 2014.

Details of remuneration to Non-Executive Directors for the year 2014-15 are given below:

Name	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. Nusli N Wadia	1,60,000	3,66,69,000	3,68,29,000
Mr. A K Hirjee	3,60,000	22,33,000	25,93,000
Mr. S S Kelkar	2,20,000	18,15,000	20,35,000
Mr. Nimesh N Kampani	2,80,000	17,37,000	20,17,000
Mr. Avijit Deb	1,60,000	9,92,500	11,52,500
Mr. Jeh N Wadia	1,00,000	6,20,500	7,20,500
Mr. Keki Dadiseth	3,00,000	19,85,000	22,85,000
Dr. Ajai Puri	80,000	20,00,000	20,80,000
Mr. Nasser Munjee	2,80,000	21,09,000	23,89,000
Mr. Ness N Wadia	3,00,000	35,98,000	38,98,000
Dr. Vijay L Kelkar	1,00,000	6,20,500	7,20,500
Mrs. Ranjana Kumar	1,00,000	6,20,500	7,20,500

The commission amount, as mentioned above, will be paid, subject to deduction of tax, after the adoption of financial statements for the year ended 31 March 2015 by the Members of the Company at the Annual General Meeting to be held on 4 August 2015. During the year 2014-15, the Non-Executive Directors did not have any other pecuniary relationship or transactions with the Company.

None of the Non-Executive Directors other than Mr. Nusli N Wadia, Non-Executive Chairman and Mr. Ness N Wadia, Non-Executive Director holds any shares of the Company. Mr. Nusli N Wadia holds 2,250 equity shares of ₹ 2/- each and Mr. Ness N Wadia holds 4,551 equity shares of ₹ 2/- each (Acquired after 31 March 2015).

(c) **Stakeholders Relationship Committee:**

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Stakeholders Relationship Committee as on 31 March 2015 comprised of the following Directors:

Mr. A K Hirjee	-	Chairman
Mr. S S Kelkar	-	Member
Mr. Nimesh N Kampani	-	Member
Mr. Jeh N Wadia	-	Member
Mr. Varun Berry	-	Member

Mr. Varun Berry is the Managing Director, Mr. S S Kelkar and Mr. Nimesh N Kampani are Independent Directors and Mr. A K Hirjee and Mr. Jeh N Wadia are Non-Executive Directors.

## Britannia Annual Report 2014-15

The broad terms of reference of the Stakeholders Relationship Committee includes:

- approve and monitor transfer, transmission, splitting, consolidation and dematerialization, rematerialisation of shares and/or securities and issue of duplicate share and/or security certificates by the Company over and above the delegated power as detailed below;
- looks into various issues relating to shareholders and/or securityholders, including redressal of complaints relating to transfer of shares and/or security, non-receipt of annual reports, dividends etc.; and
- carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted by the Company in terms of Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Board of Directors of the Company at their Meeting held on 10 November 2010 had delegated the powers to approve transfer and transmission of securities, issuance of duplicate certificates of securities etc. subject to certain guidelines and limits laid down and as modified by the Board at its meeting held on 6 August 2011 and 14 November 2014, jointly to Managing Director and/or Chief Financial Officer and/or Company Secretary and/or Assistant Company Secretary.

During the year under review, no Stakeholders Relationship Committee Meeting was held, but the Committee had approved the matters relating to transfer/ transmission/ issue of Duplicate Share Certificate by passing Circular Resolution on four different occasions.

Mr. Rajesh Arora, GM - Legal and Company Secretary, is the Compliance Officer of the Company.

Complaints received and resolved during the year:

No. of shareholders' complaints received during the year	28
No. of complaints not resolved to the satisfaction of shareholders	Nil
No. of pending share transfers	Nil

The Company has generally attended to the investors' grievances / correspondence within a period of ten days from the date of receipt of the same, except in cases that are constrained by disputes or legal impediments. There are some pending cases relating to disputes over title to shares, in which the Company is made a party. However, these cases are not material in nature.

Shareholders' requests for transfer / transmission of equity shares were effected within 15 days from the date of receipt. There were no valid transfers pending for registration as of 31 March 2015.

The Company obtains half-yearly certificates from a Company Secretary in Practice on compliance regarding share transfer formalities and submits a copy thereof to the Stock Exchanges in terms of Clause 47 (c) of the Listing Agreement.

### (d) Executive Committee of Board

The Executive Committee of the Board (COB) consisted of Mr. Nusli N Wadia, Chairman, Mr. A K Hirjee, Dr. Ajai Puri, Mr. Nasser Munjee, Mr. Ness N Wadia and Dr. Vijay L Kelkar. The broad terms of reference of the COB included review and discussion from time to time of business plans and strategies, procurement strategies in respect of key commodities, business performance etc. and addressing issues related to capital expenditure. During the year under review, no meeting of the COB was held since the business performance, business plans and strategies were reviewed and deliberated upon from time to time by the full Board.



**(e) Finance Committee:**

The Committee comprises Mr. A K Hirjee, Chairman of the Committee, Mr. S S Kelkar and Mr. Ness N Wadia, all being Non-Executive Directors.

The brief terms of reference of this Committee are to approve investments / divestments of the funds of the Company within the limits prescribed by the Board from time to time. During the year under review, four (4) Meetings of the Committee were held, the dates of meetings being 23 May 2014, 12 August 2014, 14 November 2014 and 29 January 2015. The attendance of the members at the Finance Committee Meetings held during the year under review is as follows:

Name	No. of Meetings Attended
Mr. A K Hirjee	4
Mr. S S Kelkar	4
Mr. Ness N Wadia	3

Further, telephone meetings were held by the Committee members every month to review investments / disinvestments / re-investments and related issues.

**(f) Strategy & Innovation Steering Committee:**

The Board of Directors of the Company at their Meeting held on 3 February 2015 had re-named the Innovation Committee to Strategy & Innovation Steering Committee and had also reconstituted the Committee.

The Strategy & Innovation Steering Committee as on 31 March 2015 comprised of the following Directors as members.

Mr. Nusli N Wadia	-	Chairman
Mr. Keki Dadiseth	-	Member
Dr. Ajai Puri	-	Member
Mr. Ness Wadia	-	Member
Mr. Varun Berry	-	Member
Mrs. Ranjana Kumar	-	Member

The broad terms of reference of the Committee are to address all matters relating to the Company's products and technical development activities.

During the year under review, one (1) Innovation Committee Meeting was held on 25 May 2014 and was attended by all the members as on that date.

Further the matters relating to the Company's products and technical development activities were also taken up and reviewed in separate forums and also at the Board Meetings held from time to time.

**(g) Corporate Social Responsibility (CSR) Committee:**

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 135 of the Companies Act, 2013.

The CSR Committee, as on 31 March 2015, comprised of following Directors as members:

Mr. Keki Dadiseth	-	Member
Mr. Ness N Wadia	-	Member
Mr. S S Kelkar	-	Member
Dr. Ajai Puri	-	Member

## Britannia Annual Report 2014-15

The broad terms of reference of the CSR Committee includes:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities referred in Clause above; and
- Monitor the CSR Policy of the Company from time to time.

During the year under review, the CSR Committee held one (1) Meeting on 3 February 2015.

The attendance of the members at the CSR Committee Meeting held during the year under review is as follows:

Name	No. of CSR Committee Meeting Attended
Mr. Keki Dadiseth (Chairman of the Meeting)	1
Mr. Ness N Wadia	1
Mr. S S Kelkar	1
Dr. Ajai Puri	-

**(h) Independent Directors Meeting:**

During the year, separate Meeting of the Independent Directors was held on 25 March 2015, without the attendance of Non-Independent Directors and members of the Management inter alia, to evaluate:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- The quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors attended the Meeting except Dr. Ajai Puri, who was granted Leave of Absence.

**(i) Familiarization Programme:**

The Company at its various meetings held during the Financial Year 2014-15 had familiarized the Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarise them with the Company's policies, procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business strategy and risks involved.

Quarterly updates on relevant statutory changes and judicial pronouncements encompassing important amendments are briefed to the Directors.

The details of such Familiarization Programme for Independent Directors are disclosed on the website of the Company. weblink: [http://britannia.co.in/pdfs/statutory\\_disclosures/Familiarisation%20Programme.pdf](http://britannia.co.in/pdfs/statutory_disclosures/Familiarisation%20Programme.pdf).

## Britannia Annual Report 2014-15

### 4. GENERAL BODY MEETINGS

- (a) Location and time where the last three Annual General Meetings were held and the Special Resolutions passed thereat:

Date	Location	Time	Special Resolutions Passed
12 August 2014	Hyatt Regency, JA-1, Sector 3, Salt Lake City, Kolkata - 700 098.	11.00 a.m.	Special Resolution Under Section 197 of the Companies Act, 2013 for payment of remuneration to Non-Executive Directors of the Company (i.e. Directors other than the Managing Director and / or the Wholetime Directors).  Special Resolution Under Section 180(1)(c) of the Companies Act, 2013 for borrowing upto ₹ 2,000 crores  Special Resolution Under Section 180(1)(a) of the Companies Act, 2013 for creating charges, mortgages and hypothecations in connection with the borrowing upto ₹ 2,000 crores.
12 August 2013	Hyatt Regency, JA-1, Sector 3, Salt Lake City, Kolkata - 700 098.	11.00 a.m.	Nil
6 August 2012	Hyatt Regency, JA-1, Sector 3, Salt Lake City, Kolkata - 700 098.	11.00 a.m.	Nil

- (b) Whether any Special Resolutions were passed last year through postal ballot: No.
- (c) Whether any Special Resolution is proposed to be passed through postal ballot this year: Currently, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

### 5. DISCLOSURES

- (a) Disclosures of materially significant related party transactions, i.e., transactions of the Company of material nature, with its promoters, the Directors or the Management, their Subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large:

Related party transactions in the ordinary course of business are reported to the Audit Committee. None of them were (i) not in the normal course of business, or (ii) not on arms length basis, or (iii) in conflict with the interests of the Company at large, including the related party transactions that are disclosed under Note No. 44 of the Standalone Financial Statements.

The Company has formulated a policy on Related Party Transactions and also on dealing with Related Party Transactions. The policy is disclosed on the website of the Company. weblink: [http://britannia.co.in/pdfs/statutory\\_disclosures/Britannia%20Industries%20Limited-Policy%20On%20Related%20Party%20Transactions.pdf](http://britannia.co.in/pdfs/statutory_disclosures/Britannia%20Industries%20Limited-Policy%20On%20Related%20Party%20Transactions.pdf). All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the Financial Year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. However, in compliance with the requirement of Clause 49 of the Listing Agreement, prior approval of the Audit Committee was sought for entering into the Related Party Transactions.

- (b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years: None.

(c) Whistle Blower Policy:

The Board has adopted a Whistle Blower Policy to maintain highest standards of professionalism, honesty, integrity, ethical behaviour and to provide a vigil mechanism for Directors/Employees to voice concern in a responsible and effective manner about all protected disclosures concerning unethical matters involving serious malpractice, abuse or wrongdoing within the organisation. It also provides for adequate safeguards against victimization of Directors/Employees who avail of the mechanism. The Company affirms that no personnel has been denied access to the Audit Committee.

The Whistle Blower Policy is available on the website of the Company. weblink: [http://britannia.co.in/pdfs/statutory\\_disclosures/WHISTLE%20BLOWER%20POLICY.pdf](http://britannia.co.in/pdfs/statutory_disclosures/WHISTLE%20BLOWER%20POLICY.pdf).

(d) Risk Management:

A detailed review of business risks and the Company's plan to mitigate them is presented to the Audit Committee and Board. The Company has been taking steps to mitigate foreseeable business risks. Business risk evaluation and management is an ongoing and continuous process within the Company and regularly updated to the Audit Committee and Board.

(e) Code of Conduct:

The Company has laid down a Code of Conduct for the members of the Board as well as for all employees of the Company. The code has also been posted on the Company's website - [www.britannia.co.in](http://www.britannia.co.in). The Managing Director has confirmed and declared that all members of the Board and Senior Management have affirmed compliance with the Code of Conduct.

(f) Public, Rights and Other Issues: None.

(g) The Financial Statements for the year 2014-15 have been prepared in accordance with the applicable accounting principles in India, the mandatory Accounting Standards ('AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Act, the guidelines issued by the Securities and Exchange Board of India ('SEBI') and the Companies Act, 1956 to the extent relevant.

(h) CEO/ CFO Certification:

Mr. Varun Berry, Managing Director and Mr. Amlan Datta Majumdar, Chief Financial Officer, have certified to the Board in accordance with Clause 49 of the Listing Agreement pertaining to CEO/ CFO certification for the Financial Year ended 31 March 2015.

(i) Management Discussion and Analysis Report: This has been separately attached to the Directors' Report.

(j) Compliance Reports:

The Board has noted and reviewed the compliance reports from all functions pertaining to the respective laws applicable to them, which were placed before the Board at its meetings every quarter during the year under review.

## 6. MEANS OF COMMUNICATION

### Quarterly, Half-Yearly and Annual Results:

The Company has been sending Annual Reports, notices and other communications to the Shareholders through e-mail, post or courier.

Quarterly, half-yearly and yearly financial results of the Company as per the statutory requirement under Clause 41 of the Listing Agreement are published within the stipulated time as per the Listing Agreement in leading newspapers i.e. Financial Express (all editions) and Pratidin (Kolkata edition). The Company also uploads financial results on its website - [www.britannia.co.in](http://www.britannia.co.in).

The presentations made to analysts and others are also posted on the Company's website. The shareholding pattern and Corporate Governance disclosures as per Listing Agreement are filed electronically through Corporate Filing and Dissemination System (CFDS), NSE Electronic Application Processing System (NEAPS), BSE Corporate Compliance & Listing Centre (BSE Listing Centre) and investor complaints are redressed through SEBI Complaints Redress System (SCORES).

## Britannia Annual Report 2014-15

The quarterly and half-yearly reports are not separately sent to each Shareholder. However, the Company provides the same to individual Shareholders, if requested.

Two presentations were made to the institutional investors and to the analysts during the year 2014-15 which are available on the website of the Company - [www.britannia.co.in](http://www.britannia.co.in).

### 7. GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting - Date, time and venue:

4 August 2015 – 11 a.m. at Hyatt Regency, JA-1, Sector 3, Salt Lake City, Kolkata - 700 098.

(ii) Financial calendar (tentative):

Period	Approval of Quarterly Results
For the first quarter ending 30 June 2015	1 week of August 2015
For the second quarter and half year ending 30 September 2015	1 week of November 2015
For the third quarter ending 31 December 2015	2 week of February 2016
For the year ending 31 March 2016	Last week of May 2016

(iii) Book closure period Wednesday, 29 July 2015 to Tuesday, 4 August 2015 (both days inclusive).

(iv) Dividend Payment date on or from 17 August 2015.

(v) Listing on Stock Exchanges: The Company's equity shares are listed on:

1. BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 023.
2. National Stock Exchange of India Limited (NSE), Exchange Plaza, 5<sup>th</sup> Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

Listing fees for equity shares as prescribed have been paid to the aforesaid Stock Exchanges up to 31 March 2016.

(vi) Stock Code:

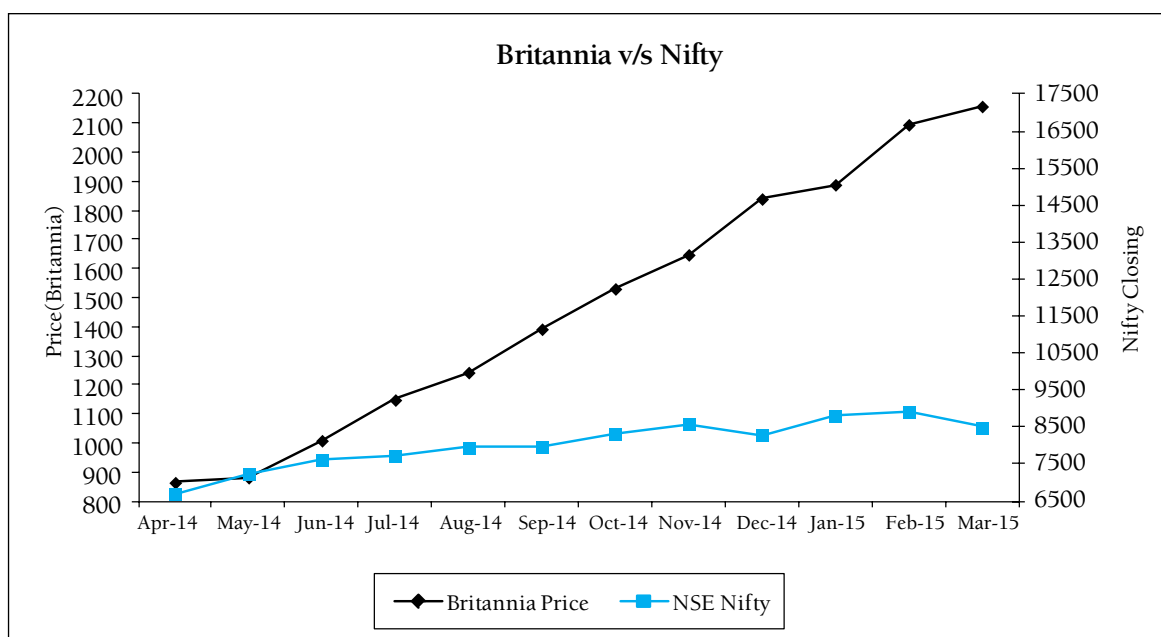
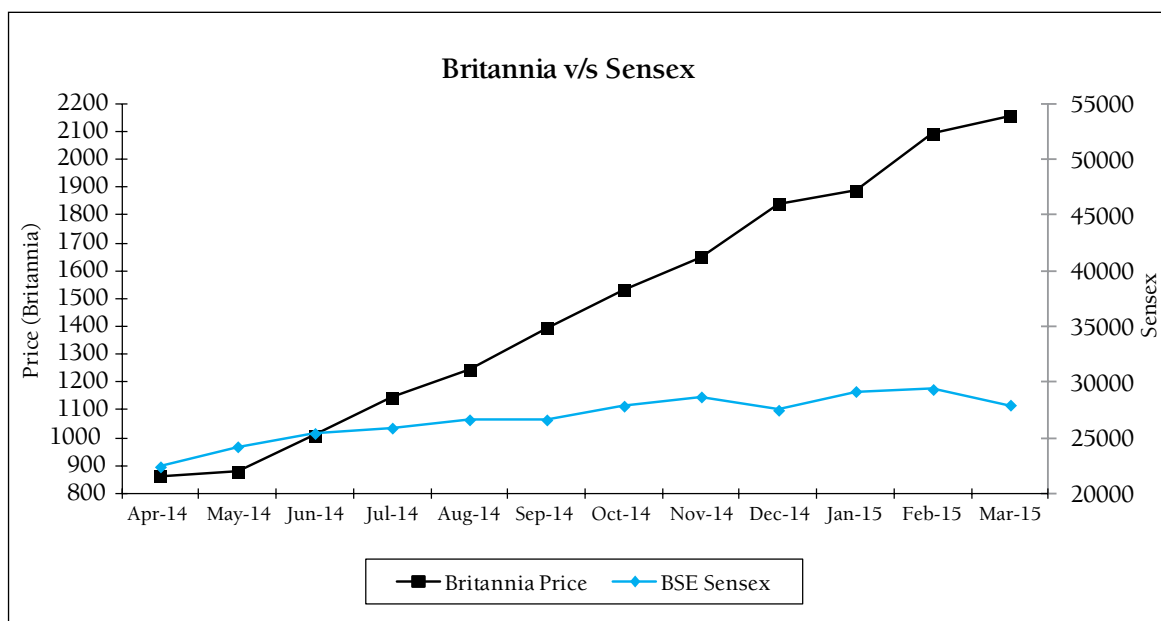
Stock Exchange	Equity Shares
BSE Limited (BSE)	500825
National Stock Exchange of India Limited (NSE)	BRITANNIA

(vii) Stock Price Data:

Year/ Month	BSE (in ₹)		BSE (Sensex) (Monthly Closing)	NSE (in ₹)		NSE (Nifty) (Monthly Closing)
	High	Low		High	Low	
<b>2014</b>						
April	921.95	831.00	22,417.80	923.00	829.00	6,696.40
May	899.55	821.00	24,217.34	900.00	820.95	7,229.95
June	1,021.60	873.60	25,413.78	1,024.00	872.15	7,611.35
July	1,150.95	966.00	25,894.97	1,153.95	968.95	7,721.30
August	1,310.85	1,085.00	26,638.11	1,311.85	1,084.00	7,954.35
September	1,510.00	1,237.00	26,630.51	1,511.10	1,228.00	7,964.80
October	1,547.00	1,301.60	27,865.83	1,547.05	1,300.25	8,322.20
November	1,730.00	1,500.10	28,693.99	1,729.80	1,500.00	8,588.25
December	1,865.00	1,616.40	27,499.42	1,865.00	1,640.20	8,282.70
<b>2015</b>						
January	2,018.95	1,825.00	29,182.95	2,017.00	1,823.25	8,808.90
February	2,114.45	1,854.00	29,361.50	2,117.00	1,846.25	8,901.85
March	2,249.95	2,056.50	27,957.49	2,250.00	2,056.25	8,491.00

## Britannia Annual Report 2014-15

(viii) Stock Performance (Comparison of closing price / index value on the respective dates):



(ix) In terms of Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001, during the year ended 31 March 2015, the Company has credited an aggregate amount of ₹ 14,06,310/- to the Investor Education and Protection Fund (IEPF).

As at 31 March 2015, the Company's unpaid / unclaimed dividend / interest / debenture redemption proceeds account had a balance of ₹ 4,34,39,015.30/- in various dividend / interest / debenture redemption proceeds accounts. The Company sends out reminders to those Shareholders who have not claimed the dividends for earlier years to claim the same from the Company failing which the Company would be required to transfer the same to IEPF after seven years.

## Britannia Annual Report 2014-15

(x) Registrar and Transfer Agents:

M/s. Sharepro Services (India) Private Limited, is the Registrar and Transfer Agents of the Company and handles the entire share registry work, both Physical and Electronic. Accordingly, all documents, transfer deeds, demat requests and other communications in relation thereto should be addressed to the Registrar and Transfer Agents at the address mentioned below:

**Sharepro Services (India) Private Limited**

13 AB, Samhita Warehousing Complex, II Floor, Sakinaka Telephone Exchange Lane, Off Andheri – Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072.

Phone : 022-67720300 /400 Fax : 022-28591568

Contact Person: Ms. Indira P. Karkera

E-mail ID: [indira@shareproservices.com](mailto:indira@shareproservices.com) or [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com)

Share transfers, where documents were found to be in order, were registered and returned in the normal course within a period of two weeks from the date of receipt of the documents. Requests for dematerialisation / re-materialisation of shares were processed and confirmation was given to the depositories i.e. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL), as the case may be, within 15 days of receipt.

(xi) Distribution of shares according to Size, Class and Categories of Shareholding as on 31 March 2015:

Group of Shares	No. of Shareholders	Percentage to Total Shareholders	No. of Shares held	Percentage to Total Shares
1 to 500	45,045	84.88	31,04,650	2.58
501 to 1000	3,994	7.53	26,75,863	2.23
1001 to 2000	2,260	4.26	30,35,397	2.53
2001 to 3000	603	1.14	14,57,180	1.22
3001 to 4000	212	0.39	7,47,677	0.63
4001 to 5000	137	0.26	6,30,630	0.53
5001 to 10000	319	0.60	23,20,044	1.93
10001 and above	498	0.94	10,59,54,374	88.35
<b>Total</b>	<b>53,068</b>	<b>100.00</b>	<b>11,99,25,815</b>	<b>100.00</b>

(xii) Shareholding Pattern as on 31 March 2015:

Category of Shareholder	No. of Shareholders	Total No. of Shares held	Percentage of Shareholding
Promoters*	7	6,08,68,345	50.75
Mutual Funds	131	62,43,756	5.20
Banks and Financial Institutions	28	47,85,217	3.99
Foreign Institutional Investors	243	2,29,10,271	19.11
Bodies Corporate and Trusts	1,110	44,68,187	3.73
Director and Relatives	0	0	0.00
Foreign Nationals and NRIs	1,178	5,62,219	0.47
Indian Public	50,371	2,00,87,820	16.75
<b>Total</b>	<b>53,068</b>	<b>1,19,925,815</b>	<b>100.00</b>

\* Includes 2,250 equity shares of ₹ 2/- each held by Mr. Nusli N Wadia, Promoter Director.

## Britannia Annual Report 2014-15

(xiii) Dematerialisation of Shares:

The Company's shares are available for dematerialization with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 11,56,78,279 equity shares representing 96.46% of the total equity capital were held in dematerialised form with NSDL and CDSL as on 31 March 2015.

(xiv) Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion dates and likely impact on equity: Not applicable.

(xv) Plant Locations:

Kolkata	15, Taratola Road, Kolkata, West Bengal.
Delhi	33, Lawrence Road, Delhi. (Closed during the year)
Uttarakhand	Plot No.1 Sector 1, Integrated Industrial Estate (IIE), Pant Nagar, Tehsil / Taluk, Rudrapur Kichha, District Udham Singh Nagar, Uttarakhand.
Bihar	Industrial Area, EPIP, Hajipur, Dist. Vaishali, Bihar.
Orissa	F/21, Revenue Village Jemadei, Khurda Industrial Estate, Orissa.
Gujarat	Plot No. 23, G.I.D.C. Jhagadia Industrial Estate, Jhagadia, Gujarat.

(xvi) Address for Correspondence:

Executive Office	Registered Office
Britannia Industries Limited Prestige Shantiniketan, The Business Precinct, Tower C, 16 <sup>th</sup> & 17 <sup>th</sup> Floor, Whitefield Main Road, Mahadevpura Post, Bangalore-560048 Phone : (080)39400080 Fax : (080)25063229 Contact Persons: Mr. Rajesh Arora / Mr. Chirag Karia E-mail ID: <a href="mailto:rajesharora@britindia.com">rajesharora@britindia.com</a> / <a href="mailto:chirag@britindia.com">chirag@britindia.com</a>	Britannia Industries Limited 5/1A, Hungerford Street, Kolkata - 700 017. Phone : (033) 22872439/2057 Fax : (033) 22872501 Contact Persons: Mr. B K Guha / Ms. Pousali Sinha E-mail ID: <a href="mailto:bguha@britindia.com">bguha@britindia.com</a> / <a href="mailto:pousali@britindia.com">pousali@britindia.com</a>

**Note:**

Pursuant to Clause 47(f) of the Listing Agreement, the Company has designated an E-mail ID exclusively for registering complaints by investors and investors can reach the Company at [investorrelations@britindia.com](mailto:investorrelations@britindia.com).

(xvii) Subsidiary Companies Monitoring Framework:

All the subsidiary companies of the Company are managed by their respective Boards having the rights and obligations to manage these companies in the best interest of their stakeholders.

The Company monitors the performance of its subsidiary Companies, inter alia, by reviewing:

- Financial Statements, in particular the investment made by the unlisted subsidiary companies, statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies forming part of the financials being reviewed by the Audit Committee of your Company on a quarterly basis.



## Britannia Annual Report 2014-15

- Minutes of the meetings of the unlisted subsidiary companies, if any, are placed before the Company's Board regularly.

(xviii) Audit of Reconciliation of Share Capital:

As stipulated by SEBI, a Practicing Company Secretary carries out the Audit of Reconciliation of Share Capital to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid up capital. This audit is carried out every quarter and the report there on is submitted to the Stock Exchanges, NSDL and CDSL and is placed before the Board of Directors of the Company. The audit, inter alia, confirms that the total issued and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

(xix) Corporate Identity Number (CIN):

CIN of the Company as allotted by the Ministry of Corporate Affairs, Government of India is L15412WB1918PLC002964.

(xx) Information flow to the Board Members:

Information is provided to the Board members on a continuous basis for their information, review, inputs and approval from time to time. More specifically, the Management presents our annual Strategic Plan and Operating Plans of our businesses to the Board for their review, inputs and approval. Likewise, the quarterly financial statements and annual financial statements are first presented to the Audit Committee for its review, approval and subsequent recommendation to the Board of Directors for their approval. In addition, important managerial decisions, material positive / negative developments and statutory matters are presented to the Board and Committees of the Board for their approval. As a system, in most cases, information to Directors is submitted along with the agenda papers well in advance of the Board meeting.

(xxi) Code for Prevention of Insider Trading

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has a comprehensive Code of Conduct for Prohibition of Insider Trading in the Company's shares.

(xxii) Adoption, Compliance and Non-adoption of Non-mandatory requirements:

(a) The Board:

The Company defrays expenses of the Non-Executive Chairman's office incurred in the performance of his duties.

The dates of appointment of Independent Directors are as follows:

Name of the Independent Director	Date of First Appointment
Mr. Avijit Deb	4 June 1996
Mr. Nimesh N Kampani	29 March 2001
Mr. Keki Dadiseth	31 May 2006
Dr. Ajai Puri	30 April 2009
Mr. Nasser Munjee	17 August 2009
Dr. Vijay L Kelkar	28 May 2010
Mr. S S Kelkar	12 August 1998
Mrs. Ranjana Kumar	8 July 2014

## Britannia Annual Report 2014-15

(b) Shareholder Rights – furnishing of half-yearly results:

The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its website - [www.britannia.co.in](http://www.britannia.co.in). Therefore, no individual communication is sent to Shareholders on the quarterly and half-yearly financial results. However, the Company furnishes the quarterly and half-yearly results on receipt of a request from the Shareholders.

(c) Audit Qualifications:

There are no qualifications in the Independent Auditor's Report on the financial statements for the year 2014-15.

(d) Separate posts of Chairman and CEO:

The Company has separate posts of Chairman and Managing Director.

(e) Reporting of Internal Auditors:

The Internal Auditors report directly to the Audit Committee.

Place : Mumbai

Date : 21 May 2015

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**DECLARATION**

In compliance with the requirements of the Clause 49 of the Listing Agreement with the Stock Exchanges, this is to confirm that all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31 March 2015.

for Britannia Industries Limited

Place : Mumbai  
Date : 21 May 2015

**Varun Berry**  
Managing Director

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*Auditors' certificate on compliance with the conditions of  
Corporate Governance under Clause 49 of the Listing Agreements*

**To the Members of Britannia Industries Limited**

We have examined the compliance of conditions of corporate governance by Britannia Industries Limited ('the Company'), for the year ended 31 March 2015, as stipulated in Clause 49 of the listing agreement(s) of the Company with the stock exchange(s) in India.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the 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, we certify that the Company has complied with the conditions

of corporate governance as stipulated in the above mentioned listing agreement(s).

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

*for B S R & Co. LLP*  
*Chartered Accountants*  
Firm registration number: 101248W/W-100022

Place: Bangalore  
Date : 21 May 2015

**Sunil Gaggar**  
*Partner*  
Membership number: 104315

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Britannia Industries Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Britannia Industries Limited ("the Company"), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

#### Management's responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

#### Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer notes 27 (i) (a), 32 and 33 to the standalone financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer note 51 to the standalone financial statements.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for B S R & Co. LLP  
Chartered Accountants

Firm Registration No: 101248W/W-100022

Sunil Gaggur  
Partner

Place : Bangalore  
Date : 21 May 2015

Membership Number: 104315

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of fixed assets have been physically verified during the year and no material discrepancies were observed on such verification.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained by the Management.
- (b) The procedures for the physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has granted loans to eight companies covered in the Register maintained under Section 189 of the Companies Act, 2013 ('the Act').
  - (a) In the case of the loans granted to the companies listed in the Register maintained under Section 189 of the Act, the borrowers have been regular in the payment of the principal and interest wherever stipulated. For loans to three companies covered in the Register maintained under Section 189 of the Act, the terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 4(iii)(b) of the Order is not applicable in respect of repayment of the principal amount for such loans.
  - (b) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the companies listed in the Register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the products manufactured by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Sales-tax, Wealth tax, Service-tax, Duty of customs, Duty of excise, Value added tax and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect Provident fund, Employee State Insurance, Income-tax, Sales-tax, Wealth tax, Service-tax, Duty of customs, Duty of excise, Value added tax and any other material statutory dues were in arrears, as at 31 March 2015, for a period of more than six months from the date they became payable.

## Britannia Annual Report 2014-15

- (b) According to the information and explanations given to us, there are no dues which have not been deposited by the Company on account of disputes except for the following:

Statute/ Nature of dues	Amount* (₹)	Period to which the amount relates	Forum where dispute is pending
Excise duty (including service tax)	12,792,532	1998-2001	Supreme Court
	3,193,688	1994	High Court(s)
	213,075,737	1980-2011	CESTAT(s)
	191,640,329	1992-2014	Appellate Authority up to Commissioner's level
Sales tax/ Value added tax	124,493,112	1998-2015	Supreme Court
	385,364,167	1989-2015	High Court(s)
	63,293,922	1996-2012	Tribunal(s)
	397,380,455	1997-2015	Appellate Authority up to Commissioner's level
Customs duty	7,833,410	2004-2014	CESTAT
Income tax	382,701,849	1991-2005	High Court
	30,640,051	1990-2009	Tribunal
	217,090,510	2007-2011	Appellate Authority up to Commissioner's level

\*The amounts disclosed are net of payments and include interest and penalties, wherever applicable.

- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules framed thereunder has been transferred to such fund within time.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to debenture holders. The Company did not have any outstanding dues to any bank or financial institution.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
- (xi) According to the information and explanations given to us, the Company has not taken any term loan during the year.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

*for B S R & Co. LLP*  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

**Sunil Gaggar**  
Partner  
Membership Number: 104315

Place: Bangalore  
Date : 21 May 2015

# Britannia Annual Report 2014-15

## BALANCE SHEET

₹ in crores

As at	Note No.	31 March 2015	31 March 2014
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' funds			
(a) Share capital	2	23.99	23.99
(b) Reserves and surplus	3	1,211.63	829.47
		<u>1,235.62</u>	<u>853.46</u>
(2) Capital subsidy	48	3.57	4.28
(3) Non-current liabilities			
(a) Long-term borrowings	4	0.73	0.34
(b) Deferred tax liabilities (net)	5	-	9.16
(c) Other long-term liabilities	6	19.62	18.77
		<u>20.35</u>	<u>28.27</u>
(4) Current liabilities			
(a) Trade payables	7	615.21	484.68
(b) Other current liabilities	8	176.33	148.37
(c) Short-term provisions	9	410.91	325.38
		<u>1,202.45</u>	<u>958.43</u>
		<u>2,461.99</u>	<u>1,844.44</u>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		513.24	529.81
(ii) Intangible assets		12.70	15.85
(iii) Capital work-in-progress		48.22	97.22
		<u>574.16</u>	<u>642.88</u>
(b) Non-current investments	11	273.14	228.95
(c) Deferred tax asset (net)	5	21.11	-
(d) Long-term loans and advances	12	127.15	100.43
(e) Other non-current assets	13	37.12	12.12
(2) Current assets			
(a) Current investments	14	387.90	144.04
(b) Inventories	15	345.74	366.86
(c) Trade receivables	16	70.98	53.69
(d) Cash and bank balances	17	186.67	65.78
(e) Short-term loans and advances	18	438.02	229.69
		<u>1,429.31</u>	<u>860.06</u>
		<u>2,461.99</u>	<u>1,844.44</u>
Significant accounting policies	1		

See accompanying notes to financial statements

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

**Sunil Gaggar**

Partner

Membership number: 104315

Place : Bangalore

Date : 21 May 2015

for and on behalf of the Board of Directors

Chairman : Nusli N Wadia

Managing Director : Varun Berry

Directors : A K Hirjee  
S S Kelkar  
Nasser Munjee  
Nimesh N Kampani  
Jeh N Wadia  
Ajai Puri  
Ness N Wadia  
Ranjana Kumar

Chief Financial Officer : Amlan Datta Majumdar

Company Secretary : Rajesh Arora

Place : Mumbai

Date : 21 May 2015

Britannia Annual Report 2014-15  
STATEMENT OF PROFIT AND LOSS

₹ in crores

For the year ended	Note No.	31 March 2015	31 March 2014
<b>I. Revenue from operations</b>			
Sale of products		7,269.26	6,347.85
Less: Excise duty		(168.80)	(115.76)
Net sale of products		7,100.46	6,232.09
Other operating revenues	19	75.53	75.30
		<u>7,175.99</u>	<u>6,307.39</u>
<b>II. Other income</b>	20	87.53	34.82
<b>III. Total revenue (I + II)</b>		<u>7,263.52</u>	<u>6,342.21</u>
<b>IV. Expenses:</b>			
Raw materials including packaging materials consumed		3,592.99	3,165.53
Purchase of stock-in-trade	21	749.33	656.78
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	(25.48)	(12.58)
Employee benefits expense	23	176.79	172.45
Finance costs	24	1.21	5.44
Depreciation and amortisation	10	117.27	63.38
Other expenses	25	1,910.86	1,728.59
<b>Total expenses</b>		<u>6,522.97</u>	<u>5,779.59</u>
<b>V. Profit before exceptional and extraordinary items and tax (III - IV)</b>		<u>740.55</u>	<u>562.62</u>
<b>VI. Exceptional items profit / (loss)</b>	26	142.06	(20.00)
<b>VII. Profit before tax (V + VI)</b>		<u>882.61</u>	<u>542.62</u>
<b>VIII. Tax expense:</b>			
(1) Current tax			
Income tax		285.68	177.25
(2) Deferred tax charge / (credit)		(25.48)	(4.46)
<b>IX. Profit for the year (VII - VIII)</b>		<u>622.41</u>	<u>369.83</u>
<b>X. Earnings per equity share [Refer note 42]</b>			
(1) Basic [nominal value of ₹ 2/- each]		51.90	30.87
(2) Diluted [nominal value of ₹ 2/- each]		51.89	30.87
Weighted average number of equity shares used in computing earnings per share:			
- Basic		119,925,815	119,799,171
- Diluted		119,942,424	119,799,171
Significant accounting policies	1		

See accompanying notes to financial statements

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors

Chairman : Nusli N Wadia

Managing Director : Varun Berry

Directors : A K Hirjee  
S S Kelkar  
Nasser Munjee  
Nimesh N Kampani  
Jeh N Wadia  
Ajai Puri  
Ness N Wadia  
Ranjana Kumar

**Sunil Gaggar**

Partner

Membership number: 104315

Place : Bangalore

Date : 21 May 2015

Chief Financial Officer : Amlan Datta Majumdar

Company Secretary : Rajesh Arora

Place : Mumbai

Date : 21 May 2015



# Britannia Annual Report 2014-15

## CASH FLOW STATEMENT

₹ in crores

For the year ended	31 March 2015	31 March 2014
<b>Cash flows from operating activities</b>		
Profit before tax	882.61	542.62
<b>Adjustments for:</b>		
Depreciation and amortisation	117.27	63.38
Profit on sale of investments, net	(38.53)	(3.47)
Profit on sale of fixed assets, net	(153.84)	(9.38)
Provision for diminution in value of investment	4.00	20.00
Dividend income	(0.22)	(0.27)
Interest income	(45.84)	(20.00)
Interest expense	1.21	5.44
<b>Operating profit before working capital changes</b>	<b>766.66</b>	<b>598.32</b>
(Increase) / decrease in inventories	21.12	(35.37)
(Increase) / decrease in trade receivables	(17.29)	23.43
(Increase) / decrease in loans and advances and other assets	40.93	19.55
(Increase) / decrease in bank balances (other than cash and cash equivalents)	(175.12)	4.59
Increase / (decrease) in liabilities and provisions	173.42	185.86
<b>Cash generated from operations</b>	<b>809.72</b>	<b>796.38</b>
Income taxes paid, net of refund	(294.39)	(181.87)
<b>Net cash provided by operating activities</b>	<b>515.33</b>	<b>614.51</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including finance leased assets)	(88.04)	(98.59)
Proceeds from sale of fixed assets	162.44	10.20
Purchase of investments, net	(253.52)	(109.92)
Inter-corporate deposits placed	(355.00)	(50.00)
Inter-corporate deposits redeemed	105.00	-
Loans given to subsidiaries	(19.94)	(8.69)
Loans repaid by subsidiaries	28.38	9.50
Interest received	36.17	19.89
Dividend received	0.22	0.27
<b>Net cash used in investing activities</b>	<b>(384.29)</b>	<b>(227.34)</b>
<b>Cash flows from financing activities</b>		
Proceeds from / (repayment) of secured loans, net	0.44	(4.66)
Interest paid	(0.43)	(6.08)
Proceeds from share allotment	-	13.52
Repayment of unsecured loans, net	-	(209.32)
Dividend paid including tax thereon	(168.12)	(118.92)
<b>Net cash used in financing activities</b>	<b>(168.11)</b>	<b>(325.46)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(37.07)</b>	<b>61.71</b>
Cash and cash equivalents at the beginning of the year	54.69	(7.02)
<b>Cash and cash equivalents at the end of the year (Refer note below)</b>	<b>17.62</b>	<b>54.69</b>

## Britannia Annual Report 2014-15

### CASH FLOW STATEMENT (CONTINUED)

₹ in crores

For the year ended	31 March 2015	31 March 2014
<b>Note:</b>		
Cash and cash equivalents at the end of the year	30.57	59.80
Book overdraft [Refer note 8]	(12.95)	(5.11)
	<u>17.62</u>	<u>54.69</u>

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

**Sunil Gaggar**

Partner

Membership number: 104315

Place : Bangalore

Date : 21 May 2015

for and on behalf of the Board of Directors

Chairman : Nusli N Wadia

Managing Director : Varun Berry

Directors : A K Hirjee

S S Kelkar

Nasser Munjee

Nimesh N Kampani

Jeh N Wadia

Ajai Puri

Ness N Wadia

Ranjana Kumar

Chief Financial Officer : Amlan Datta Majumdar

Company Secretary : Rajesh Arora

Place : Mumbai

Date : 21 May 2015

# Britannia Annual Report 2014-15

## NOTES TO FINANCIAL STATEMENTS

### Note 1 Significant accounting policies

(a) **Basis of accounting and preparation of financial statements**

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting to comply in all material aspects with the applicable accounting principles in India, the mandatory Accounting Standards ('AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Act, the guidelines issued by the Securities and Exchange Board of India ('SEBI') and the Companies Act, 1956 to the extent relevant.

(b) **Use of estimates**

The preparation of the financial statements, in conformity with generally accepted accounting principles in India, requires that the Management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

(c) **Fixed assets**

**Tangible assets**

Tangible assets are stated at their cost of acquisition or construction less accumulated depreciation. Cost includes inward freight, duties, taxes and expenses incidental to acquisition and installation or construction, net of CENVAT and VAT credit, where applicable.

The cost of the fixed assets not ready for their intended use before such date, are disclosed as capital work-in-progress.

**Intangible assets**

Intangible assets are stated at cost of acquisition less accumulated amortisation.

(d) **Depreciation and amortisation**

Depreciation in respect of all the assets is provided on straight line method over the useful lives of assets estimated by the Company. Depreciation for assets purchased / sold during the period is proportionately charged. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use. The Company estimates the useful life of fixed assets as follows:

Assets classification	Useful life
Plant and equipment *	7.5 - 15 years
Furniture and fixtures	10 years
Motor vehicles	8 years
Computer software	6 years
Office equipment	3 - 5 years
Buildings	60 years
Leasehold land	Lease period
Moulders, cutters and spare parts *	1 year

\* The Company believes the useful lives as given above best represent the useful life of these assets based on internal assessment where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(e) **Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset, including intangible, may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised.

(f) **Leases**

Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of lease at lower of the fair value and present value of minimum lease payments. Assets taken on finance lease are depreciated over their estimated useful life or the lease term whichever is lower.

Assets acquired under lease where the significant portion of risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to the statement of profit and loss on accrual basis.

(g) **Inventories**

Inventories are valued at the lower of cost (including prime cost, excise duty and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate. The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products.

Raw materials, packing materials and stores and spares are valued at cost computed on moving weighted average basis. The cost includes purchase price, inward freight and other incidental expenses net of CENVAT and VAT credit, where applicable.

Work-in-progress is valued at input material cost plus conversion cost as applicable.

Stock-in-trade is valued at the lower of net realisable value and cost (including prime cost and other overheads incurred in bringing the inventories to their present location and condition), computed on a moving weighted average basis.

Finished goods are valued at lower of net realisable value and prime cost, excise duty and other overheads incurred in bringing the inventories to their present location and condition.

(h) **Trade receivables and loans and advances**

Trade receivables and loans and advances are stated after making adequate provision for doubtful receivables and loans and advances.

(i) **Investments**

Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments.

Current investments are stated at lower of cost and fair value for each investment individually.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**(j) Revenue recognition**

Revenue from sale of goods and sale of scrap is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of sales tax and net of trade discounts and sales returns. Sales are presented both gross and net of excise duty.

Income from royalty is accounted based on contractual agreements.

Dividend income is accounted for in the year in which the right to receive the same is established.

Interest on investments and deposits is booked on a time-proportion basis taking into account the amounts invested and the rate of interest.

**(k) Foreign currency transactions**

Transactions in foreign currency are recorded at exchange rates prevailing on the respective dates of the relevant transactions. Monetary assets and liabilities denominated in foreign currency are restated at the exchange rates prevailing at the balance sheet date. The gains or losses resulting from such transactions are adjusted to the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value / net realisable value are translated at the exchange rate prevalent at the date when the fair value / net realisable value was determined. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent on the date of transaction.

The Company uses foreign exchange forward contracts to cover its exposure towards movements in foreign exchange rates. The use of foreign exchange forward contracts reduces the risk of fluctuations in exchange rate movements for the Company. The Company does not use the foreign exchange forward contract for trading or speculative purposes.

Premium or discount arising at the inception of the forward contracts against the underlying assets is amortised as expense or income over the life of the contract. Exchange differences on forward contracts are recognised in the statement of profit and loss in the reporting period in which the exchange rates change.

**(l) Derivative contracts**

Based on the principle of prudence as provided in Accounting Standard 1 - "Disclosure of Accounting Policies", the Company assesses losses, if any, by marking to market all its outstanding derivative contracts [other than those accounted under Accounting Standard 11 - "Effects of Changes in Foreign Exchange Rates" (Refer point (k) above)] at the balance sheet date and provides for such losses. The net gain, if any, based on the said evaluation is not accounted for in line with the ICAI notification issued in March 2008 in relation to such transactions.

**(m) Taxes on income**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the Income-tax laws) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Deferred tax in respect of timing differences which originate during the tax holiday period but reverse after the tax holiday period is recognised in the year in which the timing differences originate. For this purpose the timing differences, which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent where there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets / liabilities are reviewed at each balance sheet date and written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India ('ICAI'), the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

**(n) Employee benefits**

**(i) Short-term employee benefits**

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

**(ii) Post-employment benefits**

Contributions to defined contribution schemes such as Provident Fund, Pension Fund, etc., are recognised as expenses in the period in which the employee renders the related service. In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. In respect of contributions made to government administered Provident Fund, the Company has no further obligations beyond its monthly contributions. The Company also provides for post-employment defined benefit in the form of gratuity and medical benefits. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date.

The Britannia Industries Limited Covenanted Staff Pension Fund Trust ('BILCSPF') and Britannia Industries Limited Officers' Pension Fund Trust ('BILOPF') were established by the Company to administer pension schemes for its employees. These trusts are managed by the Trustees. The Pension Scheme is applicable to all the managers and officers of the Company who have been employed up to the date of 15 September 2005 and any manager or officer employed after that date, if he has opted for the membership of the Scheme. The Company makes a contribution of 15% of basic salary in respect of the members, each month to the trusts. On retirement, subject to the vesting conditions as per the rules of the trust, the member becomes eligible for pension, which is paid from annuity purchased in the name of the member by the trusts.

**(iii) Other long-term employee benefits**

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation carried out at each balance sheet date. Provision for compensated absences is based on actuarial valuation carried out as at 1 January every year.

**(iv) Voluntary retirement scheme benefits**

Voluntary retirement scheme benefits are recognised as an expense in the year they are incurred.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(o) **Employee share based payments**

The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense, if any, is amortised over the vesting period of the option on a straight line basis.

(p) **Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset only when reimbursement is virtually certain.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(q) **Earnings per share**

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(r) **Cash flow statement**

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

(s) **Borrowing costs**

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are accounted as an expense in the statement of profit and loss.

(t) **Capital subsidy**

Capital subsidy related to depreciable fixed assets is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

(u) **Government grants related to revenue**

Government grants related to revenue are recognised in the statement of profit and loss on a systematic basis over the periods to which they relate.

(v) **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note 2 - Share capital</b>		
<b>Authorised</b>		
Equity shares	50.00	50.00
[250,000,000 equity shares of ₹ 2/- each (previous year: 250,000,000 equity shares of ₹ 2/- each)]		
<b>Issued, subscribed and paid up</b>		
Equity shares fully paid	23.99	23.99
[119,925,815 equity shares of ₹ 2/- each (previous year: 119,925,815 equity shares of ₹ 2/- each)]*		
* Of the total fully paid up equity shares: 60,866,095 equity shares of ₹ 2/- each (previous year: 60,866,095 equity shares of ₹ 2/- each) are held by the subsidiaries of The Bombay Burmah Trading Corporation Limited, the ultimate holding company [Refer note (a) below]		
Rights, preferences and restrictions attached to the equity shares:		
<ul style="list-style-type: none"> <li>- The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.</li> <li>- The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.</li> <li>- During the year ended 31 March 2015, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 16/- (previous year: ₹ 12/-). The total dividend appropriation for the year ended 31 March 2015 amounted to ₹ 230.94 (previous year: ₹ 168.37) including corporate dividend tax of ₹ 39.06 (previous year: ₹ 24.46).</li> <li>- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.</li> </ul>		
Details of shareholders holding more than 5% of total number of shares, including amount [Refer note (b) below].		
Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year [Refer note (c) below].		
Under the Britannia Employee Stock Option Scheme the total number of options that can be granted is 875,000. Out of this, 525,000 options have been granted and 475,000 options exercised. Allotment details: 75,000 shares were allotted on 21 September 2012 at an exercise price of ₹ 191.06/-; 75,000 shares were allotted on 2 April 2013 at an exercise price of ₹ 305.63/-; 100,000 shares were allotted on 11 June 2013 at an exercise price of ₹ 333.71/-; 125,000 shares were allotted on 24 July 2013 at an exercise price of ₹ 391.75/- and 100,000 shares were allotted on 5 December 2013 at an exercise price of ₹ 528.75/- [Refer note (d) below].		
	23.99	23.99



NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

Notes:

- (a) Shares in respect of equity in the Company held by its holding or ultimate holding company, including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

	31 March 2015		31 March 2014	
	Number of shares	Amount	Number of shares	Amount
<b>Holding company</b>				
Associated Biscuits International Limited (ABIL), UK	53,904,500	10.78	53,904,500	10.78
<b>Subsidiaries of holding company</b>				
Bannatyne Enterprises Pte Limited, Singapore	1,391,555	0.28	1,391,555	0.28
Dowbiggin Enterprises Pte Limited, Singapore	1,392,510	0.28	1,392,510	0.28
Nacupa Enterprises Pte Limited, Singapore	1,392,510	0.28	1,392,510	0.28
Spargo Enterprises Pte Limited, Singapore	1,392,510	0.28	1,392,510	0.28
Valletort Enterprises Pte Limited, Singapore	1,392,510	0.28	1,392,510	0.28
	<b>60,866,095</b>	<b>12.18</b>	<b>60,866,095</b>	<b>12.18</b>

- (b) Details of shareholders holding more than 5% of total number of equity shares:

	31 March 2015		31 March 2014	
	Number of shares	% holding	Number of shares	% holding
Associated Biscuits International Limited (ABIL), UK	53,904,500	44.95%	53,904,500	44.95%
Arisaig Partners (Asia) Pte Ltd.	6,452,404	5.38%	10,671,488	8.90%

- (c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

	31 March 2015		31 March 2014	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the reporting year	119,925,815	23.99	119,525,815	23.91
Shares issued during the reporting year	-	-	400,000	0.08
Closing balance at the end of the reporting year	119,925,815	23.99	119,925,815	23.99

- (d) During the financial year 2008-09, the Company introduced Britannia Industries Limited Employee Stock Option Scheme ('the Scheme'). As per the Scheme, the Remuneration / Compensation Committee grants options to the employees and Executive Directors of the Company. The vesting period of the option is one year from the date of grant. Options granted under the Scheme can be exercised within a period of three years from the date of vesting. Exercise of an option is subject to continued employment.

Under the Scheme, the Company granted 15,000 options on 29 October 2008 at an exercise price of ₹ 1,125.30/-; 15,000 options on 27 May 2009 at an exercise price of ₹ 1,698.15/-; 20,000 options on 27 May 2010 at an exercise price of ₹ 1,668.55/-; 125,000 options on 27 May 2011 at an exercise price of ₹ 391.75/- and 100,000 options on 28 May 2012 at an exercise price of ₹ 528.75/- to the Managing Director of the Company. Each option represents one equity share of ₹ 10/- each (for options granted between the years 2008 to 2010) and one equity share of ₹ 2/- each (for options granted after the year 2010). The said price was determined in accordance with the pricing formula approved by the shareholders i.e. the latest available closing price, prior to the date of the meeting of the Board of Directors or Remuneration / Compensation Committee in which options were granted, on the stock exchange having higher trading volume.

Exercise prices as stated above are adjusted downwards by ₹ 170/- per share for options granted on 29 October 2008 and 27 May 2009, being the face value of bonus debentures issued pursuant to the Scheme of Arrangement approved by the Honourable Calcutta High Court on 11 February 2010.

The number of options have been appropriately adjusted, consequent upon the sub-division of the equity shares [Refer note (e) below].

The Company had not granted options during the year 2013-14. The Company has further granted 50,000 options on 26 May 2014 at an exercise price of ₹ 870.35/- to the Managing Director of the Company.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Method used for accounting of share based payment plan:**

The Company has used intrinsic value method to account for the compensation cost of stock options to employees and Executive Directors of the Company. Intrinsic value is the amount by which the quoted market price of the underlying share exceeds the exercise price (without considering the impact of ₹ 170/- on account of issue of bonus debentures) of the option. Since the options under the Scheme were granted at the market price, the intrinsic value of the option is ₹ Nil. Consequently the accounting value of the option (compensation cost) is also ₹ Nil.

	31 March 2015	31 March 2014
<b>Movement in the options under the scheme:</b>		
Options outstanding at the beginning of the year	-	325,000
Options granted during the year	50,000	-
Options vested during the year	-	100,000
Options exercised during the year	-	325,000
Shares allotted against options exercised during the year	-	400,000
Options lapsed during the year	-	-
Shares under option at the end of the year	50,000	-
Options exercisable at the end of the year	-	-
Weighted average price per option (₹)	870.35	-

**Fair Value Methodology:**

Options have been valued based on Fair Value method of accounting as described under guidance note on Accounting for Employee Share-based Payments using Black Scholes valuation option-pricing model, using the market values of the Company's shares as quoted on the National Stock Exchange.

The key assumptions used in Black-Scholes model for calculating fair value of options under the scheme as on the date of grant are as follows:

Particulars	31 March 2015	31 March 2014
No. of options granted	50,000	-
Date of grant	26 May 2014	-
Vesting period (years)	1	-
Expected life of option (years)	3	-
Expected volatility	22.56%	-
Risk free rate	8.57%	-
Expected dividends expressed as a dividend yield	1.84%	-
Weighted-average fair values of options per share (₹)	206.18	-

Had the compensation cost for the Scheme been determined based on fair value approach, the Company's net profit and earnings per share would have been as per the pro-forma amounts indicated below:

Particulars	31 March 2015	31 March 2014
Net profit (as reported)	622.41	369.83
Less: Stock-based compensation expense determined under fair value based method net of Intrinsic Value (without considering tax impact)	0.88	0.21
Net profit (pro-forma) considered for computing EPS (pro-forma)	621.53	369.62
Basic earnings per share (as reported) (₹)	51.90	30.87
Basic earnings per share (pro-forma) (₹)	51.83	30.85
Diluted earnings per share (as reported) (₹)	51.89	30.87
Diluted earnings per share (pro-forma) (₹)	51.82	30.85

- (e) In the Annual General Meeting held on 9 August 2010, the shareholders of the Company approved the sub-division of equity shares, where in each equity share with a face value of ₹ 10/- has been subdivided into 5 equity shares with a face value of ₹ 2/- each. The effective date for the sub-division was 10 September 2010.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

Note 3 - Reserves and surplus

	General reserve	Capital redemption reserve	Capital reserve	Securities premium	Surplus	As at 31 March 2015
Balance at the beginning of the year	316.78	3.96	0.43	17.15	491.15	829.47
Additions:						
Net profit after tax transferred from the statement of profit and loss	-	-	-	-	622.41	622.41
Transfer from surplus	62.24	-	-	-	-	62.24
	<u>379.02</u>	<u>3.96</u>	<u>0.43</u>	<u>17.15</u>	<u>1,113.56</u>	<u>1,514.12</u>
Deductions:						
Transfer to general reserve	-	-	-	-	62.24	62.24
Proposed dividend *	-	-	-	-	191.88	191.88
Tax on proposed dividend	-	-	-	-	39.06	39.06
Fixed assets charged off due to change in useful life as per Companies Act, 2013 #	-	-	-	-	9.31	9.31
Balance at the end of the year	<u>379.02</u>	<u>3.96</u>	<u>0.43</u>	<u>17.15</u>	<u>811.07</u>	<u>1,211.63</u>

\* The Board of Directors of the Company has recommended a dividend of ₹ 16/- per share of face value of ₹ 2/- amounting to ₹ 191.88 for the year ended 31 March 2015.

# Net of deferred taxes of ₹ 4.81 [also refer note 10]

	General reserve	Capital redemption reserve	Capital reserve	Securities premium	Surplus	As at 31 March 2014
Balance at the beginning of the year	279.80	3.96	0.43	1.42	326.89	612.50
Additions:						
Net profit after tax transferred from the statement of profit and loss	-	-	-	-	369.83	369.83
Transfer from surplus	36.98	-	-	-	-	36.98
On issue of equity shares	-	-	-	15.73	-	15.73
	<u>316.78</u>	<u>3.96</u>	<u>0.43</u>	<u>17.15</u>	<u>696.72</u>	<u>1,035.04</u>
Deductions:						
Transfer to general reserve	-	-	-	-	36.98	36.98
Proposed dividend *	-	-	-	-	143.91	143.91
Tax on proposed dividend	-	-	-	-	24.46	24.46
Dividend for previous year on equity shares issued under ESOS after the year end	-	-	-	-	0.19	0.19
Tax on dividend for previous year on equity shares issued under ESOS after the year end	-	-	-	-	0.03	0.03
Balance at the end of the year	<u>316.78</u>	<u>3.96</u>	<u>0.43</u>	<u>17.15</u>	<u>491.15</u>	<u>829.47</u>

\* The Board of Directors of the Company had recommended a dividend of ₹ 12/- per share of face value of ₹ 2/- amounting to ₹ 143.91 for the year ended 31 March 2014.

As at	31 March 2015	31 March 2014
<b>Note 4 - Long-term borrowings</b>		
<b>Secured</b>		
Long-term maturities of finance lease obligations [Refer note 8 (a) for details of maturity period, repayment terms and rate of interest] [Secured by hypothecation of assets (vehicles) taken on lease]	0.73	0.34
	<u>0.73</u>	<u>0.34</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Note 5 - Deferred tax assets / liabilities (net)**

Disclosure as per Accounting Standard 22 - "Accounting for Taxes on Income" - Major components of deferred tax assets and liabilities on account of timing differences are as follows:

As at	31 March 2015		31 March 2014	
	Asset	Liability	Asset	Liability
Depreciation and amortisation	-	21.28	-	41.23
Voluntary retirement scheme, terminal compensation benefits	3.73	-	2.16	-
Statutory payments	31.46	-	23.78	-
Provisions allowed on payments, write off	7.20	-	6.13	-
	<u>42.39</u>	<u>21.28</u>	<u>32.07</u>	<u>41.23</u>
	<u>21.11</u>		<u>9.16</u>	

As at	31 March 2015	31 March 2014
<b>Note 6 - Other long-term liabilities</b>		
Deposits from customers	19.62	18.77
	<u>19.62</u>	<u>18.77</u>
<b>Note 7 - Trade payables</b>		
Due to micro and small enterprises [Refer note below]	5.19	4.53
Others	610.02	480.15
	<u>615.21</u>	<u>484.68</u>

**Note:**

There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2015. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

The amounts remaining unpaid to micro and small suppliers as at the end of the year:

- Principal	5.19	4.53
- Interest	-	-

The amount of interest paid by the Company as per the MSMED Act, 2006.

The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.

The amount of interest accrued and remaining unpaid at the end of each accounting year.

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006

# Britannia Annual Report 2014-15

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note 8 - Other current liabilities</b>		
Current maturities of finance lease obligations [Refer note (a) below]	0.24	0.11
Interest accrued but not due	1.02	0.23
Unclaimed debenture interest *	0.46	0.47
Unpaid dividend *	2.73	2.48
Unclaimed debenture redemption balance *	1.16	1.24
Other payables:		
- Book overdraft	12.95	5.11
- Advance from customers	13.45	16.04
- Creditors for capital goods	14.37	10.55
- Statutory related liabilities (VAT, TDS, PF, etc.)	57.92	50.82
- Other liabilities	72.03	61.32
	<b>176.33</b>	<b>148.37</b>

\* Investor Education and Protection Fund shall be credited when due.

**Note:**

- (a) Rate of interest for finance lease obligations ranges from 13.6% to 19.2% per annum.  
 Number of repayment installments (quarterly) for lease obligations ranges from 12 to 20.  
 Period of maturity for the lease obligations ranges from 5 months to 5 years.

As at	31 March 2015	31 March 2014
<b>Note 9 - Short-term provisions</b>		
Provision for employee benefits	7.66	8.11
Others:		
Excise and service tax related issues (a)	51.68	39.36
Sales tax and other issues (a)	61.67	48.51
Trade and other issues (a)	20.79	19.00
Provision for income tax	38.17	42.03
Proposed dividend	191.88	143.91
Tax on proposed dividend	39.06	24.46
	<b>410.91</b>	<b>325.38</b>

- (a) Refer note 32.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 10 - Fixed assets

₹ in crores

Description	Gross block at cost			Accumulated depreciation and amortisation			Net block	
	As at 1 April 2014	Additions	Deletions	As at 31 March 2015	Charge for the year	On deletions during the year	As at 31 March 2015	As at 31 March 2014
<b>Tangible assets</b>								
<b>Own assets</b>								
Freehold land	61.55	-	0.02	61.53	-	-	61.53	61.55
Leasehold land	29.26	-	-	29.26	0.31	-	27.86	28.17
Buildings	145.10	53.58	4.87	193.81	5.87	3.31	165.04	118.89
Plant and equipment	626.43	52.46	53.89	625.00	114.93	47.15	234.16	303.38
Furniture and fixtures	12.69	8.42	0.21	20.90	1.56	0.19	14.30	7.46
Motor vehicles	0.93	0.46	0.30	1.09	0.22	0.13	0.72	0.65
Office equipment	36.67	4.58	0.07	41.18	5.14	0.07	8.82	9.38
<b>Leased assets</b>								
Motor vehicles	0.62	0.80	0.23	1.19	0.23	0.14	0.81	0.33
	<b>913.25</b>	<b>120.3</b>	<b>59.59</b>	<b>973.96</b>	<b>128.26</b>	<b>50.99</b>	<b>513.24</b>	<b>529.81</b>
<b>Intangible assets</b>								
<b>Own assets</b>								
Trademarks	0.03	-	-	0.03	-	-	0.03	0.03
Designs	0.01	-	-	0.01	-	-	0.01	0.01
Computer software	26.04	0.67	-	26.71	3.82	-	12.66	15.81
	<b>26.08</b>	<b>0.67</b>	<b>-</b>	<b>26.75</b>	<b>3.82</b>	<b>-</b>	<b>12.70</b>	<b>15.85</b>
<b>Total</b>	<b>939.33</b>	<b>120.97</b>	<b>59.59</b>	<b>1,000.71</b>	<b>132.08<sup>(c)</sup></b>	<b>50.99</b>	<b>525.94</b>	<b>545.66</b>
Previous year	784.22	158.72	3.61	939.33	63.92	2.79	48.22	97.22
Add: Capital work-in-progress							<b>574.16</b>	<b>642.88</b>

Notes:

- (a) Agreement in respect of leasehold land at one factory (previous year: one factory) is in the process of renewal.  
 (b) Buildings include fully paid unquoted shares and bonds in respect of ownership of flats in 1 Co-operative Housing Societies (previous year: 10 shares) of ₹ 50/- each.

(c) Depreciation:

	31 March 2015	31 March 2014
Depreciation charge for the year	132.08	63.92
Transfer from capital subsidy [Refer note 1 (t) and 48]	(0.71)	(0.54)
Fixed assets charged off due to change in useful life as per the Companies Act, 2013	(14.10)	-
Net depreciation charge for the year	<u>117.27</u>	<u>63.38</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

(d) During the year ended 31 March 2015, the management based on internal technical evaluation reassessed the remaining useful life of assets primarily consisting of Buildings and Plant and equipment with effect from 01 April 2014, accordingly the useful lives of certain assets required a change from the previous estimates. The earlier and revised useful lives are as below:

Category of asset	Earlier useful life (Years)	Revised useful life (Years)
Buildings	60 - 65 years	60 years
Plant and equipment	10 - 20 years	7.5 - 15 years
Furniture & fixtures	15 years	10 years
Motor vehicles	5 years	8 years
Computer software	6 years	6 years
Office equipment	5 years	3 - 5 years
Moulders, cutters and spare parts	10 - 20 years	1 year

Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended 31 March 2015 would have been lower by ₹ 53.14 for the assets held at 1 April 2014. The revision of the useful lives will result in the following changes in the depreciation expenses as compared to the original useful lives of assets:

Particulars	2015-16	After 2015-16
Increase/ (decrease) in depreciation expenses	10.96	(64.10)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

Note 11 - Non-current investments

	Face value per share / unit	Units / Nos.		Amount	
		As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
<b>At cost less provision for other than temporary diminution</b>					
<b>Trade investments</b>					
<b>Unquoted</b>					
<b>(i) Investments in equity instruments (fully paid)</b>					
<b>Subsidiaries</b>					
Sunrise Biscuit Company Private Limited	₹ 10	14,049,650	14,049,650	14.03	14.03
Ganges Vally Foods Private Limited	₹ 10	252,000	252,000	0.72	0.72
J B Mangharam Foods Private Limited	₹ 10	354,136	354,136	0.54	0.54
International Bakery Products Limited	₹ 10	370,009	255,000	0.80	0.40
Manna Foods Private Limited	₹ 10	4,875,001	375,001	4.67	0.17
Britannia Dairy Private Limited	₹ 10	5,779,999	5,779,999	70.02	70.02
Boribunder Finance and Investments Private Limited	₹ 10	2,670,999	2,670,999	2.58	2.58
Britannia Dairy Holdings Private Limited, Mauritius	USD 1	2,000	2,000	0.01	0.01
				<u>93.37</u>	<u>88.47</u>
Daily Bread Gourmet Foods (India) Private Limited	₹ 4	69,181,417	56,681,417	27.67	22.67
Less: Provision for diminution in value of investments (Refer note (a) below)				24.00	20.00
				<u>3.67</u>	<u>2.67</u>
Britannia and Associates (Mauritius) Private Limited, Mauritius	USD 1	24,372,087	24,372,087	121.69	121.69
Less: Provision for diminution in value of investments				35.00	35.00
				<u>86.69</u>	<u>86.69</u>
<b>Associates</b>					
Klassik Foods Private Limited	₹ 100	3,260	3,260	0.32	0.32
Nalanda Biscuits Company Limited	₹ 10	87,500	87,500	0.28	0.28
				0.60	0.60
			(a)	<u>184.33</u>	<u>178.43</u>
<b>(ii) Investments in preference shares (fully paid)</b>					
<b>Subsidiaries</b>					
Britannia Dairy Private Limited - 10% Non-cumulative Redeemable preference shares	₹ 10	6,000,000	6,000,000	6.00	6.00
Britannia Dairy Holdings Private Limited, Mauritius - Class C - preference shares	USD 1	7,411,000	7,411,000	0.05	0.05
			(b)	<u>6.05</u>	<u>6.05</u>
			(a) + (b)	<u>190.38</u>	<u>184.48</u>



NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Face value per share / unit	Units / Nos.		Amount	
		As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
<b>(iii) Investments in debentures / bonds</b>					
<b>Subsidiaries</b>					
International Bakery Products Limited - 0% Unsecured Convertible Debentures	₹ 100,000	677	677	6.77	6.77
J B Mangharam Foods Private Limited - 6% Secured Redeemable Non-convertible debentures	₹ 100	-	25,000	-	0.25
<b>Non-Trade Investments</b>					
<b>(iv) Investments in mutual funds</b>					
ICICI Prudential Fixed Maturity Plan - Series 76 - 1100 days - Plan T - Direct Plan - Cumulative	₹ 10	9,000,000	-	9.00	-
ICICI Prudential Fixed Maturity Plan - Series 76 - 1155 days - Plan K - Direct Plan - Cumulative	₹ 10	15,000,000	-	15.00	-
HDFC Fixed Maturity Plan - 1157 Days - February 2015 (1) - Direct - Growth - Series 33	₹ 10	15,000,000	-	15.00	-
HDFC Fixed Maturity Plan - 1135 Days - March 2015 (1) - Direct - Growth - Series 33	₹ 10	6,000,000	-	6.00	-
<b>(v) Investments with insurance companies</b>					
HDFC Standard Life Insurance Company Limited - Group Leave Encashment	₹ 10	1,011,586	1,008,560	3.08	3.08
ICICI Prudential Life Insurance Company Limited - Group Leave Encashment	₹ 10	3,008,383	2,955,032	2.91	2.91
<b>Quoted</b>					
<b>(i) Investments in equity instruments (fully paid)</b>					
HDFC Bank Limited	₹ 2	-	131,160	-	0.90
Standard Chartered Bank - IDR	₹ 2.3	-	334,177	-	3.48
Glaxosmithkline Pharmaceuticals Limited	₹ 10	-	80	-	0.02
Great Offshore Limited	₹ 10	-	1,237	-	0.03
Hindustan Unilever Limited	₹ 1	-	4,020	-	0.11
Mahindra Lifespace Developers Limited	₹ 10	-	688	-	0.02
State Bank of India	₹ 10	-	780	-	0.20
Tata Coffee Limited	₹ 10	-	400	-	0.04
Tata Steel Limited	₹ 10	-	6,549	-	0.40
Great Eastern Shipping Company Limited	₹ 10	-	4,953	-	0.13

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Units / Nos.		Amount		
	Face value per share / unit	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Tata Motors Limited	₹ 2	-	14,720	-	0.34
Ultratech Cement Limited	₹ 10	-	254	-	0.01
Grasim Industries Limited	₹ 10	-	200	-	0.05
ICICI Bank Limited	₹ 10	-	300	-	0.03
Larsen & Toubro Limited	₹ 2	-	1,050	-	0.11
Reliance Communications Limited	₹ 5	-	618	-	0.01
Reliance Industries Limited	₹ 10	-	1,236	-	0.13
Tata Chemicals Limited	₹ 10	-	721	-	0.02
Bajaj Auto Limited	₹ 10	-	2,400	-	0.16
Bajaj Finserv Limited	₹ 5	-	1,200	-	0.06
Bajaj Holdings & Investments Limited	₹ 10	-	1,200	-	0.09
Essel Propack Limited	₹ 2	-	1,600	-	0.01
Titan Industries Limited	₹ 1	-	6,300	-	0.11
<b>(ii) Investments in debentures / bonds</b>					
Tata Capital 10.25% Secured Redeemable Non Convertible Debentures	₹ 500,000	500	500	25.00	25.00
<b>Total long-term investments</b>				<b>273.14</b>	<b>228.95</b>
Total quoted non-current investments				25.00	31.46
Total unquoted non-current investments				248.14	197.49
				<b>273.14</b>	<b>228.95</b>
Aggregate provision for diminution in value of investments				59.00	55.00
Aggregate market value of quoted non-current investments				25.00	41.51
Aggregate value of long-term investments (part of non-current investments)				273.14	228.95
Aggregate value of long-term investments (part of current investments)				-	0.50

Notes:

- (a) During the current year, in accordance with Accounting Standard 13 - "Accounting for Investments", prescribed by the Companies (Accounts) Rules, 2014 of the Companies Act, 2013, the Company has, based on its assessment of the business of Daily Bread Gourmet Foods (India) Private Limited, made a provision of ₹ 4 (previous year: ₹ 20) for diminution (other than temporary) on long-term investment made in equity shares of Daily Bread Gourmet Foods (India) Private Limited.

# Britannia Annual Report 2014-15

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note 12 - Long-term loans and advances</b>		
<b>Unsecured</b>		
<i>Considered good:</i>		
- Capital advances	21.79	1.89
- Deposits	7.15	8.44
- Loans and advances to related parties *	68.12	66.58
- Other loans and advances:		
Recoverable in cash or in kind or for value to be received	20.11	18.39
Advance income tax and tax deducted at source	9.98	5.13
<i>Considered doubtful:</i>		
- Loans and advances recoverable in cash or in kind or for value to be received	8.68	5.89
- Loans and advances to related parties *	1.04	1.04
	136.87	107.36
Less: Provision for doubtful loans / advances	9.72	6.93
	127.15	100.43
* Forms a part of outstanding balances as disclosed under note 44.		
<b>Note 13 - Other non-current assets</b>		
Fixed deposits with banks [Refer note 17 (b) (ii)]	25.00	-
Other deposits [Refer note 33]	12.12	12.12
	37.12	12.12

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

Note 14 - Current investments

	Face value per share / unit	Units / Nos.		Amount	
		As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
<b>Lower of cost or fair value</b>					
<b>Non-trade investments</b>					
<b>Unquoted</b>					
<b>(i) Investments in debentures / bonds</b>					
<b>Subsidiaries</b>					
J B Mangharam Foods Private Limited - 6% Secured Redeemable Non-convertible debentures (a)	₹ 100	-	50,000	-	0.50
<b>(ii) Investments in mutual funds</b>					
IDFC Cash Fund - Growth - Direct Plan	₹ 1,000	-	52,116	-	8.04
J.P Morgan India Liquid Fund - Direct Plan - Growth	₹ 10	-	4,317,687	-	7.12
DSP Black Rock Liquidity Fund - Direct Plan - Growth	₹ 1,000	-	28,078	-	5.11
Reliance Liquid Fund Cash Plan - Direct Plan -Growth	₹ 1,000	-	24,261	-	5.00
Taurus Liquid Fund - Direct Plan - Super Institutional - Growth	₹ 1,000	-	29,638	-	4.09
ICICI Prudential Liquid - Direct Plan - Growth	₹ 100	27,427	535,642	0.56	10.10
IDBI Liquid Fund - Direct Plan - Growth	₹ 1,000	-	59,210	-	8.10
Birla Sunlife Cash Plus - Direct Plan - Growth	₹ 100	-	299,727	-	6.15
L&T Liquid Fund - Direct Plan - Growth	₹ 1,000	-	63,555	-	11.07
Reliance Liquid Fund Treasury Plan - Direct Plan - Growth	₹ 1,000	-	35,740	-	11.07
Kotak Liquid Scheme - Plan A - Direct Plan - Growth	₹ 1,000	-	41,007	-	10.57
Franklin India Treasury Management Account Super Institutional Plan - Direct Growth	₹ 1,000	-	47,237	-	9.00
Birla Sunlife Floating Rate Fund - Short Term Plan - Direct Plan - Growth	₹ 100	-	443,424	-	7.54
Kotak Floater Short Term - Direct Plan - Growth	₹ 1,000	-	33,979	-	7.07
Reliance Liquidity Fund - Direct Plan - Growth	₹ 1,000	-	31,860	-	6.10
ICICI Prudential Money Market Fund - Direct Plan - Growth	₹ 100	297,744	346,573	5.82	6.09

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Face value per share / unit	Units / Nos.		Amount	
		As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
UTI Money Market Fund - Institutional Plan - Direct Plan -Growth	₹ 1,000	-	35,804	-	5.10
HDFC Liquid Fund - Direct Plan - Growth	₹ 10	-	1,990,143	-	5.00
Tata Liquid Fund - Direct Plan - Growth	₹ 1,000	23,301	13,264	6.00	3.14
HDFC Cash Management Fund - Savings Plan - Direct Plan - Growth	₹ 10	-	756,067	-	2.01
UTI Liquid Fund Cash Plan - Institutional - Direct Plan - Growth	₹ 1,000	-	29,107	-	6.07
J.P Morgan India Active Bond Fund - Direct Plan - Growth	₹ 10	32,506,651	-	50.00	-
DSP Black Rock Banking and PSU Debt Fund - Direct - Growth	₹ 10	21,437,146	-	25.00	-
ICICI Prudential Ultra Short Term Direct Plan - Growth	₹ 10	833,182	-	1.17	-
ICICI Prudential Income Opportunities Fund - Direct Plan - Growth	₹ 10	25,849,722	-	50.00	-
Birla Sunlife Savings Fund - Direct Plan - Growth	₹ 100	601,128	-	16.00	-
Birla Sunlife Income Plus - Direct Plan -Growth	₹ 10	7,854,645	-	50.00	-
Franklin India Ultra Short Bond Fund Super Institutional Plan - Growth	₹ 10	5,469,341	-	10.00	-
Franklin India Ultra Short Bond Fund Super Institutional Plan - Direct - Growth	₹ 10	11,446,817	-	21.00	-
Franklin India Banking And Psu Debt Fund - Direct - Growth	₹ 10	9,138,763	-	10.00	-
Birla Sunlife Dynamic Bond Fund - Retail - Direct Plan -Growth	₹ 10	20,490,740	-	50.00	-
Birla Sunlife Floating Rate Fund - Long Term - Direct Plan - Growth	₹ 100	607,332	-	10.00	-
Birla Sunlife Cash Manager Direct Plan - Growth	₹ 100	384	-	0.01	-
ICICI Prudential Flexible Income Direct Plan - Growth	₹ 100	1,891	-	0.04	-
ICICI Prudential Savings Fund - Direct Plan -Growth	₹ 100	246,917	-	5.08	-
SBI Magnum Insta Cash Fund - Direct Plan - Growth	₹ 1,000	21,036	-	6.50	-
UTI Short Term Income Fund - Institutional Option - Direct Plan - Growth	₹ 10	5,934,542	-	10.00	-

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Face value per share / unit	Units / Nos.		Amount	
		As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth	₹ 1,000	79,975	-	15.00	-
HDFC Floating Rate Income Fund Short Term Plan - Wholesale Option - Direct - Growth	₹ 10	2,554,422	-	6.12	-
HDFC Floating Rate Income Fund Short Term Plan - Wholesale Option - Growth	₹ 10	1,714,291	-	4.06	-
Tata Money Market Fund - Direct Plan - Growth	₹ 1,000	2,271	-	0.50	-
Tata Income Fund - Direct Plan - Appreciation Option - Growth	₹ 10	6,913,542	-	30.00	-
Tata Treasury Manager Fund - Direct Plan - Growth	₹ 1,000	218	-	0.04	-
Tata Dynamic Bond Fund - Direct Plan - Growth	₹ 10	2,279,452	-	5.00	-
<b>Total current investments</b>				<b>387.90</b>	<b>144.04</b>
Total quoted current investments				-	-
Total unquoted current investments				387.90	144.04
Aggregate market value of quoted current investments				-	-
Aggregate value of current investments				387.90	144.04
(a) Aggregate value of long-term investments (part of current investments)				-	0.50

As at	31 March 2015	31 March 2014
<b>Note 15 - Inventories *</b>		
Raw materials	105.63	150.59
Packing materials	43.45	46.48
Work-in-progress	0.29	0.30
Finished goods	162.46	133.79
Goods-in-transit	2.00	1.84
Stock-in-trade	15.83	16.24
Stores and spare parts	16.08	17.62
	<b>345.74</b>	<b>366.86</b>

\* Refer note 1 (g) for mode of valuation for inventories.

# Britannia Annual Report 2014-15

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note 16 - Trade receivables</b>		
<b>Unsecured</b>		
<i>Considered good:</i>		
- Over six months	4.32	4.16
- Others	66.66	49.53
	70.98	53.69
<i>Considered doubtful:</i>		
- Over six months	4.93	4.77
	75.91	58.46
Less: Provision for doubtful receivables	4.93	4.77
	70.98	53.69
 <b>Note 17 - Cash and bank balances</b>		
<i>Cash and cash equivalents:</i>		
- Cash on hand	0.02	0.04
- Cheques on hand	26.74	47.95
- Current accounts	3.81	11.81
	30.57	59.80
<i>Other bank balances:</i>		
- Unpaid dividend accounts	2.73	2.48
- Unclaimed debenture interest	0.46	0.47
- Unclaimed debenture redemption balance	1.16	1.24
- Deposit accounts [Refer note below]	151.75	1.79
	156.10	5.98
	186.67	65.78
 <b>Note:</b>		
(a) Deposit accounts include bank deposits held against bank guarantees with more than 12 months maturity amounting to ₹ 0.45 (previous year: ₹ 0.45).		
(b) Details of Bank deposits:		
	<b>Particulars</b>	
(i) Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	151.75	1.79
(ii) Bank deposits due to mature after 12 months of the reporting date included under 'Other non - current assets' [Refer note 13]	25.00	-
	176.75	1.79
 <b>As at</b>		
<b>Note 18 - Short-term loans and advances</b>		
<b>Unsecured</b>		
<i>Considered good:</i>		
- Deposits	3.61	3.46
- Loans and advances to related parties *	17.33	30.54
- Other loans and advances:		
Recoverable in cash or in kind or for value to be received	102.53	137.85
Inter-corporate deposits [Refer note 30 (b)]	300.00	50.00
Employee benefits - gratuity, net [Refer note 45 (b)]	0.60	3.21
Balances with customs, port trust, excise, etc.	3.29	3.64
Interest accrued but not due	10.66	0.99
	438.02	229.69

\* Forms a part of outstanding balances as disclosed under note 44.

# Britannia Annual Report 2014-15

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

For the year ended	31 March 2015	31 March 2014
<b>Note 19 - Other operating revenues</b>		
Royalty income	12.76	10.27
Scrap sales	23.76	20.71
Other receipts [Refer note below]	34.02	28.06
Provisions and liabilities no longer required written back, net	4.99	16.26
	<u>75.53</u>	<u>75.30</u>

**Note:**

Includes an amount of ₹ 26.43 (previous year: ₹ 23.89) towards VAT incentive for the Hajipur Factory, Bihar and Khurda Factory, Orissa in accordance with the State Industrial Policy of Bihar and Orissa.

For the year ended		31 March 2015	31 March 2014
<b>Note 20 - Other income</b>			
Interest income	Long-term	16.53	12.97
	Current	29.31	7.03
Dividend income	Long-term	0.22	0.27
Net gain / (loss) on sale of investments	Long-term	11.83	-
	Current	26.70	3.47
Other non-operating income:			
- Profit on sale of fixed assets		-	9.38
- Foreign exchange gain, net		1.15	-
- Other receipts		1.79	1.70
		<u>87.53</u>	<u>34.82</u>

**Note 21 - Purchase of stock-in-trade**

Biscuits and high protein food	439.49	398.18
Bread, bread toast and rusk	52.48	48.66
Cake	226.46	177.89
Others	30.90	32.05
	<u>749.33</u>	<u>656.78</u>

**Note 22 - Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Opening stock:		
- Finished goods	135.63	120.77
- Stock-in-trade	16.24	18.12
- Work-in-progress	0.30	0.59
Closing stock:		
- Finished goods	164.46	135.63
- Stock-in-trade	15.83	16.24
- Work-in-progress	0.29	0.30
	(28.41)	(12.69)
Less: Excise duty on opening stock of finished goods	(4.25)	(4.14)
Add: Excise duty on closing stock of finished goods	7.18	4.25
Increase / (decrease)	<u>2.93</u>	<u>0.11</u>
	<u>(25.48)</u>	<u>(12.58)</u>



# Britannia Annual Report 2014-15

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

For the year ended	31 March 2015	31 March 2014
<b>Note 23 - Employee benefits expense</b>		
Salaries and wages	158.05	157.85
Contribution to provident and other funds	8.64	6.43
Staff welfare expenses	10.10	8.17
	<u>176.79</u>	<u>172.45</u>
<b>Note 24 - Finance costs</b>		
Interest expense:		
- Finance lease	0.07	0.05
- Bank and others	1.14	5.39
	<u>1.21</u>	<u>5.44</u>
<b>Note 25 - Other expenses</b>		
Consumption of stores and spares	14.12	13.03
Power and fuel	67.42	65.12
Rent [Refer note 28 (a)]	6.56	5.09
Repairs and maintenance:		
- Plant and equipment (a)	10.04	10.31
- Buildings (a)	1.82	1.84
- Others	22.74	16.87
Insurance	1.43	1.37
Rates and taxes, net	23.53	21.71
Carriage, freight and distribution	410.11	371.68
Auditors' remuneration (b):		
- Audit fees	0.78	0.53
- Other services	0.05	0.08
- Expenses reimbursed	0.07	0.10
Corporate social responsibility [Refer note 49]	7.35	-
Advertising and sales promotion	550.66	502.91
Conversion charges	601.83	542.57
Foreign exchange loss, net	-	1.06
Loss on sale / write off of fixed assets, net	6.08	-
Miscellaneous	183.32	174.32
Provision for doubtful receivables and loans and advances, net	2.95	-
	<u>1,910.86</u>	<u>1,728.59</u>
(a) Includes stores and spares consumed	5.14	5.30
(b) Excluding service tax		
<b>Note 26 - Exceptional items profit / (loss)</b>		
Profit on sale of land & buildings [Refer note (a) below]	159.92	-
Voluntary retirement scheme [Refer note (b) below]	(13.86)	-
Provision for diminution in value of investments in subsidiary [Refer note 11 (a)]	(4.00)	(20.00)
	<u>142.06</u>	<u>(20.00)</u>

**Note:**

- (a) During the year, the Company sold its land and building in Padi, Chennai resulting in a profit of ₹ 159.92.
- (b) During the year, Company offered a Voluntary retirement scheme (VRS) to all workmen at Delhi factory. All the workmen have accepted the scheme. Consequently an amount of ₹ 13.86 was paid towards the scheme.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Note 27** Contingent liabilities and commitments:

(i) **Contingent liabilities:**

- (a) Claims / demands against the Company not acknowledged as debts including excise duty, income tax, sales tax and trade and other demands of ₹ 44.49 (previous year: ₹ 37.87).
- (b) Bank guarantee and letter of credit for ₹ 22.46 (previous year: ₹ 7.15).
- (c) Discounted cheques ₹ 0.30 (previous year: ₹ 0.88).

**Notes:**

- (i) Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.
- (ii) The above does not include non-quantifiable industrial disputes and other legal disputes pending before various judicial authorities [Also refer note 32 and 33].
- (ii) **Commitments:**
  - (a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 106.82 (previous year: ₹ 9.51).
  - (b) The Company has furnished the following corporate guarantees:

Banking facilities given to	Name of the bank	31 March 2015	31 March 2014
(i) Britannia and Associates (Mauritius) Private Limited, Mauritius *	Bank of America	103.12	149.70

\* The following are the loan balances outstanding against the corporate guarantees mentioned above:  
Bank of America: ₹ 96.87 crores (USD 15.5 Million).

Regarding items (i) and (ii) (b) above, it is not practicable to disclose information in respect of the estimate of the financial effect, an indication of the uncertainties relating to outflow and the possibility of any reimbursement as it is determinable only on occurrence of uncertain future events / receipt of judgments pending at various forums.

- (c) The Company has furnished the following letters of comfort / letters of awareness:

Banking facilities given to	Name of the bank	31 March 2015	31 March 2014
(i) Britannia Dairy Private Limited	HSBC Bank	4.50	4.50
(ii) Strategic Food International Co. LLC, Dubai	Royal Bank of Scotland	30.62	29.34
(iii) Al Sallan Food Industries Co. SAOC	Royal Bank of Scotland	11.91	11.41

These letters are not to be construed as a guarantee issued by the Company.

**Note 28** (a) **Operating leases**

The Company has certain operating leases for office facilities and residential premises (cancellable leases). Such leases are generally with the option of renewal against increased rent and premature termination of agreement. Rental expenses of ₹ 6.56 (previous year: ₹ 5.09) in respect of obligation under operating leases have been recognised in the statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

(b) Finance leases

The Company has taken motor vehicles on finance lease. The total minimum lease payments and present value of minimum lease payments are as follows:

	31 March 2015		31 March 2014	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than 1 year	0.37	0.24	0.17	0.11
Later than 1 year and not later than 5 years	0.85	0.73	0.39	0.34
	<u>1.22</u>	<u>0.97</u>	<u>0.56</u>	<u>0.45</u>

The difference between minimum lease payments and the present value of minimum lease payments of ₹ 0.25 (previous year: ₹ 0.11) represents interest not due. The lease liability is secured by the relevant vehicles acquired under lease.

Note 29 (i) Details of Current investments purchased and sold during the year:

	Face value per unit	As at 1 April 2014	Purchase during the year	Sold during the year	As at 31 March 2015
<b>Non-trade investments - Unquoted</b>					
<b>(a) Investments in debentures / bonds</b>					
<b>Subsidiaries</b>					
J B Mangharam Foods Private Limited - 6% Secured Redeemable Non Convertible Debentures	₹ 100	0.50	-	0.50	-
<b>(b) Investments in commercial paper</b>					
J.M Financial Products Ltd - Commercial Paper	₹ 500,000	-	24.43	24.43	-
		<u>0.50</u>	<u>24.43</u>	<u>24.93</u>	<u>-</u>

(ii) Details of non-current investments purchased and sold during the year:

	Face value per unit	As at 1 April 2014	Purchase during the year	Sold during the year	As at 31 March 2015
<b>Non-trade investments - Unquoted</b>					
<b>(a) Investments in equity instruments (fully paid)</b>					
<b>Subsidiaries</b>					
Sunrise Biscuit Company Private Limited	₹ 10	14.03	-	-	14.03
Ganges Vally Foods Private Limited	₹ 10	0.72	-	-	0.72
J B Mangharam Foods Private Limited	₹ 10	0.54	-	-	0.54
International Bakery Products Limited	₹ 10	0.40	0.40	-	0.80

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Face value per unit	As at 1 April 2014	Purchase during the year	Sold during the year	As at 31 March 2015
Manna Foods Private Limited	₹ 10	0.17	4.50	-	4.67
Britannia Dairy Private Limited	₹ 10	70.02	-	-	70.02
Boribunder Finance and Investments Private Limited	₹ 10	2.58	-	-	2.58
Britannia Dairy Holdings Private Limited, Mauritius	USD 1	0.01	-	-	0.01
Daily Bread Gourmet Foods (India) Private Limited	₹ 4	22.67	5.00	-	27.67
Britannia and Associates (Mauritius) Private Limited, Mauritius	USD 1	121.69	-	-	121.69
Less: Provision for diminution in value of investments		(55.00)			(55.00)
Provision made during the year		-	-	-	(4.00)
		<u>177.83</u>	<u>9.90</u>	<u>-</u>	<u>183.73</u>
<b>Associates</b>					
Klassik Foods Private Limited	₹ 100	0.32	-	-	0.32
Nalanda Biscuits Company Limited	₹ 10	0.28	-	-	0.28
		<u>0.60</u>	<u>-</u>	<u>-</u>	<u>0.60</u>
<b>(b) Investments in preference shares (fully paid)</b>					
<b>Subsidiaries</b>					
Britannia Dairy Private Limited - 10% Non Cumulative Redeemable Preference Shares	₹ 10	6.00	-	-	6.00
Britannia Dairy Holdings Private Limited, Mauritius - Class C - Preference Shares	USD 1	0.05	-	-	0.05
		<u>6.05</u>	<u>-</u>	<u>-</u>	<u>6.05</u>
<b>(c) Investments in debentures / bonds</b>					
<b>Subsidiaries</b>					
International Bakery Products Limited - 0% Unsecured Convertible Debentures	₹ 100,000	6.77	-	-	6.77
J B Mangharam Foods Private Limited - 6% Secured Redeemable Non Convertible Debentures	₹ 100	0.25	-	0.25	-
		<u>7.02</u>	<u>-</u>	<u>0.25</u>	<u>6.77</u>
<b>(d) Investments with insurance companies</b>					
HDFC Standard Life Insurance Company Limited - Group Leave Encashment	₹ 10	3.08	-	-	3.08
ICICI Prudential Life Insurance Company Limited - Group Leave Encashment	₹ 10	2.91	-	-	2.91
		<u>5.99</u>	<u>-</u>	<u>-</u>	<u>5.99</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Face value per unit	As at 1 April 2014	Purchase during the year	Sold during the year	As at 31 March 2015
<b>Trade investments - Quoted</b>					
<b>(a) Investments in equity instruments (fully paid)</b>					
HDFC Bank Limited	₹ 2	0.90	-	0.90	-
Standard Chartered Bank - IDR	₹ 2.3	3.48	-	3.48	-
Glaxosmithkline Pharmaceuticals Limited	₹ 10	0.02	-	0.02	-
Great Offshore Limited	₹ 10	0.03	-	0.03	-
Hindustan Unilever Limited	₹ 1	0.11	-	0.11	-
Mahindra Lifespace Developers Limited	₹ 10	0.02	-	0.02	-
State Bank of India	₹ 10	0.20	-	0.20	-
Tata Coffee Limited	₹ 10	0.04	-	0.04	-
Tata Steel Limited	₹ 10	0.40	-	0.40	-
Great Eastern Shipping Company Limited	₹ 10	0.13	-	0.13	-
Tata Motors Limited	₹ 2	0.34	-	0.34	-
Ultratech Cement Limited	₹ 10	0.01	-	0.01	-
Grasim Industries Limited	₹ 10	0.05	-	0.05	-
ICICI Bank Limited	₹ 10	0.03	-	0.03	-
Larsen & Toubro Limited	₹ 2	0.11	-	0.11	-
Reliance Communications Limited	₹ 5	0.01	-	0.01	-
Reliance Industries Limited	₹ 10	0.13	-	0.13	-
Tata Chemicals Limited	₹ 10	0.02	-	0.02	-
Bajaj Auto Limited	₹ 10	0.16	-	0.16	-
Bajaj Finserv Limited	₹ 5	0.06	-	0.06	-
Bajaj Holdings & Investments Limited	₹ 10	0.09	-	0.09	-
Essel Propack Limited	₹ 2	0.01	-	0.01	-
Titan Industries Limited	₹ 1	0.11	-	0.11	-
		<u>6.46</u>	<u>-</u>	<u>6.46</u>	<u>-</u>
<b>(b) Investments in debentures / bonds</b>					
Tata Capital 10.25% Secured Redeemable Non Convertible Debentures	₹ 500,000	25.00	-	-	25.00
		<u>25.00</u>	<u>-</u>	<u>-</u>	<u>25.00</u>
		<u>228.95</u>	<u>9.90</u>	<u>6.71</u>	<u>228.14</u>

# Britannia Annual Report 2014-15

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Face value per unit	As at 1 April 2013	Purchase during the year	Sold during the year	As at 31 March 2014
(iii) Details of Current investments purchased and sold during the previous year:					
<b><u>Non-trade investments - Unquoted</u></b>					
<b>(a) Investments in debentures / bonds</b>					
<b>Subsidiaries</b>					
J B Mangharam Foods Private Limited - 6% Secured Redeemable Non Convertible Debentures	₹ 100	0.50	-	-	0.50
(iv) Details of Non-current investments purchased and sold during the previous year:					
<b><u>Non-trade investments - Unquoted</u></b>					
<b>(a) Investments in equity instruments (fully paid)</b>					
<b>Subsidiaries</b>					
Sunrise Biscuit Company Private Limited	₹ 10	14.03	-	-	14.03
Ganges Vally Foods Private Limited	₹ 10	0.72	-	-	0.72
J B Mangharam Foods Private Limited	₹ 10	0.54	-	-	0.54
International Bakery Products Limited	₹ 10	0.40	-	-	0.40
Manna Foods Private Limited	₹ 10	0.17	-	-	0.17
Britannia Dairy Private Limited	₹ 10	70.02	-	-	70.02
Boribunder Finance and Investments Private Limited	₹ 10	2.58	-	-	2.58
Britannia Dairy Holdings Private Limited, Mauritius	USD 1	0.01	-	-	0.01
Daily Bread Gourmet Foods (India) Private Limited	₹ 4	20.67	2.00	-	22.67
Britannia and Associates (Mauritius) Private Limited, Mauritius	USD 1	108.84	12.85	-	121.69
Less: Provision for diminution in value of investments		(35.00)			(35.00)
Provision made during the year		-	-	-	(20.00)
		<u>182.98</u>	<u>14.85</u>	<u>-</u>	<u>177.83</u>
<b>Associates</b>					
Klassik Foods Private Limited	₹ 100	0.32	-	-	0.32
Nalanda Biscuits Company Limited	₹ 10	0.28	-	-	0.28
		<u>0.60</u>	<u>-</u>	<u>-</u>	<u>0.60</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Face value per unit	As at 1 April 2013	Purchase during the year	Sold during the year	As at 31 March 2014
<b>(b) Investments in preference shares (fully paid)</b>					
<b>Subsidiaries</b>					
Britannia Dairy Private Limited - 10% Non Cumulative Redeemable Preference Shares	₹ 10	6.00	-	-	6.00
Britannia Dairy Holdings Private Limited, Mauritius - Class C - Preference Shares	USD 1	0.05	-	-	0.05
		<u>6.05</u>	<u>-</u>	<u>-</u>	<u>6.05</u>
<b>(c) Investments in debentures / bonds</b>					
<b>Subsidiaries</b>					
International Bakery Products Limited - 0% Unsecured Convertible Debentures	₹ 100,000	6.77	-	-	6.77
J B Mangharam Foods Private Limited - 6% Secured Redeemable Non Convertible Debentures	₹ 100	0.25	-	-	0.25
		<u>7.02</u>	<u>-</u>	<u>-</u>	<u>7.02</u>
<b>(d) Investments with insurance companies</b>					
HDFC Standard Life Insurance Company Limited - Group Leave Encashment	₹ 10	3.08	-	-	3.08
ICICI Prudential Life Insurance Company Limited - Group Leave Encashment	₹ 10	2.91	-	-	2.91
		<u>5.99</u>	<u>-</u>	<u>-</u>	<u>5.99</u>
<b>Trade investments - Quoted</b>					
<b>(a) Investments in equity instruments (fully paid)</b>					
HDFC Bank Limited	₹ 2	0.90	-	-	0.90
Standard Chartered Bank - IDR	₹ 2.3	3.48	-	-	3.48
Glaxosmithkline Pharmaceuticals Limited	₹ 10	0.02	-	-	0.02
Great Offshore Limited	₹ 10	0.03	-	-	0.03
Hindustan Unilever Limited	₹ 1	0.11	-	-	0.11
Mahindra Lifespace Developers Limited	₹ 10	0.02	-	-	0.02
State Bank of India	₹ 10	0.20	-	-	0.20
Tata Coffee Limited	₹ 10	0.04	-	-	0.04
Tata Steel Limited	₹ 10	0.40	-	-	0.40
Great Eastern Shipping Company Limited	₹ 10	0.13	-	-	0.13
Tata Motors Limited	₹ 2	0.34	-	-	0.34
Ultratech Cement Limited	₹ 10	0.01	-	-	0.01

# Britannia Annual Report 2014-15

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Face value per unit	As at 1 April 2013	Purchase during the year	Sold during the year	As at 31 March 2014
Grasim Industries Limited	₹ 10	0.05	-	-	0.05
ICICI Bank Limited	₹ 10	0.03	-	-	0.03
Larsen & Toubro Limited	₹ 2	0.11	-	-	0.11
Reliance Communications Limited	₹ 5	0.01	-	-	0.01
Reliance Industries Limited	₹ 10	0.13	-	-	0.13
Tata Chemicals Limited	₹ 10	0.02	-	-	0.02
Bajaj Auto Limited	₹ 10	0.16	-	-	0.16
Bajaj Finserv Limited	₹ 5	0.06	-	-	0.06
Bajaj Holdings & Investments Limited	₹ 10	0.09	-	-	0.09
Essel Propack Limited	₹ 2	0.01	-	-	0.01
Titan Industries Limited	₹ 1	0.11	-	-	0.11
		<u>6.46</u>	<u>-</u>	<u>-</u>	<u>6.46</u>
<b>(b) Investments in debentures / bonds</b>					
Tata Capital 10.25% Secured Redeemable Non Convertible Debentures	₹ 500,000	25.00	-	-	25.00
		<u>25.00</u>	<u>-</u>	<u>-</u>	<u>25.00</u>
		<u>234.10</u>	<u>14.85</u>	<u>-</u>	<u>228.95</u>



NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

Note 30 (a) Details of loans during the year:

Name of borrower	Nature of relationship	Secured/ unsecured	Rate of Interest	Term	As at 1 April 2014	Given during the year	Repayment/ conversion during the year	As at 31 March 2015
Sunrise Biscuit Company Private Limited	Subsidiary	Unsecured	10%	3 years	4.86	-	4.86	-
Manna Foods Private Limited	Subsidiary	Unsecured	10%	10 years	58.57	3.90	9.06	53.41
J B Mangharam Foods Private Limited	Subsidiary	Unsecured	10%	7 - 8 years	15.12	3.52	18.64	-
Daily Bread Gourment Foods (India) Private Limited	Subsidiary	Unsecured	10%	2 years	4.05	-	4.05	-
International Bakery Products Limited	Subsidiary	Unsecured	10%	8 - 10 years	-	21.06	0.34	20.73
Purbasha Properties Private Limited	Others	Unsecured	10%	10 years	3.30	-	0.37	2.93
Real Agro Industries Private Limited	Others	Unsecured	10%	5 years	1.59	-	0.37	1.22
Super Dairy Farm	Others	Unsecured	10%	5 years	2.20	-	-	2.20
					<u>89.69</u>	<u>28.48</u>	<u>37.68</u>	<u>80.49</u>

Details of loans during the previous year:

Name of borrower	Nature of relationship	Secured/ unsecured	Rate of Interest	Term	As at 1 April 2013	Given during the year	Repayment/ conversion during the year	As at 31 March 2014
Sunrise Biscuit Company Private Limited	Subsidiary	Unsecured	10%	3 years	7.41	-	2.55	4.86
Manna Foods Private Limited	Subsidiary	Unsecured	10%	10 years	60.16	2.96	4.55	58.57
J B Mangharam Foods Private Limited	Subsidiary	Unsecured	10%	7 years	10.49	5.03	0.40	15.12
Daily Bread Gourment Foods (India) Private Limited	Subsidiary	Unsecured	10%	2 years	5.35	0.70	2.00	4.05
Purbasha Properties Private Limited	Others	Unsecured	10%	10 years	3.63	-	0.33	3.30
Real Agro Industries Private Limited	Others	Unsecured	10%	5 years	1.92	-	0.33	1.59
Super Dairy Farm	Others	Unsecured	10%	5 years	2.20	-	-	2.20
					<u>91.16</u>	<u>8.69</u>	<u>10.17</u>	<u>89.69</u>

The loans have been given for capital expansion

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

(b) Details of inter corporate deposits during the year

Name of borrower	Nature of relationship	Secured/ unsecured	Rate of Interest	Term	As at 1 April 2014	Placed	Redeemed	As at 31 March 2015
Bajaj Finance Limited	Others	Unsecured	10%	1 year	-	25.00	-	25.00
Bombay Dyeing & Manufacturing Co. Ltd.	Others	Unsecured	12%	Repayable on demand	-	40.00	40.00	-
Scal Services Limited (Based on comfort letter from Bombay Dyeing & Manufacturing Co. Ltd.)	Others	Unsecured	12%	Repayable on demand	50.00	165.00	40.00	175.00
The Bombay Burmah Trading Corporation Limited	Ultimate holding company	Unsecured	12%	Repayable on demand	-	40.00	-	40.00
HDFC Ltd.	Others	Unsecured	9%	91 days	-	25.00	25.00	-
Macrofil Investments Limited	Others	Unsecured	12%	Repayable on demand	-	60.00	-	60.00
					50.00	355.00	105.00	300.00

Details of inter corporate deposits during the previous year

Name of borrower	Nature of relationship	Secured/ unsecured	Rate of Interest	Term	As at 1 April 2013	Placed	Redeemed	As at 31 March 2014
Scal Services Limited	Others	Unsecured	12%	Repayable on demand	50.00	-	-	50.00

# Britannia Annual Report 2014-15

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

Note 31	Details of corporate guarantee:	As at 1 April 2014	Given during the year	Reduced during the year	Adjustments *	As at 31 March 2015
	Britannia and Associates (Mauritius) Private Limited					
	- Bank of America	149.70	101.81	(153.97)	5.58	103.12
		As at 1 April 2013	Given during the year	Reduced during the year	Adjustments *	As at 31 March 2014
	Britannia and Associates (Mauritius) Private Limited					
	- Bank of America	135.75	-	-	13.95	149.70
	- Royal Bank of Scotland	60.73	-	(60.73)	-	-

\* The movement in corporate guarantee is on account of change in exchange rates.

**Purpose:** The loan availed by Britannia and Associates (Mauritius) Private Limited from Bank of America Singapore - Current outstanding USD 15.50 MN for which Britannia Industries Limited has given Corporate guarantee of USD 16.50 MN towards working capital facilities for ASFI/SFIC

**Note 32** In accordance with Accounting Standard 29 - "Provisions, Contingent Liabilities and Contingent Assets", prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014, certain classes of liabilities have been identified as provisions which have been disclosed as under:

	1 April 2014	Additions *	Utilisation *	Reversals / adjustments *	31 March 2015
(a) Excise and service tax related issues	39.36	12.32	-	-	51.68
(b) Sales tax and other issues	48.51	13.38	(0.22)	-	61.67
(c) Trade and other issues	19.00	1.28	(0.09)	0.60	20.79
	1 April 2013	Additions *	Utilisation *	Reversals / adjustments *	31 March 2014
(a) Excise and service tax related issues	28.72	10.64	-	-	39.36
(b) Sales tax and other issues	38.85	9.79	(0.31)	0.18	48.51
(c) Trade and other issues	33.09	0.19	(0.31)	(13.97)	19.00

(a) and (b) represents estimates made for probable cash outflow arising out of pending disputes / litigations with various regulatory authorities.

(c) represents provisions made for probable liabilities / claims arising out of commercial transactions with vendors / others. Further disclosures as required in Accounting Standard 29 are not made since it can be prejudicial to the interests of the Company.

\* Included under various heads in the statement of profit and loss.

**Note 33** With respect to the matter related to the refund of excess contribution by Company's Covenanted Staff Pension Fund ("Fund") to the Company, the Honourable Supreme Court at its hearing on 12 May 2008 set aside the order of the Division Bench of the Honourable High Court, Kolkata and remanded the writ pending for disposal. Based on the directions of the courts, the Company was required to deposit ₹ 12.12 with a Nationalised Bank, which the Company has done under protest.

In other Writ Petitions filed by some of the pensioners in the Honourable Madras High Court, challenging the Deeds of Variation submitted in May 2005, the Honourable High Court has passed an interim order restraining the CIT, Kolkata from approving the Deeds of Variation pending disposal of the Writ Petitions.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

There have been no significant development in the year under review.

In the suit filed by the Britannia Industries Limited Pensioners Welfare Association ('the Association') in the Honourable City Civil Court, Bangalore, the proceedings are currently in the stage of final arguments. However, in the meanwhile the Association further filed an application stating certain members have joined the Association post retirement from the Company and are eligible for Pension and hence the Court should direct the Company and the Fund to pay pension to these employees. the Company and the Fund filed their objections to this Application on 31 August 2013. Based on the interim order of the Honourable City Civil Court, Bangalore and the direction of the Honourable Supreme Court the, Company presently continues to pay pension as per the interim order passed by the Bangalore City Civil Court on 1 January 2009 (i.e. on Defined Contribution basis) till disposal of the suit by the Trial Court.

The Company believes, based on current knowledge and after consultation with eminent legal counsel that the resolution of the matter will not have material adverse effect on the financial statements of the Company.

**Note 34 (a) Sale of products (Manufactured goods)**

Product group	31 March 2015	31 March 2014
Biscuits and high protein food	5,503.03	4,831.24
Bread, bread toast and rusk	698.75	614.33
Cake	128.20	107.88
Others	2.84	5.16
	<u>6,332.82</u>	<u>5,558.61</u>

The above values does not include sale of raw materials for processing purposes (including wheat) and by-products on conversion of inputs aggregating to ₹ 23.07 (previous year: ₹ 30.83), which has been netted off with cost of material.

**Sale of products (Traded goods)**

Product group	31 March 2015	31 March 2014
Biscuits and high protein food	548.93	483.24
Bread, bread toast and rusk	64.94	63.11
Cake	273.96	196.40
Others	48.61	46.49
	<u>936.44</u>	<u>789.24</u>

**(b) Raw materials including packaging materials consumed**

Description	31 March 2015	31 March 2014
Flour	978.49	906.93
Fats and oils	539.52	483.80
Sugar	466.18	458.87
Lamination roll	60.97	299.32
Others	1,547.83	1,016.61
	<u>3,592.99</u>	<u>3,165.53</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	31 March 2015		31 March 2014	
	Value	%	Value	%
Imported	7.28	0.20	8.09	0.26
Indigenous	3,585.71	99.80	3,157.44	99.74
	<u>3,592.99</u>	<u>100.00</u>	<u>3,165.53</u>	<u>100.00</u>

(c) Stores and spare parts consumed

	31 March 2015		31 March 2014	
	Value	%	Value	%
Imported	-	-	-	-
Indigenous	19.26	100.00	18.33	100.00
	<u>19.26</u>	<u>100.00</u>	<u>18.33</u>	<u>100.00</u>

		31 March 2015	31 March 2014
<b>Note 35</b>	<b>Opening and closing stock of finished goods (Manufactured goods)</b>		
(a)	Opening stock		
	Biscuits and high protein food	125.53	110.70
	Bread, bread toast and rusk	6.39	4.84
	Cake	3.03	3.10
	Others	0.68	2.13
		<u>135.63</u>	<u>120.77</u>
(b)	Closing stock		
	Biscuits and high protein food	148.34	125.53
	Bread, bread toast and rusk	11.66	6.39
	Cake	4.01	3.03
	Others	0.45	0.68
		<u>164.46</u>	<u>135.63</u>
<b>Note 36</b>	<b>Opening and closing stock of finished goods (Traded goods)</b>		
(a)	Opening stock		
	Biscuits and high protein food	8.48	8.37
	Bread, bread toast and rusk	1.67	2.41
	Cake	5.51	6.45
	Others	0.58	0.89
		<u>16.24</u>	<u>18.12</u>
(b)	Closing stock		
	Biscuits and high protein food	7.42	8.48
	Bread, bread toast and rusk	1.82	1.67
	Cake	6.39	5.51
	Others	0.20	0.58
		<u>15.83</u>	<u>16.24</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

		31 March 2015	31 March 2014
<b>Note 37</b>	<b>Opening and closing stock of work-in-progress</b>		
	(a) Opening stock		
	Biscuits and high protein food	0.30	0.59
		<u>0.30</u>	<u>0.59</u>
	(b) Closing stock		
	Biscuits and high protein food	0.29	0.30
		<u>0.29</u>	<u>0.30</u>
<b>Note 38</b>	<b>Expenditure in foreign currency</b>		
	(a) Trade promotion and media related	2.85	5.66
	(b) Professional fees	0.25	0.48
	(c) Others	0.16	0.21
<b>Note 39</b>	<b>Value of imports on C.I.F basis</b>		
	(a) Capital goods	6.19	1.62
	(b) Raw materials	6.31	8.16
<b>Note 40</b>	<b>Earnings in foreign currency</b>		
	(a) Exports at free on board value	111.49	111.92
	(b) Royalty	10.40	7.84
	(c) Others	5.41	5.33
<b>Note 41</b>	<b>Dividend remitted in foreign currency (net of tax)</b>		
	Relating to the year ended	<b>31 March 2014</b>	<b>31 March 2013</b>
	Number of non-resident shareholders	6	6
	Number of equity shares held (nominal value ₹ 2/- per share)	60,866,095	60,866,095
	Amount remitted	73.04	51.74
<b>Note 42</b>	<b>Earnings per equity share</b>	<b>31 March 2015</b>	<b>31 March 2014</b>
	(a) Net profit attributable to the equity shareholders	622.41	369.83
	(b) Weighted average number of equity shares outstanding during the year	119,925,815	119,799,171
	(c) Effect of potential equity shares on employee stock option outstanding	16,609	-
	(d) Weighted average number of equity shares outstanding for computing diluted earnings per share [(b)+(c)]	119,942,424	119,799,171
	Nominal value of equity shares (₹)	2	2
	Basic earnings per share (₹)	51.90	30.87
	Diluted earnings per share (₹)	51.89	30.87

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 43** Based on guiding principles in the Accounting Standard 17 - “Segment Reporting”, the primary business segment of the Company is foods, comprising bakery and dairy products. As the Company operates in a single primary business segment, disclosure requirements are not applicable. The Company primarily caters to the domestic market and export sales are not significant and accordingly there is no reportable secondary segment.

**Note 44 Related party disclosures under Accounting Standard 18**

**Relationships**

1. Ultimate holding company	The Bombay Burmah Trading Corporation Limited
Holding company	Associated Biscuits International Limited (ABIL), UK
2. Subsidiary companies	Al Sallan Food Industries Co. SAOC
	Boribunder Finance and Investments Private Limited
	Britannia and Associates (Dubai) Private Company Limited, Dubai
	Britannia and Associates (Mauritius) Private Limited, Mauritius
	Britannia Dairy Holdings Private Limited, Mauritius
	Britannia Dairy Private Limited
	Daily Bread Gourmet Foods (India) Private Limited
	Flora Investments Company Private Limited
	Ganges Vally Foods Private Limited
	Gilt Edge Finance and Investments Private Limited
	International Bakery Products Limited
	J B Mangharam Foods Private Limited
	Manna Foods Private Limited
	Strategic Brands Holding Company Limited, Dubai
	Strategic Food International Co. LLC, Dubai
	Sunrise Biscuit Company Private Limited
3. Fellow subsidiary companies	Bannatyne Enterprises Pte Limited, Singapore
	Dowbiggin Enterprises Pte Limited, Singapore
	Nacupa Enterprises Pte Limited, Singapore
	Spargo Enterprises Pte Limited, Singapore
	Valletort Enterprises Pte Limited, Singapore
4. Associates	Klassik Foods Private Limited
	Nalanda Biscuits Company Limited
5. Key Management Personnel (KMP) *	
Managing Director	Mr. Varun Berry
Erstwhile Managing Director	Ms. Vinita Bali

\* Mr. Varun Berry was appointed as Executive Director (w.e.f. 11 November 2013). Further, effective from 1 April 2014, Mr. Varun Berry has been appointed as Managing Director of the Company. Ms. Vinita Bali has ceased to be Managing Director of the Company w.e.f. the close of business on 31 March 2014.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Relationship	31 March 2015	31 March 2014
<b><u>Related party transactions during the year:</u></b>			
<b>Investments made</b>			
<b><u>Equity shares:</u></b>			
Britannia and Associates (Mauritius) Private Limited, Mauritius	Subsidiary	-	12.85
International Bakery Products Limited [Purchase of 115,000 shares from J B Mangharam Foods Private Limited and 3 shares each from Boribunder Finance and Investments Private Limited, Flora Investments Company Private Limited and Gilt Edge Finance and Investments Private Limited]	Subsidiary	0.40	-
<b>Total</b>		<b>0.40</b>	<b>12.85</b>
<b>Conversion of loan to equity shares</b>			
Daily Bread Gourmet Foods (India) Private Limited	Subsidiary	5.00	2.00
Manna Foods Private Limited	Subsidiary	4.50	-
<b>Total</b>		<b>9.50</b>	<b>2.00</b>
<b>Redemption of debentures</b>			
J B Mangharam Foods Private Limited	Subsidiary	0.75	-
<b>Purchase of shares of International Bakery Products Limited</b>			
J B Mangharam Foods Private Limited	Subsidiary	0.40	-
<b>Inter-corporate deposits placed</b>			
The Bombay Burmah Trading Corporation Limited	Ultimate holding company	40.00	-
<b>Shared service income</b>			
Britannia Dairy Private Limited	Subsidiary	1.60	1.60
<b>Rental income</b>			
Daily Bread Gourmet Foods (India) Private Limited	Subsidiary	0.05	0.05
<b>Remittance of dividend</b>			
Associated Biscuits International Limited (ABIL), UK	Holding company	64.69	45.82
Others	Fellow subsidiary companies	8.35	5.92
<b>Total</b>		<b>73.04</b>	<b>51.74</b>
<b>SAP license fee recovered from</b>			
J B Mangharam Foods Private Limited	Subsidiary	0.01	0.01
International Bakery Products Limited	Subsidiary	0.02	0.01
Ganges Vally Foods Private Limited	Subsidiary	0.02	0.01
Manna Foods Private Limited	Subsidiary	0.02	0.01
Sunrise Biscuit Company Private Limited	Subsidiary	0.03	0.02
Strategic Food International Co. LLC, Dubai	Subsidiary	0.05	0.04
Al Sallan Food Industries Co. SAOC	Subsidiary	0.03	0.03
<b>Total</b>		<b>0.18</b>	<b>0.13</b>



NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Relationship	31 March 2015	31 March 2014
<b>Related party transactions during the year:</b>			
<b>Purchase of finished goods / consumables and ingredients</b>			
Strategic Food International Co. LLC, Dubai	Subsidiary	0.04	0.41
Al Sallan Food Industries Co. SAOC	Subsidiary	0.01	0.01
Sunrise Biscuit Company Private Limited	Subsidiary	176.03	163.14
Britannia Dairy Private Limited	Subsidiary	0.13	-
Daily Bread Gourmet Foods (India) Private Limited	Subsidiary	0.02	0.02
Nalanda Biscuits Company Limited	Associate	77.76	64.01
<b>Total</b>		<b>253.99</b>	<b>227.59</b>
<b>Conversion charges</b>			
International Bakery Products Limited	Subsidiary	26.97	18.30
J B Mangharam Foods Private Limited	Subsidiary	25.67	25.85
Ganges Vally Foods Private Limited	Subsidiary	20.55	16.92
Manna Foods Private Limited	Subsidiary	42.09	29.09
Klassik Foods Private Limited	Associate	4.09	4.20
<b>Total</b>		<b>119.37</b>	<b>94.36</b>
<b>Sale of goods / consumables and ingredients</b>			
Sunrise Biscuit Company Private Limited	Subsidiary	0.74	0.94
Strategic Food International Co. LLC, Dubai	Subsidiary	14.74	0.72
Britannia Dairy Private Limited	Subsidiary	0.57	0.29
Nalanda Biscuits Company Limited	Associate	0.50	0.77
<b>Total</b>		<b>16.55</b>	<b>2.71</b>
<b>Sale of assets</b>			
Al Sallan Food Industries Company SAOC, Oman	Subsidiary	0.34	-
<b>Interest and dividend income</b>			
Manna Foods Private Limited	Subsidiary	5.59	5.95
J B Mangharam Foods Private Limited	Subsidiary	1.56	1.45
Sunrise Biscuit Company Private Limited	Subsidiary	0.24	0.62
Britannia and Associates (Mauritius) Private Limited, Mauritius	Subsidiary	0.32	0.41
Daily Bread Gourmet Foods (India) Private Limited	Subsidiary	0.41	0.55
The Bombay Burmah Trading Corporation Limited	Ultimate Holding Company	2.12	-
International Bakery Products Limited	Subsidiary	1.03	-
Klassik Foods Private Limited	Associate	0.02	-
<b>Total</b>		<b>11.29</b>	<b>8.98</b>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Relationship	31 March 2015	31 March 2014
<b>Related party transactions during the year:</b>			
<b>Royalty income</b>			
Strategic Food International Co. LLC, Dubai	Subsidiary	10.40	7.84
<b>Remuneration #</b>			
Mr. Varun Berry	KMP	4.71	1.39
Ms. Vinita Bali	KMP	-	4.11
		<u>4.71</u>	<u>5.50</u>
# Excludes Contributions to employee retirement / Post retirement and other employee benefits which are based on actuarial valuation done on an overall Company basis.			
<b>Shares allotted under employee stock option scheme for consideration received during the year 2013-14</b>			
<u>Ms. Vinita Bali</u>	KMP		
Equity shares		-	0.06
Securities premium		-	13.46
<b>Total</b>		<u>-</u>	<u>13.52</u>
<b>Shares allotted under employee stock option scheme for consideration received during the year 2012-13</b>			
<u>Ms. Vinita Bali</u>	KMP		
Equity shares		-	0.02
Securities premium		-	2.27
<b>Total</b>		<u>-</u>	<u>2.29</u>
<b>Loan given to</b>			
Daily Bread Gourmet Foods (India) Private Limited	Subsidiary	-	0.70
J B Mangharam Foods Private Limited	Subsidiary	3.52	5.03
Manna Foods Private Limited	Subsidiary	3.90	2.96
International Bakery Products Limited	Subsidiary	21.06	-
<b>Total</b>		<u>28.48</u>	<u>8.69</u>
<b>Loan repaid by</b>			
Sunrise Biscuit Company Private Limited	Subsidiary	4.86	2.55
Manna Foods Private Limited	Subsidiary	9.06	4.55
J B Mangharam Foods Private Limited	Subsidiary	18.64	0.40
International Bakery Products Limited	Subsidiary	0.34	-
<b>Total</b>		<u>32.90</u>	<u>7.50</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Relationship	31 March 2015	31 March 2014
<b><u>Related party closing balances as on balance sheet date:</u></b>			
<b>Outstanding - net receivables / (payables)</b>			
Ganges Vally Foods Private Limited	Subsidiary	(0.45)	(0.11)
J B Mangharam Foods Private Limited	Subsidiary	(0.41)	17.75
International Bakery Products Limited	Subsidiary	22.63	1.45
Sunrise Biscuit Company Private Limited	Subsidiary	8.30	11.72
Manna Foods Private Limited	Subsidiary	56.24	60.81
Al Sallan Food Industries Co. SAOC	Subsidiary	0.30	-
Strategic Food International Co. LLC, Dubai	Subsidiary	4.00	0.72
Britannia and Associates (Mauritius) Private Limited, Mauritius	Subsidiary	0.06	0.08
Daily Bread Gourmet Foods (India) Private Limited	Subsidiary	0.43	5.06
Britannia Dairy Private Limited	Subsidiary	0.42	0.41
Nalanda Biscuits Company Limited	Associate	(0.56)	0.70
Klassik Foods Private Limited	Associate	(0.12)	(0.06)
The Bombay Burmah Trading Corporation Limited	Ultimate Holding Company	40.00	-
<b>Total</b>		<b>130.84</b>	<b>98.53</b>
<b>Provision for doubtful loans / advances</b>			
Manna Foods Private Limited	Subsidiary	1.04	1.04
<b>Investment in debentures held</b>			
J B Mangharam Foods Private Limited	Subsidiary	-	0.75
International Bakery Products Limited	Subsidiary	6.77	6.77
<b>Total</b>		<b>6.77</b>	<b>7.52</b>
<b>Investment in shares held</b>			
Britannia Dairy Private Limited	Subsidiary	76.02	76.02
Britannia and Associates (Mauritius) Private Limited, Mauritius	Subsidiary	121.69	121.69
Sunrise Biscuit Company Private Limited	Subsidiary	14.03	14.03
Ganges Vally Foods Private Limited	Subsidiary	0.72	0.72
J B Mangharam Foods Private Limited	Subsidiary	0.54	0.54
International Bakery Products Limited	Subsidiary	0.80	0.40
Boribunder Finance and Investments Private Limited	Subsidiary	2.58	2.58
Daily Bread Gourmet Foods (India) Private Limited	Subsidiary	27.67	22.67
Klassik Foods Private Limited	Associate	0.32	0.32
Nalanda Biscuits Company Limited	Associate	0.28	0.28
Manna Foods Private Limited	Subsidiary	4.67	0.17
Others	Subsidiary	0.05	0.06
<b>Total</b>		<b>249.37</b>	<b>239.48</b>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Relationship	31 March 2015	31 March 2014
<b>Related party closing balances as on balance sheet date:</b>			
<b>Provision for diminution in value of investment</b>			
Britannia and Associates (Mauritius) Private Limited, Mauritius	Subsidiary	35.00	35.00
Daily Bread Gourmet Foods (India) Private Limited [Refer note 11 (note (a))]	Subsidiary	24.00	20.00
<b>Total</b>		<b>59.00</b>	<b>55.00</b>
<b>Corporate Guarantee</b>			
Britannia and Associates (Mauritius) Private Limited, Mauritius	Subsidiary	103.12	149.70
<b>Letter of awareness / comfort</b>			
Strategic Food International Co. LLC, Dubai	Subsidiary	30.62	29.34
Al Sallan Food Industries Co. SAOC	Subsidiary	11.91	11.41
Britannia Dairy Private Limited	Subsidiary	4.50	4.50
<b>Total</b>		<b>47.03</b>	<b>45.25</b>
<b>Letter of financial and operational support given to the following subsidiaries:</b>			
Strategic Food International Co. LLC, Dubai	Subsidiary		
Al Sallan Food Industries Co. SAOC	Subsidiary		
Britannia and Associates (Mauritius) Private Limited, Mauritius	Subsidiary		
Britannia and Associates (Dubai) Private Company Limited, Dubai	Subsidiary		
Strategic Brands Holding Company Limited, Dubai	Subsidiary		
Daily Bread Gourmet Foods (India) Private Limited	Subsidiary		

**Notes:**

- (i) The above does not include related party transactions with retiral funds, as key management personnel who are trustees of the funds cannot individually exercise significant influence on the retiral funds transactions.
- (ii) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

**Note 45 Employee benefits**

**(a) Post retirement benefit - Defined contribution plans**

The Company has recognised an amount of ₹ 5.75 (previous year: ₹ 5.85) as expenses under the defined contribution plans in the statement of profit and loss for the year:

	31 March 2015	31 March 2014
<b>Benefit (Contribution to)</b>		
Provident Fund *	3.70	3.58
Family Pension Scheme	1.31	1.18
Pension Fund	0.74	1.09
<b>Total</b>	<b>5.75</b>	<b>5.85</b>

\* With regard to the assets of the fund and the return on the investments, the Company does not expect any deficiency in the foreseeable future.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

(b) Post retirement benefit - Defined benefit plans

The Company has two funds: Britannia Industries Limited Covenanted Staff Gratuity Fund and Britannia Industries Limited Non Covenanted Staff Gratuity Fund, which are funded defined benefit plans for qualifying employees.

- (i) The Scheme in relation to Britannia Industries Limited Non Covenanted Staff Gratuity Fund provides for lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months subject to the higher of maximum amount payable as per the Payment of Gratuity Act, 1972 and twenty months salary.
- (ii) The Scheme in relation to Britannia Industries Limited Covenanted Staff Gratuity Fund provides for lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months subject to the higher of maximum amount payable as per the Payment of Gratuity Act, 1972 and twenty months salary.

Vesting (for both the funds mentioned above) occurs only upon completion of five years of service, except in case of death or permanent disability. The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at balance sheet date.

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
1. Reconciliation of opening and closing balances of the present value of the defined benefit obligation:					
Obligations as at 1 April	14.22	14.53	13.93	15.46	15.75
Service cost	0.95	0.96	0.88	0.94	1.01
Interest cost	1.28	1.16	1.18	1.28	1.26
Benefits settled	(6.51)	(2.26)	(2.19)	(3.46)	(2.29)
Actuarial (gain) / loss	1.92	(0.17)	0.73	(0.28)	(0.27)
Obligations as at year end 31 March	11.86	14.22	14.53	13.93	15.46
2. Change in plan asset:					
Plan assets as at 1 April at fair value	17.43	16.73	16.30	17.51	16.61
Expected return on plan assets	1.57	1.45	1.39	1.44	1.33
Actuarial gain / (loss)	(0.31)	(0.08)	(0.08)	(0.19)	0.07
Contributions	0.28	1.59	1.31	1.01	1.79
Benefits settled	(6.51)	(2.26)	(2.19)	(3.46)	(2.29)
Plan assets as at 31 March at fair value	12.46	17.43	16.73	16.30	17.51
3. Reconciliation of present value of the obligation and the fair value of the plan assets:					
Present value of obligation as at 31 March	11.86	14.22	14.53	13.93	15.46
Plan assets as at 31 March at fair value	12.46	17.43	16.73	16.30	17.51
Amount recognised in balance sheet asset / (liability)	0.60	3.21	2.20	2.37	2.04

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
4. Expenses recognised in the statement of profit and loss:					
Current service cost	0.95	0.96	0.88	0.94	1.01
Interest cost	1.28	1.16	1.18	1.28	1.26
Expected return on plan assets	(1.57)	(1.45)	(1.39)	(1.44)	(1.33)
Actuarial (gain) / loss	2.23	(0.09)	0.81	(0.09)	(0.34)
Net cost	2.89	0.58	1.48	0.68	0.61
5. Amount recognised in the balance sheet:					
Opening (asset) / liability	(3.21)	(2.20)	(2.37)	(2.04)	(0.86)
Expense as above	2.89	0.58	1.48	0.68	0.61
Employers' contribution paid	(0.28)	(1.59)	(1.31)	(1.01)	(1.79)
Closing (asset) / liability	(0.60)	(3.21)	(2.20)	(2.37)	(2.04)
6. Experience adjustment:					
On plan liabilities (gain) / loss	1.20	1.25	0.21	(0.14)	0.18
On plan assets gain / (loss)	(0.31)	(0.08)	(0.08)	(0.19)	0.07
	<b>% Invested</b>	<b>% Invested</b>	<b>% Invested</b>	<b>% Invested</b>	<b>% Invested</b>
7. Investment details:					
Government of India securities	5.55	23.02	26.79	27.08	25.45
State Government securities	30.02	26.80	22.74	20.00	15.91
Public sector securities	56.33	45.27	45.66	43.82	50.35
Mutual funds	3.49	1.51	1.03	0.78	0.63
Special deposit scheme	4.61	3.40	3.78	8.32	7.66
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
8. Principal actuarial assumptions:					
Discount factor [Refer note (i) below]	7.92%	9.02%	8%	8.50%	8.25%
Estimated rate of return on plan assets [Refer note (ii) below]	7.92%	9.02%	8%	8.50%	8.25%
Attrition rate:					
Service related:					
5 years and above	4%	4%	2%	2%	1%
Below 5 years	16%	14%	14%	14%	14%
Salary escalation rate	5%	5%	5%	5%	5%
Retirement age (in years)	58	58	58	58	58

Notes:

- (i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.
- (ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
- (iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- (iv) The disclosure above includes amounts for both Britannia Industries Limited Covenanted Staff Gratuity Fund and Britannia Industries Limited Non Covenanted Staff Gratuity Fund.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Note 46** Disclosure as per clause 32 of the Listing Agreement in respect of loans and advances, the amount in the nature of loans outstanding at year end:

	Outstanding as at		Maximum outstanding during the year ended	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>Subsidiaries</b>				
Sunrise Biscuits Company Private Limited, net	-	4.86	4.86	7.41
Daily Bread Gourmet Foods (India) Private Limited, net	-	4.05	4.05	6.05
J B Mangharam Foods Private Limited	-	15.12	15.94	15.52
Manna Foods Private Limited	53.41	58.57	58.67	60.65
International Bakery Products Limited	20.73	-	21.06	-
<b>Others</b>				
Purbasha Properties Private Limited (repayment schedule in excess of 7 years)	2.93	3.30	3.30	3.63

**Note 47** Derivative contracts

**Foreign currency forward contracts**

The Company has designated certain foreign exchange forward contracts (relating to foreign currency receivables and payables) outstanding as on 31 March 2015 as hedge of committed transaction. On that date, the Company had forward contracts amounting to USD 2,908,783 and EUR 2,060,830 (previous year: USD 2,686,908 and EUR 58,287). As at the year end the unrealized exchange loss of ₹ 0.49 has been accounted for (previous year: unrealized exchange gain of ₹ 0.55 has not been accounted) (arrived on a mark to market basis) in line with the ICAI notification issued in March 2008.

**Note 48** Capital subsidy

During the year ended 31 March 2013, an amount of ₹ 5 was received towards capital subsidy for the Hajipur Factory, Bihar in accordance with the State Industrial Policy of Bihar. Out of this, an amount of ₹ 0.71 (previous year: ₹ 0.54) has been credited to the statement of profit and loss (by reducing the depreciation charge for the year) and the outstanding amount of ₹ 3.57 (previous year: ₹ 4.28) has been classified as capital subsidy in the balance sheet [Refer note 1 (t)].

**Note 49** Corporate Social Responsibility

During the year, the amount required to be spent on corporate social responsibility activities amounted to ₹ 7.35 in accordance with Section 135 of the Companies Act, 2013. The following amounts were spent during the year:

(i) Amount spent other than for construction/ acquisition of any asset	7.35
(ii) Amount accrued and not paid	-
<b>Total</b>	<b>7.35</b>

**Note 50** Figures in rupees have been rounded off to two decimal places to the nearest crore, unless otherwise stated.

**Note 51** During the year ended 31 March 2015 no material foreseeable loss was incurred for any long-term contract including derivative contracts.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Note 52** The financial statements are presented in ₹ crores (rounded off to two decimal places). Those items which are required to be disclosed and which were not presented in the financial statements due to rounding off to the nearest ₹ crore are given below:

₹ in '000

Note No.	Description	31 March 2015	31 March 2014
<b>12.</b>	<b>Non-current investments:</b>		
(a)	Trade investments - Unquoted - Investments in debentures / bonds		
	The Bengal Chamber of Commerce and Industry 6 1/2 % Non-redeemable registered debentures 1962	4	4
(b)	Other investments - Quoted - Investments in equity instruments (fully paid)		
-	The Fertilisers & Chemicals Travancore Limited [Face Value: ₹ 10/-; Number of shares: Nil (previous year: 500)]	-	20
-	Reliance Infrastructure Limited [Face Value: ₹ 10/-; Number of shares: Nil (previous year: 46)]	-	28
-	Reliance Capital Limited [Face Value: ₹ 10/-; Number of shares: Nil (previous year: 30)]	-	17
-	Timken India Limited [Face Value: ₹ 10/-; Number of shares: Nil (previous year: 50)]	-	8
<b>44.</b>	<b>Related party disclosures under Accounting Standard 18:</b>		
	<b><u>Relationship</u></b>		
(a)	Purchase of shares [Purchase of shares of International Bakery Products Limited]		
-	Boribunder Finance and Investments Private Limited	Subsidiary	0.1
-	Flora Investments Company Private Limited	Subsidiary	0.1
-	Gilt Edge Finance and Investments Private Limited	Subsidiary	0.1
(b)	Outstanding as at year end - net receivables / (payables)		
-	Britannia Dairy Holdings Private Limited, Mauritius	Subsidiary	46
-	Al Sallan Food Industries Co. SAOC	Subsidiary	43

As per our report of even date attached

for B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sunil Gaggar

Partner

Membership number: 104315

Place : Bangalore

Date : 21 May 2015

for and on behalf of the Board of Directors

Chairman : Nusli N Wadia

Managing Director : Varun Berry

Directors : A K Hirjee

S S Kelkar

Nasser Munjee

Nimesh N Kampani

Jeh N Wadia

Ajai Puri

Ness N Wadia

Ranjana Kumar

Chief Financial Officer : Amlan Datta Majumdar

Company Secretary : Rajesh Arora

Place : Mumbai

Date : 21 May 2015



## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors of Britannia Industries Limited

We have audited the accompanying consolidated financial statements of Britannia Industries Limited ("the Company"), its subsidiaries and associates (collectively known as 'the Group'), which comprise the consolidated balance sheet as at 31 March 2015, and the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

As stated in note 1(d) of consolidated financial statements, the consolidated financial statements have been prepared and audited to comply with the Listing Agreement as the Group is exempt from the requirements of the Companies Act, 2013 in respect to preparation and audit of consolidated financial statements.

### Management's responsibility for the consolidated financial statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2015;
- (ii) in the case of the consolidated statement of profit and loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

### Other matter

We did not audit the financial statements and other financial information of certain subsidiaries. These subsidiaries account for 7.00% of total assets, 4.51% of total revenues and other income and 23.93% of cash flows, as shown in these consolidated financial statements. Of the above:

- a. The financial statements and other financial information of some of the subsidiaries incorporated outside India as drawn up in accordance with the generally accepted accounting principles of the respective countries ('the local GAAP') have been audited by other auditors duly qualified to act as auditors in those countries. These subsidiaries account for 6.99% of total assets, 4.51% of total revenue and other income and 24.02% of cash flows as shown in these consolidated financial statements. For the purposes of preparation of consolidated financial statements, the aforesaid local GAAP financial statements have been restated by the Management of the said entities so that they conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the Company which covers

accounting and disclosure requirements applicable to consolidated financial statements under the generally accepted accounting principles in India. The reporting packages made for this purpose have been reviewed by the other auditors and the limited review reports of those other auditors have been furnished to us. Our opinion on the consolidated financial statements, insofar as it relates to these entities, is based on the aforesaid limited review reports of these other auditors.

- b. The financial statements and other financial information of the remaining subsidiaries have not been subject to audit either by us or other auditors and therefore unaudited financial statements for the year ended 31 March 2015 of these entities have been furnished to us by the Management. These subsidiaries account for 0.01% of total assets, Nil% of total revenues and other income and

(0.09)% of cash flows as shown in these consolidated financial statements, and therefore are not material to the consolidated financial statements, either individually or in the aggregate.

We also did not audit the financial statements of associates, whose financial statements reflect share of profit of the Group aggregating ₹ 0.21 crores for the year ended 31 March 2015.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*for B S R & Co. LLP*  
*Chartered Accountants*

Firm Registration No: 101248W/W-100022

**Sunil Gaggar**  
*Partner*

Place: Bangalore

Date : 21 May 2015

Membership Number: 104315

Britannia Annual Report 2014-15  
**CONSOLIDATED BALANCE SHEET**

₹ in crores

As at	Note No.	31 March 2015	31 March 2014
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' funds			
(a) Share capital	2	23.99	23.99
(b) Reserves and surplus	3	1,217.55	769.84
		<u>1,241.54</u>	<u>793.83</u>
(2) Capital subsidy	40	3.57	4.28
(3) Minority interest		2.43	2.38
(4) Non-current liabilities			
(a) Long-term borrowings	4	43.33	28.42
(b) Deferred tax liabilities, net	5	-	8.88
(c) Other long-term liabilities	6	19.96	19.03
(d) Long-term provisions	7	5.65	3.93
		<u>68.94</u>	<u>60.26</u>
(5) Current liabilities			
(a) Short-term borrowings	8	96.88	119.76
(b) Trade payables	9	703.42	556.69
(c) Other current liabilities	10	259.45	241.53
(d) Short-term provisions	11	417.12	328.14
		<u>1,476.87</u>	<u>1,246.12</u>
		<u>2,793.35</u>	<u>2,106.87</u>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		720.63	724.65
(ii) Intangible assets		12.76	15.93
(iii) Capital work-in-progress		48.37	107.09
		<u>781.76</u>	<u>847.67</u>
(b) Goodwill on consolidation, net	12	110.68	107.01
(c) Non-current investments	13	77.06	35.02
(d) Deferred tax asset, net	5	23.35	-
(e) Long-term loans and advances	14	90.35	58.95
(f) Other non-current assets	15	37.17	12.12
(2) Current assets			
(a) Current investments	16	440.88	162.85
(b) Inventories	17	404.04	420.27
(c) Trade receivables	18	135.81	108.70
(d) Cash and bank balances	19	226.33	109.07
(e) Short-term loans and advances	20	465.92	245.21
		<u>1,672.98</u>	<u>1,046.10</u>
		<u>2,793.35</u>	<u>2,106.87</u>
Significant accounting policies	1		

See accompanying notes to financial statements

As per our report of even date attached

for B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors

Chairman : Nusli N Wadia

Managing Director : Varun Berry

Directors : A K Hirjee

S S Kelkar

Nasser Munjee

Nimesh N Kampani

Jeh N Wadia

Ajai Puri

Ness N Wadia

Ranjana Kumar

Sunil Gaggar

Partner

Membership number: 104315

Place : Bangalore

Date : 21 May 2015

Chief Financial Officer : Amlan Datta Majumdar

Company Secretary : Rajesh Arora

Place : Mumbai

Date : 21 May 2015

# Britannia Annual Report 2014-15

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

₹ in crores

For the year ended	Note No.	31 March 2015	31 March 2014
<b>I. Revenue from operations</b>			
Sale of products		7,944.18	6,945.52
Less: Excise duty		(169.09)	(116.20)
Net sale of products		7,775.09	6,829.32
Other operating revenues	21	83.33	83.39
		<u>7,858.42</u>	<u>6,912.71</u>
<b>II. Other income</b>	22	87.96	33.59
<b>III. Total revenue (I + II)</b>		<u>7,946.38</u>	<u>6,946.30</u>
<b>IV. Expenses:</b>			
Raw materials including packaging materials consumed		4,119.97	3,657.40
Purchase of stock-in-trade	23	602.24	525.13
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(30.40)	(11.51)
Employee benefits expense	25	280.58	262.66
Finance costs	26	3.86	8.29
Depreciation and amortisation	12	144.48	83.18
Other expenses	27	2,022.12	1,851.83
<b>Total expenses</b>		<u>7,142.85</u>	<u>6,376.98</u>
<b>V. Profit before exceptional and extraordinary items and tax (III - IV)</b>		<u>803.53</u>	<u>569.32</u>
<b>VI. Exceptional items profit / (loss)</b>	28	146.06	-
<b>VII. Profit before tax (V + VI)</b>		<u>949.59</u>	<u>569.32</u>
<b>VIII. Tax expense:</b>			
(1) Current tax			
Income tax	38	293.28	179.88
Minimum alternative tax credit entitlement		(6.13)	(2.42)
(2) Deferred tax charge / (credit)		(26.04)	(3.88)
<b>IX. Profit for the year before share of profits / (losses) of associates (net) and minority interest (VII - VIII)</b>		<u>688.48</u>	<u>395.74</u>
Share of net profit / (loss) of associates		0.21	(0.27)
Share of profit of minority		(0.05)	(0.12)
<b>X. Profit for the year</b>		<u>688.64</u>	<u>395.35</u>
<b>XI. Earnings per equity share</b>	33		
(1) Basic [nominal value of ₹ 2/- each]		57.42	33.00
(2) Diluted [nominal value of ₹ 2/- each]		57.41	33.00
Weighted average number of equity shares used in computing earnings per share:			
- Basic		119,925,815	119,799,171
- Diluted		119,942,424	119,799,171
Significant accounting policies	1		

See accompanying notes to financial statements

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

**Sunil Gaggar**

Partner

Membership number: 104315

Place : Bangalore

Date : 21 May 2015

for and on behalf of the Board of Directors

Chairman : Nusli N Wadia

Managing Director : Varun Berry

Directors : A K Hirjee

S S Kelkar

Nasser Munjee

Nimesh N Kampani

Jeh N Wadia

Ajai Puri

Ness N Wadia

Ranjana Kumar

Chief Financial Officer : Amlan Datta Majumdar

Company Secretary : Rajesh Arora

Place : Mumbai

Date : 21 May 2015

# Britannia Annual Report 2014-15

## CONSOLIDATED CASH FLOW STATEMENT

₹ in crores

For the year ended	31 March 2015	31 March 2014
<b>Cash flows from operating activities</b>		
Profit before tax	949.59	569.32
<b>Adjustments for:</b>		
Depreciation and amortisation	144.48	83.18
Profit on sale of investments, net	(43.30)	(5.65)
Profit on sale of fixed assets, net	(153.51)	(9.65)
Dividend income	(0.23)	(0.28)
Interest income	(40.30)	(14.09)
Interest expense	3.86	8.29
<b>Operating profit before working capital changes</b>	<b>860.59</b>	<b>631.12</b>
(Increase) / decrease in inventories	17.49	(43.07)
(Increase) / decrease in trade receivables	(24.81)	18.35
(Increase) / decrease in loans and advances and other assets	14.17	17.15
(Increase) / decrease in bank balances (other than cash and cash equivalents)	(158.77)	8.48
Increase / (decrease) in liabilities and provisions	177.26	225.24
<b>Cash generated from operations</b>	<b>885.93</b>	<b>857.27</b>
Income taxes paid, net of refund	(301.47)	(185.79)
<b>Net cash provided by operating activities</b>	<b>584.46</b>	<b>671.48</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including finance leased assets)	(117.67)	(110.12)
Proceeds from sale of fixed assets	164.01	10.62
Purchase of investments, net	(276.77)	(84.29)
Inter-corporate deposits placed	(355.00)	(75.00)
Inter-corporate deposits redeemed	105.00	-
Interest received	29.90	12.87
Dividend received	0.23	0.28
<b>Net cash provided by / (used in) investing activities</b>	<b>(450.30)</b>	<b>(245.64)</b>
<b>Cash flows from financing activities</b>		
Repayment of secured loans, net	16.95	(6.09)
Interest paid	(3.25)	(8.85)
Repayment of unsecured loans	(26.95)	(237.00)
Proceeds from share allotment	-	13.52
Dividend paid including tax thereon	(168.12)	(118.92)
<b>Net cash provided by / (used in) financing activities</b>	<b>(181.37)</b>	<b>(357.34)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(47.21)</b>	<b>68.50</b>
Cash and cash equivalents at the beginning of the year	90.35	21.85
<b>Cash and cash equivalents at the end of the year (Refer note below)</b>	<b>43.14</b>	<b>90.35</b>

## Britannia Annual Report 2014-15

### CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

₹ in crores

For the year ended	31 March 2015	31 March 2014
<b>Note:</b>		
Cash and cash equivalents at the end of the year	57.07	98.58
Book overdraft [Refer note 10]	(12.95)	(5.11)
Effect of exchange rate changes	(0.98)	(3.12)
	<u>43.14</u>	<u>90.35</u>

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

**Sunil Gaggar**

Partner

Membership number: 104315

Place : Bangalore

Date : 21 May 2015

for and on behalf of the Board of Directors

Chairman : Nusli N Wadia

Managing Director : Varun Berry

Directors : A K Hirjee  
S S Kelkar

Nasser Munjee

Nimesh N Kampani

Jeh N Wadia

Ajai Puri

Ness N Wadia

Ranjana Kumar

Chief Financial Officer : Amlan Datta Majumdar

Company Secretary : Rajesh Arora

Place : Mumbai

Date : 21 May 2015

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Significant accounting policies

(a) Basis of preparation of consolidated financial statements

The consolidated financial statements relate to Britannia Industries Limited ('the Company') and its subsidiaries and associates ('the Group'). The consolidated financial statements are prepared in accordance with Accounting Standard 21 - "Consolidated Financial Statements" and Accounting Standard 23 - "Accounting for Investments in Associates in Consolidated Financial Statement" prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements are prepared by adopting uniform accounting policies between the group companies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements. Appropriate disclosure, as applicable, is made of significant deviations from the Company's accounting policies, which have not been adjusted.

(b) Subsidiaries and associate companies considered in the consolidated financial statements:

Name of the Company	Country of incorporation	Proportion of ownership interest (in %)	Proportion of voting power held directly or indirectly (in %)
<b>Subsidiary companies:</b>			
Boribunder Finance and Investments Private Limited	India	100.00	100.00
Flora Investments Company Private Limited	India	40.53	100.00
Gilt Edge Finance and Investments Private Limited	India	46.13	100.00
Ganges Vally Foods Private Limited	India	51.00	51.00
International Bakery Products Limited	India	100.00	100.00
J B Mangharam Foods Private Limited	India	100.00	100.00
Manna Foods Private Limited	India	100.00	100.00
Sunrise Biscuit Company Private Limited	India	99.16	99.16
Britannia and Associates (Mauritius) Private Limited	Mauritius	100.00	100.00
Britannia and Associates (Dubai) Private Co. Limited	Dubai, UAE	100.00	100.00
Al Sallan Food Industries Co. SAOC	Oman	65.46	65.46
Strategic Food International Co. LLC, Dubai	Dubai, UAE	100.00	100.00
Strategic Brands Holding Company Limited	Dubai, UAE	100.00	100.00
Daily Bread Gourmet Foods (India) Private Limited	India	100.00	100.00
Britannia Dairy Private Limited	India	100.00	100.00
Britannia Dairy Holdings Private Limited	Mauritius	100.00	100.00
<b>Associates:</b>			
Klassik Foods Private Limited	India	26.02	26.02
Nalanda Biscuits Company Limited	India	35.00	35.00
<b>The following companies limited by guarantee, are also considered for consolidation:</b>			
Britannia Employees General Welfare Association Private Limited	India		
Britannia Employees Medical Welfare Association Private Limited	India		
Britannia Employees Educational Welfare Association Private Limited	India		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(c) Principles of consolidation

- (i) These consolidated financial statements have been prepared by consolidation of the financial statements of the Company and its subsidiaries on a line-by-line basis after fully eliminating the inter-company transactions.

The following subsidiary companies are excluded from consolidation as they are not significant:

Name of the entity	Relationship	Country of incorporation
Vasana Agrex and Herbs Private Limited	Subsidiary	India
Snacko Bisc Private Limited	Subsidiary	India

- (ii) Accounting for investments in associate companies has been carried out under the equity method of accounting prescribed under Accounting Standard 23 - "Accounting for Investments in Associates in Consolidated Financial Statements" wherein goodwill / capital reserve arising at the time of acquisition, and the Group's share of profit or loss after the date of acquisition have been adjusted in the investment value.

(d) Basis of accounting and preparation of financial statements

The consolidated financial statements are prepared under the historical cost convention, on the accrual basis of accounting to comply in all material aspects with the applicable accounting principles in India, the mandatory Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the guidelines issued by the Securities and Exchange Board of India ('SEBI').

The consolidated financial statements have been prepared to comply with the Listing Agreement as the Group is exempt from the requirements of the Act in respect to preparation of consolidated financial statements.

The financial statements of Britannia and Associates (Dubai) Private Co. Limited, Dubai; Britannia Dairy Holdings Private Limited, Mauritius; Klassik Foods Private Limited and Nalanda Biscuits Company Limited have been incorporated in the consolidated financial statements of Britannia Industries Limited based on unaudited financial statements.

(e) Use of estimates

The preparation of consolidated financial statements, in conformity with generally accepted accounting principles in India requires, that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statement and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

(f) Fixed assets

**Tangible assets**

Tangible assets are stated at their cost of acquisition or construction less accumulated depreciation. Cost includes inward freight, duties, taxes and expenses incidental to acquisition and installation or construction, net of refundable duties, levies and taxes where applicable. The cost of fixed assets not ready for their intended use before such date, are disclosed as capital work-in-progress.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Intangible assets**

- (i) Intangible assets are stated at cost of acquisition less accumulated amortisation.
- (ii) Goodwill arising on consolidation represents the excess of cost to the Group of its investment in a subsidiary company over the Group's portion of net worth of the subsidiary, and is net of capital reserve.

**(g) Depreciation and amortisation**

Depreciation in respect of all the assets is provided on straight line method over the useful lives of assets estimated by the Company. Depreciation for assets purchased / sold during the period is proportionately charged. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use. The Company estimates the useful life of fixed assets as follows:

Assets classification	Useful life
Plant and equipment *	7.5 - 15 years
Furniture and fixtures	10 years
Motor vehicles	8 years
Office equipment	3 - 5 years
Buildings	60 years
Leasehold land	Lease period
Moulders, cutters and spare parts *	1 year

\* The Company believes the useful lives as given above best represent the useful life of these assets based on internal assessment where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

In respect of assets held by J B Mangharam Foods Private Limited and Ganges Vally Foods Private Limited, depreciation is provided on a written-down-value basis over its expected useful life. The written down value of assets as on 31 March 2015 amounts to ₹ 17.92 and ₹ 1.79 (previous year: ₹ 8.37 and ₹ 3.83) for J B Mangharam Foods Private Limited and Ganges Vally Foods Private Limited respectively. The impact of the depreciation computed under the straight line method is not material.

**Intangible assets**

Expected useful life of assets of Group is as mentioned below:

- Know-how : 3 years,
- Marketing infrastructure : 3 years,
- Non-compete rights : 2 years, and
- Computer software : 6 years

Goodwill arising on consolidation is evaluated for impairment periodically. (Also refer point (h) below)

**(h) Impairment of assets**

The Group assesses at each balance sheet date whether there is any indication that an asset, including intangible, may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

(i) **Leases**

Assets acquired under lease where the Group has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of lease at lower of the fair value and present value of minimum lease payments. Assets taken on finance lease are depreciated over its estimated useful life or the lease term whichever is lower.

Assets acquired under lease where the significant portion of risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to the statement of profit and loss on accrual basis.

(j) **Inventories**

Inventories are valued at the lower of cost (including prime cost, excise duty and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate. The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products.

Raw materials, packing materials and stores and spares are valued at cost computed on moving weighted average basis. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable.

Work-in-progress is valued at input material cost plus conversion cost as applicable.

Stock-in-trade is valued at the lower of net realisable value and cost (including prime cost and other overheads incurred in bringing the inventories to their present location and condition), computed on a moving weighted average basis.

Finished goods are valued at lower of net realisable value and prime cost, excise duty and other overheads incurred in bringing the inventories to their present location and condition.

In respect of following subsidiaries, inventories are valued at cost, computed under first-in-first-out basis. The value of these inventories are as given below:

	31 March 2015	31 March 2014
Britannia Dairy Private Limited	16.93	16.15

(k) **Trade receivables and loans and advances**

Trade receivables and loans and advances are stated after making adequate provision for doubtful debts and advances.

(l) **Investments**

Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments.

Current investments are stated at lower of cost and fair value for each investment individually.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

**(m) Revenue recognition**

Revenue from sale of goods (including sale of scrap) is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of sales tax and net of trade discounts and sales returns. Sales are presented both gross and net of excise duty.

Income from royalty and services is accounted for based on contractual agreements.

Dividend income is accounted for in the year in which the right to receive the same is established.

Interest on investments and deposits is booked on a time-proportion basis taking into account the amounts invested and the rate of interest.

**(n) Foreign currency transactions**

Transactions in foreign currency are recorded at exchange rates prevailing on the respective dates of the relevant transactions. Monetary assets and liabilities denominated in foreign currency are restated at exchange rates prevailing at the balance sheet date. The gains or losses resulting from such transactions are adjusted to the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value / net realisable value are translated at the exchange rate prevalent at the date when the fair value / net realisable value was determined. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

The Group uses foreign exchange forward contracts to cover its exposure towards movements in foreign exchange rates. The Group does not use the foreign exchange forward contract for trading or speculative purposes.

Premium or discount arising at the inception of forward contracts against the underlying assets is amortised as expense or income over the life of contract. Exchange differences on forward contracts are recognised in the statement of profit and loss in the reporting period in which the exchange rates change.

**(o) Derivative contracts**

Based on the principle of prudence as provided in Accounting Standard 1 - "Disclosure of accounting policies", the Group assesses losses, if any, by marking to market all its outstanding derivative contracts [other than those accounted under Accounting Standard 11 - "Effects of changes in foreign exchange rates" (Refer point (n) above)] at the balance sheet date and provides for such losses. The net gain, if any, based on the said evaluation is not accounted for in line with the Institute of Chartered Accountants of India notification issued in March 2008 in relation to such transactions.

**(p) Taxes on income**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Deferred tax in respect of timing differences which originate during the tax holiday period but reverse after the tax holiday period is recognised in the year in which the timing differences originate. For this purpose the timing differences, which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets / liabilities are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

The Group offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.

**(q) Employee benefits**

**(i) Short-term employee benefits**

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

**(ii) Post-employment benefits**

Contributions to defined contribution schemes such as Provident Fund, Pension Fund etc., are recognised as expenses in the period in which the employee renders the related service. In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. In respect of contributions made to government administered Provident Fund, the Company has no further obligations beyond its monthly contributions. The Company also provides for post employment defined benefit in the form of gratuity and medical benefits. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date.

The Britannia Industries Limited Covenanted Staff Pension Fund Trust ('BILCSPF') and Britannia Industries Limited Officers' Pension Fund Trust ('BILOPF') were established by the Company to administer pension schemes for its employees. These trusts are managed by the Trustees. The Pension Scheme is applicable to all the managers and officers of the Company who have been employed up to the date of 15 September 2005 and any manager or officer employed after that date, if he has opted for the membership of the scheme. The Company makes a contribution of 15% of basic salary in respect of the members each month to the trusts. On retirement, subject to the vesting conditions as per the rules of the trust, the member becomes eligible for pension, which is paid from annuity purchased in the name of the member by the trusts.

In case of Al Sallan Food Industries Co. SAOC, the provision for employees' terminal benefits is based upon the liability accrued in accordance with the terms of employment of the Company's employees at the statement of financial position date, having regard to the requirements of the Oman Labour Law, 2003 and the Social Security Law, 1991.

In case of Strategic Food International Co. LLC, Dubai, provision for staff terminal benefits is calculated in accordance with the UAE Federal Labour Law and is based on the liability that would arise if the employment of all the Company's staff were terminated on the balance sheet date. This difference in accounting policy from the Group's accounting policy as mentioned above does not have a material impact on the financial statements.

**(iii) Other long-term employee benefits**

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation carried out at each balance sheet date. Provision for compensated absences is based on actuarial valuation carried out as at 1 January every year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(iv) **Voluntary retirement scheme benefits**

Voluntary retirement scheme benefits are recognised as an expense in the year they are incurred.

(r) **Borrowing costs**

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are accounted as an expense in the statement of profit and loss.

(s) **Employee share based payments**

The Group measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense, if any, is amortised over the vesting period of the option on a straight line basis.

(t) **Provisions and contingent liabilities**

A provision is recognised when the Group has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset only when reimbursement is virtually certain.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(u) **Earnings per share**

Basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(v) **Cash flow statement**

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

(w) **Capital subsidy**

Capital subsidy related to depreciable fixed assets is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

(x) **Government grants related to revenue**

Government grants related to revenue are recognised in the statement of profit and loss on a systematic basis over the periods to which they relate.

(y) **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note 2 - Share capital</b>		
<b>Authorised</b>		
Equity shares	50.00	50.00
[250,000,000 equity shares of ₹ 2/- each (previous year: 250,000,000 equity shares of ₹ 2/- each)]		
<b>Issued, subscribed and paid up</b>		
Equity shares fully paid	23.99	23.99
[119,925,815 equity shares of ₹ 2/- each (previous year: 119,925,815 equity shares of ₹ 2/- each)]*		
* Of the total fully paid up equity shares: 60,866,095 equity shares of ₹ 2/- each (previous year: 60,866,095 equity shares of ₹ 2/- each) are held by the subsidiaries of The Bombay Burmah Trading Corporation Limited, the ultimate holding company [Refer note (a) below]		
Rights, preferences and restrictions attached to the equity shares:		
<ul style="list-style-type: none"> <li>- The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.</li> <li>- The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.</li> <li>- During the year ended 31 March 2015, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 16/- (previous year: ₹ 12/-). The total dividend appropriation for the year ended 31 March 2015 amounted to ₹ 230.94 (previous year: ₹ 168.37) including corporate dividend tax of ₹ 39.06 (previous year: ₹ 24.46).</li> <li>- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.</li> </ul>		
Details of shareholders holding more than 5% of total number of shares, including amount [Refer note (b) below]		
Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year [Refer note (c) below]		
Under the Britannia Employee Stock Option Scheme the total number of options that can be granted is 875,000. Out of this, 525,000 options have been granted and 475,000 options exercised. Allotment details: 75,000 shares were allotted on 21 September 2012 at an exercise price of ₹ 191.06/-; 75,000 shares were allotted on 2 April 2013 at an exercise price of ₹ 305.63/-; 100,000 shares were allotted on 11 June 2013 at an exercise price of ₹ 333.71/-; 125,000 shares were allotted on 24 July 2013 at an exercise price of ₹ 391.75/- and 100,000 shares were allotted on 5 December 2013 at an exercise price of ₹ 528.75/- [Refer note (d) below].		
	23.99	23.99

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

Notes:

- (a) Shares in respect of equity in the Company held by its holding or ultimate holding company, including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

	31 March 2015		31 March 2014	
	Number of shares	Amount	Number of shares	Amount
<b>Holding company</b>				
Associated Biscuits International Limited (ABIL), UK	53,904,500	10.78	53,904,500	10.78
<b>Subsidiaries of holding company</b>				
Bannatyne Enterprises Pte Limited, Singapore	1,391,555	0.28	1,391,555	0.28
Dowbiggin Enterprises Pte Limited, Singapore	1,392,510	0.28	1,392,510	0.28
Nacupa Enterprises Pte Limited, Singapore	1,392,510	0.28	1,392,510	0.28
Spargo Enterprises Pte Limited, Singapore	1,392,510	0.28	1,392,510	0.28
Valletort Enterprises Pte Limited, Singapore	1,392,510	0.28	1,392,510	0.28
	<u>60,866,095</u>	<u>12.18</u>	<u>60,866,095</u>	<u>12.18</u>

- (b) Details of shareholders' holding more than 5% of total number of shares:

	31 March 2015		31 March 2014	
	Number of shares	% holding	Number of shares	% holding
Associated Biscuits International Limited (ABIL), UK	53,904,500	44.95%	53,904,500	44.95%
Arisaig Partners (Asia) Pte Ltd.	6,452,404	5.38%	10,671,488	8.90%

- (c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

	31 March 2015		31 March 2014	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the reporting year	119,925,815	23.99	119,525,815	23.91
Shares issued during the reporting year	-	-	400,000	0.08
Closing balance at the end of the reporting year	119,925,815	23.99	119,925,815	23.99

- (d) During the financial year 2008-09, the Company introduced Britannia Industries Limited Employee Stock Option Scheme ('the Scheme'). As per the Scheme, the Remuneration / Compensation Committee grants options to the employees and Executive Directors of the Company. The vesting period of the option is one year from the date of grant. Options granted under the Scheme can be exercised within a period of three years from the date of vesting. Exercise of an option is subject to continued employment.

Under the Scheme, the Company granted 15,000 options on 29 October 2008 at an exercise price of ₹ 1,125.30/-; 15,000 options on 27 May 2009 at an exercise price of ₹ 1,698.15/-; 20,000 options on 27 May 2010 at an exercise price of ₹ 1,668.55/-; 125,000 options on 27 May 2011 at an exercise price of ₹ 391.75/- and 100,000 options on 28 May 2012 at an exercise price of ₹ 528.75/- to the Managing Director of the Company. Each option represents one equity share of ₹ 10/- each (for options granted between the years 2008 to 2010) and one equity share of ₹ 2/- each (for options granted after the year 2010). The said price was determined in accordance with the pricing formula approved by the shareholders i.e. the latest available closing price, prior to the date of the meeting of the Board of Directors or Remuneration / Compensation Committee in which options were granted, on the stock exchange having higher trading volume.

Exercise prices as stated above are adjusted downwards by ₹ 170/- per share for options granted on 29 October 2008 and 27 May 2009, being the face value of bonus debentures issued pursuant to the Scheme of Arrangement approved by the Honourable Calcutta High Court on 11 February 2010.

The number of options have been appropriately adjusted, consequent upon the sub-division of the equity shares [Refer note (e) below].

The Company had not granted options during the year 2013-14. The Company has further granted 50,000 options on 26 May 2014 at an exercise price of ₹ 870.35/- to the Managing Director of the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Method used for accounting of share based payment plan:**

The Company has used intrinsic value method to account for the compensation cost of stock options to employees and Executive Directors of the Company. Intrinsic value is the amount by which the quoted market price of the underlying share exceeds the exercise price (without considering the impact of ₹ 170/- on account of issue of bonus debentures) of the option. Since the options under the Scheme were granted at the market price, the intrinsic value of the option is ₹ Nil. Consequently the accounting value of the option (compensation cost) is also ₹ Nil.

	31 March 2015	31 March 2014
<b>Movement in the options under the scheme:</b>		
Options outstanding at the beginning of the year	-	325,000
Options granted during the year	50,000	-
Options vested during the year	-	100,000
Options exercised during the year	-	325,000
Shares allotted against options exercised during the year	-	400,000
Options lapsed during the year	-	-
Shares under option at the end of the year	50,000	-
Options exercisable at the end of the year	-	-
Weighted average price per option (₹)	870.35	-

**Fair Value Methodology:**

Options have been valued based on Fair Value method of accounting as described under guidance note on Accounting for Employee Share-based Payments using Black Scholes valuation option- pricing model, using the market values of the Company's shares as quoted on the National Stock Exchange.

The key assumptions used in Black-Scholes model for calculating fair value of options under the scheme as on the date of grant are as follows:

Particulars	31 March 2015	31 March 2014
No. of options granted	50,000	-
Date of grant	26 May 2014	-
Vesting period (years)	1	-
Expected life of option (years)	3	-
Expected volatility	22.56%	-
Risk free rate	8.57%	-
Expected dividends expressed as a dividend yield	1.84%	-
Weighted-average fair values of options per share (₹)	206.18	-

Had the compensation cost for the Scheme been determined based on fair value approach, the Company's net profit and earnings per share would have been as per the pro-forma amounts indicated below:

Particulars	31 March 2015	31 March 2014
Net profit (as reported)	688.64	395.35
Less: Stock-based compensation expense determined under fair value based method net of Intrinsic Value (without considering tax impact)	0.88	0.21
Net profit (pro-forma) considered for computing EPS (pro-forma)	687.77	395.14
Basic earnings per share (as reported) (₹)	57.42	33.00
Basic earnings per share (pro-forma) (₹)	57.35	32.98
Diluted earnings per share (as reported) (₹)	57.41	33.00
Diluted earnings per share (pro-forma) (₹)	57.33	32.98

- (e) In the Annual General Meeting held on 9 August 2010, the shareholders of the Company approved the sub-division of equity shares, where in each equity share with a face value of ₹ 10/- has been subdivided into 5 equity shares with a face value of ₹ 2/- each. The effective date for the sub-division was 10 September 2010.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

Note 3 - Reserves and surplus

	General reserve	Capital redemption reserve	Capital reserve	Surplus	Securities premium	Foreign currency translation reserve	As at 31 Mar 2015
Balance at the beginning of the year	293.92	3.96	0.63	456.63	17.15	(2.45)	769.84
Additions:							
Net profit after tax transferred from the statement of profit and loss	-	-	-	688.64	-	-	688.64
Foreign currency translation adjustment	-	-	-	-	-	1.50	1.50
Transfer from surplus	68.86	-	-	-	-	-	68.86
	<u>362.78</u>	<u>3.96</u>	<u>0.63</u>	<u>1,145.27</u>	<u>17.15</u>	<u>(0.95)</u>	<u>1,528.84</u>
Deductions:							
Transfer to general reserve	-	-	-	68.86	-	-	68.86
Proposed dividend *	-	-	-	191.88	-	-	191.88
Tax on proposed dividend	-	-	-	39.06	-	-	39.06
Fixed assets charged off due to change in useful life as per Companies Act, 2013 #	-	-	-	11.49	-	-	11.49
Balance at the end of the year	<u>362.78</u>	<u>3.96</u>	<u>0.63</u>	<u>833.98</u>	<u>17.15</u>	<u>(0.95)</u>	<u>1,217.55</u>

\* The Board of Directors of the Company has recommended a dividend of ₹ 16/- per share of face value of ₹ 2/- amounting to ₹ 191.88 for the financial year ended 31 March 2015.

# Net of deferred taxes of ₹ 5.81 [also refer note 12].

	General reserve	Capital redemption reserve	Capital reserve	Surplus	Securities premium	Foreign currency translation reserve	As at 31 Mar 2014
Balance at the beginning of the year	257.03	3.96	0.63	266.76	1.42	(2.95)	526.85
Additions:							
Net profit after tax transferred from the statement of profit and loss	-	-	-	395.35	-	-	395.35
Foreign currency translation adjustment	-	-	-	-	-	0.50	0.50
On issue of equity shares	-	-	-	-	15.73	-	15.73
Transfer from surplus	36.89	-	-	-	-	-	36.89
	<u>293.92</u>	<u>3.96</u>	<u>0.63</u>	<u>662.11</u>	<u>17.15</u>	<u>(2.45)</u>	<u>975.32</u>
Deductions:							
Transfer to general reserve	-	-	-	36.89	-	-	36.89
Proposed dividend*	-	-	-	143.91	-	-	143.91
Tax on proposed dividend	-	-	-	24.46	-	-	24.46
Dividend for previous year on equity shares issued under ESOS after the year end	-	-	-	0.19	-	-	0.19
Tax on dividend for previous year on equity shares issued under ESOS after the year end	-	-	-	0.03	-	-	0.03
Balance at the end of the year	<u>293.92</u>	<u>3.96</u>	<u>0.63</u>	<u>456.63</u>	<u>17.15</u>	<u>(2.45)</u>	<u>769.84</u>

\* The Board of Directors of the Company had recommended a dividend of ₹ 12/- per share of face value of ₹ 2/- amounting to ₹ 143.91 for the financial year ended 31 March 2014.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note 4 - Long-term borrowings</b>		
<b>Secured</b>		
(a) Term loans		
From banks [Refer note below]	42.60	28.08
(b) Long-term maturities of finance lease obligations [Refer note 10 (b) for details of security, maturity period, repayment terms and rate of interest] [Secured by hypothecation of assets (vehicles) taken on lease]	0.73	0.34
	<u>43.33</u>	<u>28.42</u>

**Notes:**

Term loan includes:

- The interest free soft loan of ₹ 27.60 (previous year: ₹ 28.08) from Government of Oman through Oman Development Bank is repayable in 13 annual installments from 1 August 2006. Loan is secured by first ranking mortgage on all the tangible assets of the Al Sallan Food Industries Co. SAOC, Oman.
- Term loan of ₹ 18 (previous year: ₹ Nil) taken from ICICI Bank, repayable in 24 quarterly installments of ₹ 0.75 each, starting from the 90<sup>th</sup> day from the date of first disbursement. The rate of interest is the sum of base rate and spread as communicated by the Bank periodically. As on date the base rate is 10% p.a. and spread is 2% p.a.. The above term loan is secured by an exclusive charge over movable fixed assets and current assets, present and future and an exclusive charge by way of equitable mortgage on immovable fixed assets except leasehold land of J B Mangharam Foods Private Limited.

Out of above loan, ₹ 3 is repayable within 1 year and classified under “Other current liabilities” and balance of ₹ 15 has been classified under “Long-term borrowings”.

**Note 5 - Deferred tax asset / liabilities (net)**

Disclosure as per Accounting Standard 22 - “Accounting for taxes on income” - Major components of deferred tax assets and liabilities on account of timing differences are as follows:

As at	31 March 2015		31 March 2014	
	Asset	Liability	Asset	Liability
Depreciation	-	22.96	-	44.06
Voluntary retirement scheme, terminal compensation benefits	4.00	-	2.70	-
Statutory payments	31.46	-	23.78	-
Provisions allowed on payments, write off	9.80	-	7.69	-
Others	1.05	-	1.01	-
	<u>46.31</u>	<u>22.96</u>	<u>35.18</u>	<u>44.06</u>
	<u>23.35</u>			<u>8.88</u>

As at	31 March 2015	31 March 2014
<b>Note 6 - Other long-term liabilities</b>		
Deposits from customers	19.96	19.03
	<u>19.96</u>	<u>19.03</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note 7 - Long-term provisions</b>		
Employee benefits	5.65	3.93
	<u>5.65</u>	<u>3.93</u>
<b>Note 8 - Short-term borrowings</b>		
<b>Unsecured</b>		
From banks *	96.88	119.76
	<u>96.88</u>	<u>119.76</u>

\* Includes:

Loan of ₹ 96.88 (previous year: ₹ 119.76) availed by Britannia and Associates (Mauritius) Private Limited, Mauritius to support working capital requirement of its Middle East subsidiaries. The loan is secured by an irrevocable and unconditional corporate guarantee from Britannia Industries Limited and carries an Interest rate of one year applicable LIBOR + markup as agreed with the bank. The date of maturity of the loan is 13 July 2015.

As at	31 March 2015	31 March 2014
<b>Note 9 - Trade payables</b>		
Due to micro and small enterprises	5.19	4.53
Others	698.23	552.16
	<u>703.42</u>	<u>556.69</u>
<b>Note 10 - Other current liabilities</b>		
Current maturities of long-term debt		
Term loans [Refer note (a) below]	4.62	1.47
Current maturities of finance lease obligations [Refer note (b) below]	0.24	0.11
Interest accrued but not due on borrowings	1.27	0.65
Unclaimed debenture interest *	0.46	0.47
Unpaid dividends *	2.73	2.48
Unclaimed debenture redemption balance *	1.16	1.24
Other payables:		
- Book overdraft	12.95	5.11
- Advance from customers	17.66	21.24
- Creditors for capital goods	14.37	10.55
- Statutory related liabilities (VAT, TDS, PF etc.)	59.62	52.48
- Other liabilities	144.37	145.73
	<u>259.45</u>	<u>241.53</u>

\* Investor Education and Protection Fund shall be credited when due.

**Note:**

(a) Term loan includes:

- (i) The current maturities of interest free soft loan from Government of Oman through Oman Development Bank of ₹ 1.62 (previous year: ₹ 1.47) is repayable in 13 annual installments from 1 August 2006. Loan is secured by first ranking mortgage on all the tangible assets of the Al Sallan Food Industries Co. SAOC.
- (ii) Term loan of ₹ 18 (previous year: ₹ Nil) taken from ICICI Bank, repayable in 24 quarterly installments of ₹ 0.75 each, starting from the 90<sup>th</sup> day from the date of first disbursement. The rate of interest is the sum of base rate and spread as communicated by the Bank periodically. As on date the base rate is 10% p.a. and spread is 2% p.a.. The above term loan is secured by an exclusive charge over movable fixed assets and current assets, present and future and an exclusive charge by way of equitable mortgage on immovable fixed assets except leasehold land of J B Mangharam Foods Private Limited.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

Out of above loan, ₹ 3 is repayable within 1 year and classified under “Other current liabilities” and balance of ₹ 15 has been classified under “Long-term borrowings”.

- (b) Rate of interest for finance lease obligations ranges from 13.6% to 19.2% per annum. Number of repayment installments (quarterly) for lease obligations ranges from 12 to 20. Period of maturity for the lease obligations ranges from 5 months to 5 years.

As at	31 March 2015	31 March 2014
<b>Note 11 - Short-term provisions</b>		
Provision for employee benefits	9.33	10.35
Employee benefits - gratuity, net [Refer note 37 (b)]	2.95	-
Others:		
Excise related issues (a)	51.73	39.41
Sales tax and other issues (a)	62.62	48.58
Trade and other issues (a)	20.47	18.68
Provision for income tax	39.08	42.75
Proposed dividend	191.88	143.91
Tax on dividend	39.06	24.46
	<u>417.12</u>	<u>328.14</u>

- (a) Refer note 31.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 12 - Fixed assets

₹ in crores

Description	Gross block at cost			Accumulated depreciation and amortisation/ impairment			Net block				
	As at 1 April 2014	Exchange difference	Additions	Deletions	As at 31 March 2015	As at 1 April 2014	Exchange difference	Charge for the year	On deletions during the year	As at 31 March 2015	As at 31 March 2014
<b>Tangible assets</b>											
<b>Own assets</b>											
Freehold land	71.56	-	4.98	0.02	76.52	-	-	-	-	76.52	71.56
Leasehold land	30.66	-	-	-	30.66	1.49	0.32	-	-	28.85	29.17
Buildings	277.25	3.35	70.87	5.95	345.52	99.72	1.92	12.92	3.56	234.52	177.53
Plant and equipment	955.23	10.96	69.17	54.38	980.98	531.11	7.23	136.86	47.15	352.93	424.12
Furniture and fittings	15.80	0.19	8.58	0.52	24.05	7.45	0.19	2.07	0.35	14.69	8.35
Motor vehicles	3.19	0.06	0.56	0.35	3.46	1.67	0.05	0.52	0.15	1.37	1.52
Office equipment	53.56	0.54	4.61	0.28	58.43	41.36	0.14	5.76	0.08	11.25	12.20
<b>Leased assets</b>											
Motor vehicles	0.53	-	0.80	0.35	0.98	0.33	-	0.20	0.05	0.50	0.20
	<b>1,407.78</b>	<b>15.10</b>	<b>159.57</b>	<b>61.85</b>	<b>1,520.60</b>	<b>683.13</b>	<b>9.53</b>	<b>158.65</b>	<b>51.34</b>	<b>720.63</b>	<b>724.65</b>
<b>Intangible assets</b>											
<b>Own assets</b>											
Trademarks	0.04	-	-	-	0.04	0.01	-	-	-	0.03	0.03
Designs	0.01	-	-	-	0.01	-	-	-	-	0.01	0.01
Computer software	26.16	-	0.67	-	26.83	10.27	-	3.84	-	12.72	15.89
Knowhow	10.10	-	-	-	10.10	10.10	-	-	-	-	-
Marketing infrastructure	16.90	-	-	-	16.90	16.90	-	-	-	-	-
Non-competete rights	24.46	-	-	-	24.46	24.46	-	-	-	-	-
	<b>77.67</b>	<b>-</b>	<b>0.67</b>	<b>-</b>	<b>78.34</b>	<b>61.74</b>	<b>-</b>	<b>3.84</b>	<b>-</b>	<b>12.76</b>	<b>15.93</b>
<b>Goodwill on consolidation, net (c)</b>	<b>1,485.45</b>	<b>15.10</b>	<b>160.24</b>	<b>61.85</b>	<b>1,598.94</b>	<b>744.87</b>	<b>9.53</b>	<b>162.49</b>	<b>51.34</b>	<b>865.55</b>	<b>740.58</b>
	114.52	3.67	-	-	118.19	7.51	-	-	-	110.68	107.01
<b>Total</b>	<b>1,599.97</b>	<b>18.77</b>	<b>160.24</b>	<b>61.85</b>	<b>1,717.13</b>	<b>752.38</b>	<b>9.53</b>	<b>162.49<sup>(a)</sup></b>	<b>51.34</b>	<b>844.07</b>	<b>847.59</b>
Previous year	1,388.54	38.04	179.91	6.52	1,599.97	651.74	22.47	83.72	5.55	48.37	107.09
Add: Capital work-in-progress										<b>892.44</b>	<b>954.68</b>

Notes:

(a) Agreements in respect of leasehold land at one factory of the Company (previous year: one factory) are in the process of renewal.

(b) Buildings include:

(i) Fully paid unquoted shares and bonds in respect of ownership of flats in 1 Co-operative Housing Societies (previous year: 1 Co-operative Housing Societies); 10 shares (previous year: 10 shares) of ₹ 50/- each.

(ii) Net book value ₹ 1.86 (previous year: ₹ 2.75) constructed on a land leased from the government (UAE) which is renewable each year in relation to Strategic Food International Co. LLC, Dubai (SFIC). The lessor [Government (UAE)] would be required to give the tenant (SFIC) a notice of one year for termination of the lease.

(iii) Net book value ₹ 13.61 (previous year: ₹ 13.96) constructed on a land leased from the Public Establishment for Industrial Estates (Sohar Industrial Estate) for a period of 25 years from 1 January 1994, which is renewable thereafter for a further period of 25 years in relation to Al Sallan Food Industries Co. SAOC (ASFI).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

(c)	Goodwill on consolidation comprises goodwill ₹ 119.24 (previous year: ₹ 115.57) and capital reserve ₹ 1.05 (previous year: ₹ 1.05).		
(d)	Depreciation:	<b>31 March 2015</b>	<b>31 March 2014</b>
	Depreciation charge for the year	162.49	83.72
	Transfer from capital subsidy [Refer note 1 (w) and 40]	(0.71)	(0.54)
	Fixed assets charged off due to change in useful life as per Companies Act, 2013	(17.30)	-
	<b>Net depreciation charge for the year</b>	<b>144.48</b>	<b>83.18</b>

(e) Net book value of tangible assets included in the above schedule pertaining to ASFI amounts to ₹ 39.07 (previous year: ₹ 40.68). Substantially all the tangible assets of ASFI are mortgaged as security against the Government term loan and other term loans amounting to ₹ 29.22 (previous year: ₹ 29.55).

(f) During the year ended 31 March 2015, the management based on internal technical evaluation reassessed the remaining useful life of assets primarily consisting of Buildings and Plant and equipment with effect from 1 April 2014, accordingly the useful lives of certain assets required a change from the previous estimates. The earlier and revised useful lives are as below:

Category of asset	Earlier useful life (Years)	Revised useful life (Years)
Buildings	60 - 65 years	60 years
Plant and equipment	10 - 20 years	7.5 - 15 years
Furniture & fixtures	15 years	10 years
Motor vehicles	5 years	8 years
Computer software	6 years	6 years
Office equipment	5 years	3 - 5 years
Moulders, cutters and spare parts	10 - 20 years	1 year

Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended 31 March 2015 would have been lower by ₹ 58.54 for the assets held at 1 April 2014. The revision of the useful lives will result in the following changes in the depreciation expenses as compared to the original useful life of assets:

Particulars	2015-16	After 2015-16
Increase/ (decrease) in depreciation expenses	8.23	(66.77)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note 13 - Non-current investments</b>		
At cost less provision for other than temporary diminution		
<u>Long-term</u>		
<u>Unquoted</u>		
Non-trade investments		
Investments in equity instruments - Associates	1.08	0.87
Less: Provision for diminution in value of investments	0.01	0.01
	<u>1.07</u>	<u>0.86</u>
Investments in mutual funds	45.00	-
Investments in insurance policy	5.99	5.99
	<u>52.06</u>	<u>6.85</u>
<u>Quoted</u>		
Non-trade investments		
Investments in debentures / bonds	25.00	25.00
Investments in equity instruments	-	3.17
	<u>25.00</u>	<u>28.17</u>
	<u><u>77.06</u></u>	<u><u>35.02</u></u>
<b>Note 14 - Long-term loans and advances</b>		
Unsecured		
Considered good:		
- Capital advances	21.96	1.99
- Deposits	11.09	12.00
- Other loans and advances:		
Recoverable in cash or in kind or for value to be received	24.65	22.96
Advance income tax and tax deducted at source	15.74	11.18
Minimum alternative tax credit entitlement	16.91	10.82
Considered doubtful:		
- Loans / advances recoverable in cash or in kind or for value to be received	8.79	6.00
	<u>99.14</u>	<u>64.95</u>
- Less: Provision for doubtful loans / advances	8.79	6.00
	<u><u>90.35</u></u>	<u><u>58.95</u></u>
<b>Note 15 - Other non-current assets</b>		
Fixed Deposits with banks [Refer note 19(b)(ii)]	25.05	-
Other Deposits [Refer note 32]	12.12	12.12
	<u>37.17</u>	<u>12.12</u>
<b>Note 16 - Current investments</b>		
Lower of cost or fair value		
<u>Current</u>		
<u>Unquoted</u>		
Non-trade investments		
Investments in mutual funds	440.88	162.85
	<u>440.88</u>	<u>162.85</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note 17 - Inventories *</b>		
Raw materials	123.74	168.59
Packing materials	53.26	54.27
Work-in-progress	0.36	0.37
Finished goods	186.22	155.28
Goods-in-transit	2.00	1.84
Stock-in-trade	15.83	13.59
Stores and spare parts	22.63	26.33
	<b>404.04</b>	<b>420.27</b>
* Refer note 1 (j) for mode of valuation for inventories.		
<b>Note 18 - Trade receivables</b>		
<b>Unsecured</b>		
<i>Considered good:</i>		
- Over six months	4.93	5.48
- Others	130.88	103.22
	<b>135.81</b>	<b>108.70</b>
<i>Considered doubtful:</i>		
- Over six months	5.10	4.88
- Others	-	0.26
	<b>140.91</b>	<b>113.84</b>
Less: Provision for doubtful debts	5.10	5.14
	<b>135.81</b>	<b>108.70</b>
<b>Note 19 - Cash and bank balances</b>		
<i>Cash and cash equivalents:</i>		
- Cash on hand	0.19	0.21
- Cheques on hand	28.47	49.74
- Current accounts	28.41	48.63
	<b>57.07</b>	<b>98.58</b>
<i>Other bank balances:</i>		
- Unpaid dividend accounts	2.73	2.48
- Unclaimed debenture interest	0.46	0.47
- Deposit accounts [Refer note (a) below]	164.91	6.30
- Unclaimed debenture redemption proceeds	1.16	1.24
	<b>169.26</b>	<b>10.49</b>
	<b>226.33</b>	<b>109.07</b>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

As at	31 March 2015	31 March 2014
<b>Note:</b>		
(a) Deposit accounts held against bank guarantees includes bank deposits with more than 12 months maturity amounting to ₹ 0.45 (previous year: ₹ 0.45).		
(b) Details of Bank deposits:		
<b>Particulars</b>		
(i) Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	164.91	6.30
(ii) Bank deposits due to mature after 12 months of the reporting date included under 'Other non - current assets' [Refer note 15]	25.05	-
	<u>189.96</u>	<u>6.30</u>
<b>Note 20 - Short-term loans and advances</b>		
<b>Unsecured</b>		
<i>Considered good:</i>		
- Deposits	3.68	3.49
- Other loans and advances		
Recoverable in cash or in kind or for value to be received	118.80	153.45
Inter-corporate deposits	325.00	75.00
Employee benefits - gratuity, net [Refer note 37 (b)]	-	1.33
Balances with customs, port trust, excise, etc	6.01	9.91
Interest accrued but not due	12.43	2.03
<i>Considered doubtful:</i>		
- Loans / advances recoverable in cash or in kind or for value to be received	2.90	2.90
	<u>468.82</u>	<u>248.11</u>
Less: Provision for doubtful loans / advances	2.90	2.90
	<u>465.92</u>	<u>245.21</u>

# Britannia Annual Report 2014-15

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

For the year ended	31 March 2015	31 March 2014
<b>Note 21 - Other operating revenues</b>		
Royalty income	2.36	2.43
Scrap sales	26.87	22.81
Other receipts [Refer note below]	36.68	38.14
Provisions and liabilities no longer required written back, net	17.42	20.01
	<b>83.33</b>	<b>83.39</b>

**Note:**

Includes an amount of ₹ 26.43 (previous year: ₹ 32.68) towards VAT incentive for the Hajipur Factory, Bihar; Khurda Factory, Orissa and Sunrise Biscuit Company Private Limited, Assam in accordance with the State Industrial Policy of Bihar, Orissa and Assam Industrial (Tax Exemption) Scheme, 2009 respectively.

For the year ended		31 March 2015	31 March 2014
<b>Note 22 - Other income</b>			
Interest income	Long-term	10.99	7.06
	Current	29.31	7.03
Dividend income	Long-term	0.23	0.28
Net gain / (loss) on sale of investments	Long-term	16.60	-
	Current	26.70	5.65
Other non-operating income:			
- Profit on sale of fixed assets		-	9.65
- Foreign exchange gain, net		1.10	-
- Other receipts		3.03	3.92
		<b>87.96</b>	<b>33.59</b>
<b>Note 23 - Purchase of stock-in-trade</b>			
Biscuits and high protein food		292.40	266.53
Bread, bread toast and rusk		52.48	48.66
Cake		226.46	177.89
Others		30.90	32.05
		<b>602.24</b>	<b>525.13</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

For the year ended	31 March 2015	31 March 2014
<b>Note 24 - Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
Opening stock:		
- Finished goods	157.12	140.68
- Stock-in-trade	13.59	18.12
- Work-in-progress	0.37	0.66
Closing stock:		
- Finished goods	188.22	157.12
- Stock-in-trade	15.83	13.59
- Work-in-progress	0.36	0.37
	<u>(33.33)</u>	<u>(11.62)</u>
Less: Excise duty on opening stock of finished goods	(4.25)	(4.14)
Add: Excise duty on closing stock of finished goods	7.18	4.25
Increase / (decrease)	<u>2.93</u>	<u>0.11</u>
	<u><u>(30.40)</u></u>	<u><u>(11.51)</u></u>
<b>Note 25 - Employee benefits expense</b>		
Salaries and wages	249.64	238.10
Contribution to provident and other funds	16.11	11.52
Staff welfare expenses	14.83	13.04
	<u>280.58</u>	<u>262.66</u>
<b>Note 26 - Finance costs</b>		
Interest expense:		
- Finance lease	0.07	0.05
- Bank and others	3.79	8.24
	<u>3.86</u>	<u>8.29</u>
<b>Note 27 - Other expenses</b>		
Consumption of stores and spares	23.55	20.49
Power and fuel	110.96	110.72
Rent [Refer note 30 (a)]	9.09	7.60
Repairs and maintenance:		
- Plant and equipment (a)	16.07	14.32
- Buildings (a)	2.77	2.62
- Others	25.23	19.16
Insurance	2.85	2.38
Rates and taxes, net	29.40	28.85
Carriage, freight and distribution	427.14	387.55

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

For the year ended	31 March 2015	31 March 2014
Auditors' remuneration (b):		
- Audit fees	0.95	0.66
- Other services	0.08	0.08
- Expenses reimbursed	0.12	0.12
Corporate social responsibility [Refer note 35]	7.74	-
Advertising and sales promotion	651.70	603.65
Conversion charges	488.06	453.36
Foreign exchange loss, net	-	1.03
Loss on sale/ write off of fixed assets, net	6.41	-
Bad debts and advances written off, net	0.18	0.07
Miscellaneous	217.07	199.17
Provision for doubtful receivables and loans / advances, net	2.75	-
	<u>2,022.12</u>	<u>1,851.83</u>
(a) Includes stores consumed	7.32	7.06
(b) Excluding service tax		

**Note 28 - Exceptional items profit / (loss)**

Profit on sale of land & building [Refer note (a) below]	159.92	-
Amortisation of voluntary retirement scheme expenditure [Refer note (b) below]	(13.86)	-
	<u>146.06</u>	<u>-</u>

**Note:**

- (a) During the year, the Company sold its land and building in Padi, Chennai resulting in a profit of ₹ 159.92.
- (b) During the year, Company offered a Voluntary retirement scheme (VRS) to all workmen at Delhi factory. All the workmen have accepted the scheme. Consequently an amount of ₹ 13.86 was paid towards the scheme.

**Note 29 Contingent liabilities and commitments:**

(i) **Contingent liabilities:**

- (a) Claims / demands against the Group not acknowledged as debts including excise, income tax, sales tax and trade and other demands of ₹ 46.37 (previous year: ₹ 39.81).
- (b) Bank guarantee and letter of credit for ₹ 37.60 (previous year: ₹ 21.80).
- (c) Discounted cheques ₹ 0.89 (previous year: ₹ 1.77).

**Notes:**

- (i) Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.
- (ii) The above does not include non-quantifiable industrial disputes and other legal disputes pending before various judicial authorities [Also refer note 31 and note 32].
- (ii) **Commitments:**
- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 107.19 (previous year: ₹ 10.25).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Note 30 (a) Operating leases**

The Group has certain operating leases for land, office facilities and residential premises (cancellable as well as non cancellable leases). Such leases are generally with the option of renewal against increased rent and premature termination of agreement (except non cancellable leases). Rental expenses of ₹ 8.85 (previous year: ₹ 7.37) and ₹ 0.24 (previous year: ₹ 0.23) in respect of obligation under cancellable and non cancellable operating leases respectively have been recognised in the statement of profit and loss. With respect to Al Sallan Food Industries Co. SAOC, Oman, the Company has taken on lease a plot of land for factory premises at Sohar from the Public Establishment for Industrial Estates (“PEIE”) for a period of 25 years from 1 January 1994 which is renewable thereafter for a further period of 25 years.

Future obligations of lease rentals applicable to above leased assets aggregate to ₹ 0.90 (previous year: ₹ 1.10) and are due:

	31 March 2015	31 March 2014
Not later than 1 year	0.24	0.23
Later than 1 year and not later than 5 years	0.66	0.87
More than five years	-	-
	<u>0.90</u>	<u>1.10</u>

**(b) Finance leases**

The Group has taken motor vehicles under finance leases. The total minimum lease payments and present value of minimum lease payments as at 31 March 2015 are as follows:

	31 March 2015		31 March 2014	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than 1 year	0.37	0.24	0.17	0.11
Later than 1 year and not later than 5 years	0.85	0.73	0.39	0.34
	<u>1.22</u>	<u>0.97</u>	<u>0.56</u>	<u>0.45</u>

The difference between minimum lease payments and the present value of minimum lease payments of ₹ 0.25 (previous year: ₹ 0.11) represents interest not due. The lease liability is secured by the relevant vehicles acquired under lease.

**Note 31** In accordance with Accounting Standard 29 - “Provisions, contingent liabilities and contingent assets”, prescribed under Section 133 of the Companies Act, 2013 (‘the Act’), read with Rule 7 of the Companies (Accounts) Rules, 2014, certain classes of liabilities have been identified as provisions which have been disclosed as under:

	1 April 2014	Additions*	Utilisation*	Reversals / adjustments*	31 March 2015
(a) Excise related issues	39.41	12.36	(0.04)	-	51.73
(b) Sales tax and other issues	48.58	14.26	(0.22)	-	62.62
(c) Trade and other issues	18.68	1.28	(0.09)	0.60	20.47

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	1 April 2013	Additions*	Utilisation*	Reversals / adjustments*	31 March 2014
(a) Excise related issues	28.72	10.69	-	-	39.41
(b) Sales tax and other issues	38.85	9.86	(0.31)	0.18	48.58
(c) Trade and other issues	32.76	0.20	(0.31)	(13.97)	18.68

(a) and (b) represents estimates made for probable cash outflow arising out of pending disputes / litigations with various regulatory authorities.

(c) represents provisions made for probable liabilities / claims arising out of commercial transactions with vendors / others. Further disclosures as required in Accounting Standard 29 are not made since it can be prejudicial to the interests of the Group.

\* Included under various heads in the statement of profit and loss.

**Note 32** With respect to the matter related to the refund of excess contribution by Company's Covenanted Staff Pension Fund ("Fund") to the Company, the Honourable Supreme Court at its hearing on 12 May 2008 set aside the order of the Division Bench of the Honourable High Court, Kolkata and remanded the writ pending for disposal. Based on the directions of the courts, the Company was required to deposit ₹ 12.12 with a Nationalised Bank, which the Company has done under protest.

In other Writ Petitions filed by some of the pensioners in the Honourable Madras High Court, challenging the Deeds of Variation submitted in May 2005, the Honourable High Court has passed an interim order restraining the CIT, Kolkata from approving the Deeds of Variation pending disposal of the Writ Petitions.

There have been no significant development in the year under review.

In the suit filed by the Britannia Industries Limited Pensioners Welfare Association ('the Association') in the Honourable City Civil Court, Bangalore, the proceedings are currently in the stage of final arguments. However, in the meanwhile the Association further filed an application stating certain members have joined the Association post retirement from the Company and are eligible for Pension and hence the Court should direct the Company and the Fund to pay pension to these employees. The Company and the Fund filed their objections to this Application on 31 August 2013. Based on the interim order of the Honourable City Civil Court, Bangalore and the direction of the Honourable Supreme Court, the Company presently continues to pay pension as per the interim order passed by the Bangalore City Civil Court on 1 January 2009 (i.e. on Defined Contribution basis) till disposal of the suit by the Trial Court.

The Company believes, based on current knowledge and after consultation with eminent legal counsel that the resolution of the matter will not have material adverse effect on the financial statements of the Company.

**Note 33 Earnings per equity share**

	31 March 2015	31 March 2014
(a) Net profit attributable to the equity shareholders	688.64	395.35
(b) Weighted average number of equity shares outstanding during the year	119,925,815	119,799,171
(c) Effect of potential equity shares on employee stock option outstanding	16,609	-
(d) Weighted average number of equity shares outstanding for computing diluted earnings per share [(b)+(c)]	119,942,424	119,799,171
Nominal value of equity shares (₹)	2	2
Basic earnings per share (₹)	57.42	33.00
Diluted earnings per share (₹)	57.41	33.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Note 34** Based on guiding principles given in the Accounting Standard 17 –“Segment Reporting”, the primary business segment of the Group is foods, comprising bakery and dairy products. As the Group operates in a single primary business segment, disclosure requirements are not applicable. The Group primarily caters to the domestic market (India) and export sales are not significant. The Group’s revenues from domestic markets aggregating to ₹ 7,357.39 (previous year: ₹ 6,491.14); assets located in India aggregating to ₹ 2,477.89 (previous year: ₹ 1,808.27) and capital expenditure in India aggregating ₹ 101.21 (previous year: ₹ 138.81).

**Note 35 Corporate Social Responsibility**

During the year, the amount required to be spent on corporate social responsibility activities amounted to ₹ 7.74 in accordance with Section 135 of the Companies Act, 2013. The following amounts were spent during the year:

(i) Amount spent other than for construction / acquisition of any asset	7.74
(ii) Amount accrued and not paid	-
<b>Total</b>	<u><u>7.74</u></u>

**Note 36 Related party disclosures under Accounting Standard 18**

**Relationships**

1. Ultimate holding company	The Bombay Burmah Trading Corporation Limited
Holding company	Associated Biscuits International Limited (ABIL), UK
2. Fellow subsidiary companies	Bannatyne Enterprises Pte Limited, Singapore Dowbiggin Enterprises Pte Limited, Singapore Nacupa Enterprises Pte Limited, Singapore Spargo Enterprises Pte Limited, Singapore Valletort Enterprises Pte Limited, Singapore
3. Associates	Klassik Foods Private Limited Nalanda Biscuits Company Limited
4. Key management personnel (KMP) *	
Managing Director	Mr. Varun Berry
Erstwhile Managing Director	Ms. Vinita Bali

\* Mr. Varun Berry was appointed as Executive Director (w.e.f. 11 November 2013). Further, effective from 1 April 2014, Mr. Varun Berry has been appointed as Managing Director of the Company. Ms. Vinita Bali has ceased to be Managing Director of the Company w.e.f. the close of business on 31 March 2014.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Relationship	31 March 2015	31 March 2014
<b>Related party transactions during the year:</b>			
<b>Remittance of dividend</b>			
Associated Biscuits International Limited (ABIL), UK	Holding company	64.69	45.82
Others	Fellow subsidiary companies	8.35	5.92
<b>Total</b>		<b>73.04</b>	<b>51.74</b>
<b>Purchase of finished goods</b>			
Nalanda Biscuits Company Limited	Associate	77.76	64.01
<b>Conversion charges</b>			
Klassik Foods Private Limited	Associate	4.09	4.20
<b>Remuneration #</b>			
Mr. Varun Berry	KMP	4.71	1.39
Ms. Vinita Bali	KMP	-	4.11
<b>Total</b>		<b>4.71</b>	<b>5.50</b>
# Excludes: Contributions to employee retirement / post retirement and other employee benefits which are based on actuarial valuation done on an overall Company basis.			
<b>Shares allotted under employee stock option scheme for consideration received during the year 2013-14</b>			
<u>Ms. Vinita Bali</u>	KMP		
Equity shares		-	0.06
Securities premium		-	13.46
<b>Total</b>		<b>-</b>	<b>13.52</b>
<b>Shares allotted under employee stock option scheme for consideration received during the year 2012-13</b>			
<u>Ms. Vinita Bali</u>	KMP		
Equity shares		-	0.02
Securities premium		-	2.27
<b>Total</b>		<b>-</b>	<b>2.29</b>
<b>Share of current year profit / (loss)</b>			
Klassik Foods Private Limited	Associate	0.03	0.04
Nalanda Biscuits Company Limited	Associate	0.18	(0.31)
<b>Total</b>		<b>0.21</b>	<b>(0.27)</b>
<b>Sale of goods / consumables and ingredients</b>			
Nalanda Biscuits Company Limited	Associate	0.50	0.77
<b>Interest and dividend income</b>			
The Bombay Burmah Trading Corporation Limited	Ultimate holding company	2.12	-
Klassik Foods Private Limited	Associates	0.02	-
<b>Total</b>		<b>2.14</b>	<b>-</b>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	Relationship	31 March 2015	31 March 2014
<b>Related party transactions during the year:</b>			
<b>Inter-corporate deposits placed</b>			
The Bombay Burmah Trading Corporation Limited	Ultimate holding company	40.00	-
<b>Related party closing balances as on balance sheet date:</b>			
<b>Outstanding - net receivables / (payables)</b>			
The Bombay Burmah Trading Corporation Limited	Ultimate holding company	40.00	-
Klassik Foods Private Limited	Associates	(0.12)	(0.06)
Nalanda Biscuits Company Limited	Associates	(0.56)	0.70
<b>Total</b>		<b>39.32</b>	<b>0.64</b>
<b>Investments (including goodwill)</b>			
Klassik Foods Private Limited	Associates	0.94	0.91
Nalanda Biscuits Company Limited	Associates	(0.04)	(0.22)
<b>Total</b>		<b>0.91</b>	<b>0.70</b>

**Notes:**

- (i) The above does not include related party transactions with retiral funds, as key management personnel who are trustees of the funds cannot individually exercise significant influence on the retiral funds transactions.
- (ii) The above information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.

**Note 37 Employee benefits**

**(a) Post retirement benefi - Defined contribution plans**

The Group has recognised an amount of ₹ 8.75 (previous year: ₹ 8.30) as expenses under the defined contribution plans in the statement of profit and loss for the year:

	31 March 2015	31 March 2014
<b>Benefit (Contribution to)</b>		
Provident Fund *	5.71	5.08
Family Pension Scheme	1.72	1.52
Pension Fund / Scheme	0.78	1.13
ESI	0.54	0.57
<b>Total</b>	<b>8.75</b>	<b>8.30</b>

\* With regard to the assets of the Fund and the return on the investments, the Group does not expect any deficiency in the foreseeable future.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

(b) Post retirement benefit - Defined benefit plans

The Company has two funds: Britannia Industries Limited Covenanted Staff Gratuity Fund and Britannia Industries Limited Non Covenanted Staff Gratuity Fund, which are funded defined benefit plans for qualifying employees.

- (i) The Scheme in relation to Britannia Industries Limited Non Covenanted Staff Gratuity Fund provides for lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months subject to the maximum amount payable as per the Payment of Gratuity Act, 1972 and twenty months salary.
- (ii) The Scheme in relation to Britannia Industries Limited Covenanted Staff Gratuity Fund provides for lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service or part thereof in excess of six months subject to the higher of maximum amount payable as per the Payment of Gratuity Act, 1972 and twenty months salary.

Vesting (for both the funds mentioned above) occurs only upon completion of five years of service, except in case of death or permanent disability. The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at balance sheet date.

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
1. Reconciliation of opening and closing balances of the present value of the defined benefit obligation:					
Obligations at 1 April	21.54	21.54	19.61	20.35	20.09
Service cost	1.40	1.43	1.24	1.28	1.31
Interest cost	1.95	1.74	1.66	1.68	1.61
Benefits settled	(6.75)	(2.59)	(2.56)	(3.73)	(2.79)
Actuarial (gain) / loss	3.38	(0.58)	1.59	0.03	0.13
On acquisition	-	-	-	-	-
Obligations at the year end 31 March	21.52	21.54	21.54	19.61	20.35
2. Change in plan assets:					
Plan assets at 1 April at fair value	22.87	21.49	20.52	21.28	20.19
Expected return on plan assets	2.08	1.87	1.75	1.76	1.62
Actuarial gain / (loss)	(0.30)	(0.09)	(0.04)	(0.16)	0.07
Contributions	(6.17)	2.19	1.82	1.37	2.20
Benefit settled	0.08	(2.59)	(2.56)	(3.73)	(2.79)
On acquisition	-	-	-	-	-
Plan assets at 31 March at fair value	18.56	22.87	21.49	20.52	21.28

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
3. Reconciliation of present value of the obligation and the fair value of the plan assets:					
Present value of obligation as at 31 March	21.52	21.54	21.54	19.61	20.35
Plan assets at 31 March at fair value	18.56	22.87	21.49	20.52	21.28
Amount recognised in balance sheet asset / (liability)	(2.95)	1.33	(0.05)	0.91	0.93
4. Expenses recognised in the statement of profit and loss:					
Current service cost	1.40	1.43	1.24	1.28	1.31
Interest cost	1.95	1.74	1.66	1.68	1.61
Expected return on plan assets	(2.08)	(1.87)	(1.75)	(1.76)	(1.62)
Actuarial (gain) / loss	3.68	(0.49)	1.63	0.19	0.06
Net cost	4.95	0.81	2.78	1.39	1.36
5. Amount recognised in the balance sheet:					
Opening asset / (liability)	(1.33)	0.05	(0.91)	(0.93)	(0.10)
On acquisition	-	-	-	-	-
Expense as above	4.95	0.81	2.78	1.39	1.36
Employers contribution paid	6.17	(2.19)	(1.82)	(1.37)	(2.20)
Closing (asset) / liability	9.79	(1.33)	0.05	(0.91)	(0.93)
6. Experience adjustment:					
On plan liabilities (gain) / loss	1.73	1.46	0.79	0.51	0.41
On plan assets gain / (loss)	(0.30)	(0.09)	(0.04)	(0.16)	0.07
	% Invested	% Invested	% Invested	% Invested	% Invested
7. Investment details:					
Government of India securities	3.73	17.54	20.85	21.51	20.93
State Government securities	20.15	20.42	17.70	15.89	13.08
Public sector securities	37.81	34.50	35.54	34.80	41.41
Mutual funds	2.34	1.15	0.80	0.62	0.52
Special deposit scheme	3.09	2.59	2.94	6.61	6.30
Others	32.88	23.80	22.17	20.57	17.76
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
8. Principal actuarial assumptions:					
Discount factor [Refer note (i) below]	7.92%	9.02%	8%	8.50%	8.25%
Estimated rate of return on plan assets [Refer note (ii) below]	7.92%	9.02%	8%	8.50%	8.25%
Attrition rate:					
Service related:					
5 years and above	4%	4%	2%	2%	1%
Below 5 years	16%	14%	14%	14%	14%
Salary escalation rate	5%	5%	5%	5%	5%
Retirement age (in years)	58	58	58	58	58

Notes:

- (i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.
- (ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.
- (iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- (iv) The disclosure above includes amounts for both Britannia Industries Limited Covenanted Staff Gratuity Fund and Britannia Industries Limited Non Covenanted Staff Gratuity Fund and amounts relating to other group companies.

- (c) The charge for retirement benefits of Al Sallan Food Industries Co. SAOC and Strategic Food International Co. LLC, Dubai has been calculated in accordance with the laws applicable in their countries of incorporation which amounts to ₹ 2.41 (previous year: ₹ 2.41).

**Note 38** With respect to Al Sallan Food Industries Co. SAOC, the Company's income tax assessments for the year 2008 to 2012 have not been agreed with the Secretariat General for Taxation at the Ministry of Finance, Oman. Management believes that additional taxes, if any, that may become payable on finalisation of the assessments in respect of these open years would not be material to the Company's financial position as at 31 March 2015. No tax has been recognised due to carried forward accumulated losses of prior years.

**Note 39** **Derivative contracts**

**Foreign currency forward contracts**

The Company has designated certain foreign exchange forward contracts (relating to foreign currency receivables and payables) outstanding as on 31 March 2015 as hedge of committed transaction. On that date, the Company had forward contracts amounting to USD 2,908,783 and EUR 2,060,830 (previous year: USD 2,686,908 and EUR 58,287). As at the year end the unrealized exchange loss of ₹ 0.49 has been accounted for (previous year: unrealized exchange gain of ₹ 0.55 has not been accounted) (arrived on a mark to market basis) in line with the ICAI notification issued in March 2008.

**Note 40** **Capital subsidy**

During the year ended 31 March 2013, an amount of ₹ 5 was received towards capital subsidy for the Hajipur Factory, Bihar in accordance with the State Industrial Policy of Bihar. Out of this, an amount of ₹ 0.71 (previous year: ₹ 0.54) has been credited to the statement of profit and loss (by reducing the depreciation charge for the year) and the outstanding amount of ₹ 3.57 (previous year: ₹ 4.28) has been classified as capital subsidy in the balance sheet [Refer note 1 (w)].

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

₹ in crores

**Note 41** Disclosure as per clause 32 of the Listing Agreement in respect of loans and advances, the amount in the nature of loans outstanding at year end:

	Outstanding as at		Maximum outstanding during the year ended	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Purbasha Properties Private Limited (repayment schedule in excess of 7 years)	2.93	3.30	3.30	3.63

**Note 42** Figures in rupees have been rounded off to two decimal places to the nearest crore, unless otherwise stated.

**Note 43** The financial statements are presented in ₹ crores (rounded off to two decimal places). Those items which are required to be disclosed and which were not presented in the financial statements due to rounding off to the nearest ₹ crores are given below:

Note No.	Description	₹ in '000	
		31 March 2015	31 March 2014
13.	Non-current investments:		
(a)	Unquoted - Trade investments - Investments in debentures / bonds	4	4

As per our report of even date attached

for B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sunil Gaggar

Partner

Membership number: 104315

Place : Bangalore

Date : 21 May 2015

for and on behalf of the Board of Directors

Chairman : Nusli N Wadia

Managing Director : Varun Berry

Directors : A K Hirjee

S S Kelkar

Nasser Munjee

Nimesh N Kampani

Jeh N Wadia

Ajai Puri

Ness N Wadia

Ranjana Kumar

Chief Financial Officer : Amlan Datta Majumdar

Company Secretary : Rajesh Arora

Place : Mumbai

Date : 21 May 2015

# Britannia Annual Report 2014-15

## SIGNIFICANT RATIOS

			2014-15	2013-14
<b>Measures of Investment</b>				
Return on equity	$\frac{\text{Net profit}}{\text{Shareholders' funds}}$	%	50.4	43.3
Book value per share	$\frac{\text{Shareholders' funds}}{\text{Number of equity shares}}$	₹	103.0	71.2
Dividend cover	$\frac{\text{Earnings per share (Basic)}}{\text{Dividend (plus tax) per share}}$	times	2.7	2.2
<b>Measures of Performance</b>				
Profit margin	$\frac{\text{Profit before tax and exceptional items}}{\text{Revenue from operations + Other income}}$	%	10.2	8.9
Debtors turnover	$\frac{\text{Sale of products}}{\text{Trade receivables}}$	times	102.4	118.2
Stock turnover	$\frac{\text{Sale of products}}{\text{Inventories (Finished goods + Stock-in-trade + Goods-in-transit)}}$	times	40.3	41.8
<b>Measures of Financial Status</b>				
Debt equity ratio	$\frac{\text{Long-term borrowings + Short-term borrowings + Current maturities of long-term debt and finance lease obligations}}{\text{Shareholders' funds}}$	%	0.1	0.1
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities - Current maturities of long-term debt and finance lease obligations}}$	times	1.2	0.9
Tax ratio	$\frac{\text{Tax expense}}{\text{Profit before tax}}$	%	29.5	31.8

# Britannia Annual Report 2014-15

## TEN YEAR FINANCIAL STATISTICS : 2006 - 2015

₹ in crores

As at / Year ended 31 March	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Assets employed</b>										
Fixed assets less depreciation and amortisation	151.64	214.40	250.68	283.86	291.47	315.40	458.82	580.12	642.88	574.16
Investments (non-current and current)	359.86	320.05	380.83	423.10	490.64	545.00	428.94	279.60	372.99	661.04
Other assets / (liabilities), net	30.89	59.57	207.17	116.10	43.76	22.34	66.78	(7.83)	(161.96)	1.39
Miscellaneous expenditure	16.06	25.58	23.23	26.64	-	-	-	-	-	-
	<b>558.45</b>	<b>619.60</b>	<b>861.91</b>	<b>849.70</b>	<b>825.87</b>	<b>882.74</b>	<b>954.54</b>	<b>851.89</b>	<b>853.91</b>	<b>1,236.59</b>
<b>Financed by</b>										
Equity shares	23.89	23.89	23.89	23.89	23.89	23.89	23.89	23.91	23.99	23.99
Reserves and surplus	525.20	590.93	731.92	800.65	372.36	427.41	496.15	612.50	829.47	1,211.63
Loan funds (long-term borrowings, short-term borrowings and current maturities of long term debt & finance lease obligations)	9.36	4.78	106.10	25.16	429.62	431.44	434.50	215.48	0.45	0.97
	<b>558.45</b>	<b>619.60</b>	<b>861.91</b>	<b>849.70</b>	<b>825.87</b>	<b>882.74</b>	<b>954.54</b>	<b>851.89</b>	<b>853.91</b>	<b>1,236.59</b>
<b>Profits and appropriations</b>										
Sale of products	1,817.92	2,317.21	2,616.98	3,142.89	3,426.64	4,230.59	5,005.66	5,649.66	6,347.85	7,269.26
Profit before depreciation, amortisation, exceptional items and tax	217.56	151.38	253.56	286.61	204.96	242.65	299.69	389.26	626.00	857.82
Depreciation and amortisation	21.72	25.27	29.08	33.46	37.54	44.59	47.32	57.08	63.38	117.27
Profit before exceptional items and tax	195.84	126.11	224.48	253.15	167.42	198.06	252.37	332.18	562.62	740.55
Exceptional items	4.88	(7.70)	7.78	(20.63)	(46.64)	-	-	-	(20.00)	142.06
Profit before tax	200.72	118.41	232.26	232.52	120.78	198.06	252.37	332.18	542.62	882.61
Tax	54.29	10.76	41.26	52.12	4.27	52.77	65.63	98.31	172.79	260.20
Net profit	146.43	107.65	191.00	180.40	116.51	145.29	186.74	233.87	369.83	622.41
Dividend	35.84	35.84	43.00	95.56	59.73	77.64	101.53	101.66	143.91	191.88*
Tax on dividend	5.03	6.09	7.31	16.24	9.92	12.60	16.47	17.28	24.46	39.06#
Profit for the year after dividend and tax thereon	105.56	65.72	140.69	68.60	46.86	55.05	68.74	114.93	201.46	391.47

\* Proposed dividend

# Tax on proposed dividend











# BUILDING BLOCKS FOR A TASTIER FUTURE.



**EXECUTIVE OFFICE**

Prestige Shantiniketan, Tower C,  
The Business Precinct,  
16th & 17th Floor, Whitefield Main Road,  
Mahadevapura Post, Bangalore - 560 048  
Ph: 080 - 3940 0080 Fax: 080 - 2506 3229

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**REGISTERED OFFICE**

5/1A Hungerford Street,  
Kolkata -700 017, West Bengal.  
Ph: 033 - 2287 2439 / 2287 2057. Fax: 033 - 2287 2501



# BRITANNIA INDUSTRIES LIMITED

(Corporate Identity Number: L15412WB1918PLC002964)  
Registered Office: 5/1A, Hungerford Street, Kolkata - 700 017  
Phone : 033 22872439/2057; 080 39400080 Fax : 033 22872501; 080 25063229  
Website: [www.britannia.co.in](http://www.britannia.co.in) E-mail ID: [investorrelations@britindia.com](mailto:investorrelations@britindia.com)

## NOTICE

Notice is hereby given that the Ninety-sixth Annual General Meeting (AGM) of the Members of Britannia Industries Limited will be held on Tuesday, 4 August 2015, at 11 a.m. at the Hyatt Regency, JA-1, Sector 3, Salt Lake City, Kolkata - 700 098 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the Financial Year ended 31 March 2015 and the Balance Sheet as on that date and the Reports of the Directors and the Auditors thereon.
2. To declare dividend for the Financial Year ended 31 March 2015.
3. To appoint a Director in place of Mr. Ness N Wadia (holding DIN: 00036049), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. BSR & Co. LLP, Chartered Accountants (Firm Reg. No. 101248W/W-100022), be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the 4<sup>th</sup> consecutive AGM, subject to ratification of appointment by the Members at every AGM, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

By Order of the Board of Directors  
For **Britannia Industries Limited**

### Registered Office:

5/1A, Hungerford Street,  
Kolkata - 700 017.  
21 May 2015

**Rajesh Arora**

GM- Legal & Company Secretary

### NOTES:

- a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total Share Capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total Share Capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/ authority, as applicable. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting.

- b. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 29 July 2015 to Tuesday, 4 August 2015 (both days inclusive) for annual closing and determining the entitlement of the Member to the final dividend for Financial Year 2014-15.
- c. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the Meeting, will be paid within the period of 30 days from the date of declaration, to those Members whose name appear on the Register of Members as on 28 July 2015. In respect of the shares held in dematerialized form, the dividend will be paid to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

## Britannia Industries Limited

- d. Pursuant to the provisions of Section 205A and 205C and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) dividend for the Financial Years ended 31 March 2008 and onwards which remains unpaid or unclaimed for a period of seven (7) years from the date of its transfer to the unpaid dividend account of the Company would be transferred to Investor Education and Protection Fund (IEPF) on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Last date for Claiming Unpaid Dividend	Due date for Transfer to IEPF
2007 – 08	28-07-2008	03-09-2015	03-10-2015
2008 – 09	27-05-2009	03-07-2016	02-08-2016
2009 – 10	09-08-2010	15-09-2017	15-10-2017
2010 –11	06-08-2011	12-09-2018	12-10-2018
2011 –12	06-08-2012	12-09-2019	12-10-2019
2012 –13	12-08-2013	18-09-2020	18-10-2020
2013 -14	12-08-2014	18-09-2021	18-10-2021

Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim to the Company's Registrar and Transfer Agents at their address given herein below immediately, quoting their folio number/DP ID and Client ID. It may be noted that once the unclaimed dividend is transferred to IEPF as aforesaid, no claim shall lie in respect of such amount by the Members.

In terms of Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001, during the year ended 31 March 2015, the Company has credited an aggregate amount of ₹ 14,06,310/- to the Investor Education and Protection Fund (IEPF). As on 31 March 2015, the Company's unpaid/unclaimed dividend / interest / debenture redemption proceeds account had a balance of ₹ 4,34,39,015.30/- in various dividend / interest / debenture redemption proceeds accounts.

- e. Members are requested to intimate immediately the change of address or demise of any Member, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be to prevent frauds.

- f. Members are requested to bring their copy of the Annual Report to the AGM. Members/ Proxies should bring the Attendance Slip to the Meeting duly filled in for attending the Meeting.

- g. Members who hold shares under more than one folio in name(s) in the same order, are requested to send the relative Share Certificate(s) to the Company's Registrar and Transfer Agents for consolidating the holdings into one account. The Share Certificate(s) will be returned after consolidation.

- h. Members holding shares in dematerialised form may please note that, while opening a depository account with Participants they may have given their bank account details, which will be printed on their dividend warrants. However, if Members want to change/correct the bank account details, they should send the same immediately to the Depository Participant concerned. Members are also requested to give the MICR code of their bank to their Depository Participant. The Company will not entertain any direct request from Members for cancellation/change in the bank account details furnished by Depository Participants to the Company.

- i. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.

- j. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents.

## Britannia Industries Limited

- k. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by the Companies for the distribution of dividend to its Members. In order to avail the facility of ECS/NECS, Members holding shares in physical form are requested to provide bank account details to the Company or its Registrar and Share Transfer Agents.
- Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
- l. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Transfer Agents, M/s. Sharepro Services (India) Private Limited, at the address mentioned below:
- M/s. Sharepro Services (India) Private Limited**  
**Unit: Britannia Industries Limited**  
13 AB, Samhita Warehousing Complex, II Floor,  
Sakinaka Telephone Exchange Lane,  
Off Andheri - Kurla Road, Sakinaka,  
Andheri (East), Mumbai - 400 072.  
Phone : 022-67720300/400 Fax No.: 022-28591568  
E-mail ID: [indira@shareproservices.com](mailto:indira@shareproservices.com) / [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com).
- m. Pursuant to Clause 47(f) of the Listing Agreement the Company has created an exclusive E-mail ID: [investorrelations@britindia.com](mailto:investorrelations@britindia.com) for quick redressal of Members/investors grievances.
- n. Details under Clause 49 of the Listing Agreement with respect to the Director seeking re-appointment at the AGM, forms integral part of the Notice. The Director has furnished the requisite declarations for his re-appointment.
- o. Electronic copy of the Annual Report 2014-15 and the Notice of 96<sup>th</sup> AGM of the Company *inter alia*, indicating the process and manner of Remote e-Voting along with Attendance Slip and Proxy form is being sent to all the Members whose E-mail IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any Member has requested for a hard copy of the same. For Members who have not registered their E-mail addresses, physical copy of the Annual Report 2014-15 and the Notice of 96<sup>th</sup> AGM of the Company *inter alia* indicating the process and manner of Remote e-Voting along with Attendance Slip and Proxy form is being sent in the permitted mode.
- p. Members may note that the Notice of the 96<sup>th</sup> AGM and the Annual Report 2014-15 will also be available on the Company's website: [www.britannia.co.in](http://www.britannia.co.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kolkata for inspection during normal business hours on working days. Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon making the request for the same, by post free of cost. For any communication, the Members may also send requests to the Company's investor E-mail ID: [investorrelations@britindia.com](mailto:investorrelations@britindia.com).
- q. The Members desirous of obtaining any information/clarification concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least ten days before the AGM, so that the information required may be made available at the AGM.
- r. In order to enable the Company to send such documents in electronic form, the Members are requested to register their E-mail IDs either with the Company on its E-mail ID: [investorrelations@britindia.com](mailto:investorrelations@britindia.com) or with the Company's Registrars and Transfer Agents, i.e., M/s. Sharepro Services (India) Private Limited, on their E-mail ID: [britannia@shareproservices.com](mailto:britannia@shareproservices.com).



## Britannia Industries Limited

- s. The notice of the 96<sup>th</sup> AGM is also available on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- t. **Voting through Electronic Means - Remote E-Voting**
- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 35B of the Listing Agreement, the Company is pleased to provide the Members with a facility to exercise their right to vote for the 96<sup>th</sup> AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through Poll Paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Poll Paper.
- III. Members who have cast their vote by remote e-voting prior to the AGM may also attend AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 31 July 2015 (9:00 am) and ends on 3 August 2015 (5:00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 28 July 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently.
- V. Any person who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e., 28 July 2015 can obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [investorrelations@britindia.com](mailto:investorrelations@britindia.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- VI. Members whose name appears in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., 28 July 2015 only shall be entitled to avail the facility of remote e-voting and vote at the AGM through Poll Paper.
- VII. The instructions for remote e-voting are as under:
- A. Members whose shareholding is in the Dematerialization form and whose e-mail address are registered with the Company/ Depository Participants will receive an E-mail from NSDL informing user ID and Password:
1. Open E-mail and open PDF file viz., “Britannia remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  2. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  3. Click on Shareholder - Login
  4. Put user ID and password as initial password/PIN noted in step (1) above. Click Login.

## Britannia Industries Limited

5. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  6. Home page of e-voting opens. Click on remote e-voting: Active Voting Cycles.
  7. Select “REVEN” of Britannia Industries Limited.
  8. Now you are ready for e-voting as Cast Vote page opens.
  9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  10. Upon confirmation, the message “Vote cast successfully” will be displayed.
  11. Once you have voted on the resolution, you will not be allowed to modify your vote.
  12. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [britannia.scrutinizer@gmail.com](mailto:britannia.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. For Members whose shareholding is in the Dematerialization form and whose e-mail address are not registered with the Company/Depository Participants and the Members holding Shares in Physical form as well as those Members who have requested for a physical copy of the Notice and Annual Report, the following instruction may be noted:
1. Initial password is provided as below/ at the bottom of the **Attendance Slip** for the AGM :  
  
**REVEN** (Remote E Voting Event Number) **USER ID** **PASSWORD/PIN**.
  2. Please follow all steps from instructions 2 to 12 of A above to cast vote.
- VIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the Downloads section of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.
- IX. Login to the remote e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot Password” option available on the site to reset the password.
- X. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- XI. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- XII. The voting rights of Members shall be in proportion to their shares of the paid up equity Share Capital of the Company as on the cut-off date i.e., 28 July 2015.
- XIII. Mr. Arup Kumar Roy, Company Secretary in Practice (CP 9597 Address: 201, Sarat Bose Road Kolkata 700 029) has been appointed as the Scrutinizer to scrutinize the remote e-voting and poll process in a fair and transparent manner.

## Britannia Industries Limited

XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of poll paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall immediately after the conclusion of voting at the AGM will count the votes casted at the Meeting and thereafter unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than 3 days of conclusion of AGM, a consolidated Scrutinizer's Report of the total votes casted in favour or against, if any, forthwith to the Chairman or a person authorized by him in writing who shall countersign the same and declare the results of the voting forthwith.

XVI. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website: [www.britannia.co.in](http://www.britannia.co.in) and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The Results shall also be simultaneously forwarded to the concerned Stock Exchanges.

u. All documents referred to in the accompanying the Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 a.m. to 5:00 p.m.) on all working days except Saturdays, upto and including the date of the AGM of the Company.

**INFORMATION ON DIRECTOR SEEKING RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49(VIII) (E) OF THE LISTING AGREEMENT**

**Mr. Ness N Wadia**

Mr. Ness N Wadia, 44, is currently a Director of the Company and joined its Board of Directors on 29 April 2010. He currently serves as the Managing Director of Bombay Burmah Trading Company Limited and is Chairman of National Peroxide Limited, and is also actively involved in the running of the award-winning Wadia Hospitals and the Group's educational

establishments, where he is instrumental in improving their effectiveness and visibility.

Mr. Wadia is also on the Board and Committees of other leading companies such as stated below:

Name of the Company	Nature of Interest	Committees of the Board
<b>(a) Public Limited Companies</b>		
The Bombay Dyeing and Mfg. Co Ltd	Director	Finance Committee - Member CSR Committee - Chairman
National Peroxide Limited	Chairman	Remuneration Committee - Member
Wadia Techno – Engineering Services Limited	Director	-
Bombay Burmah Trading Corporation Limited	Managing Director	Stakeholders Relationship Committee- Member
Go Airlines (India) Limited	Director	-
Wadia Investments Limited	Director	-
<b>(b) Private Limited Companies</b>		
Virtual Education Network Private Limited	Director	-
K.PH Dreams Cricket Private Limited	Director	-
Go Investment & Trading Private Limited	Director	-
<b>(c) Foreign Companies:</b>		
Naira Holdings Ltd	Director	-
Leila Lands SB, Malaysia	Director	-

Mr. Wadia has been actively associated for over 20 years with the Wadia Group, an Indian conglomerate with interests in a plethora of sectors like Food and Dairy, Textiles, Real Estate Development, Chemicals, Plantations and Aviation. His time at Bombay Dyeing began in 1993 as a management trainee. During the early stages of his career, he was closely involved in marketing and retail distribution of the textile division of the company, and was the driving force behind the creation of Bombay Dyeing's real estate division.

## Britannia Industries Limited

In 1998, he began a Master's degree in Science (M.Sc.) of Engineering Management from the University of Warwick with a thesis titled "Leading to Success in India". After receiving his degree in 2001, he returned as Deputy Managing Director of Bombay Dyeing and was later promoted to Joint Managing Director. Mr. Wadia was appointed to this position on 1 August 2001 and stayed till March 2011.

Mr. Wadia was active in major industry organisations such as the Cotton Textiles Export Promotion Council, a council he once chaired, Mill Owners' Association (MOA). Mr. Wadia was once the Chairman of the FICCI- Maharashtra State Council and has been associated with FICCI as an executive committee member, Chairman of the FICCI Lifestyle Forum, Young Leaders Forum and Co-Chairman of the Real Estate Forum.

Mr. Wadia also leads the Wadia Group's philanthropic activities. As a trustee on boards of the Sir Ness Wadia Foundation and other trusts, he drives efforts in reaching out to the less fortunate.

Mr. Wadia is a co-owner of Kings XI Punjab, a prominent cricket team in the Indian Premier League. Since the team's inception, he has been the driving force behind the cricketing

aspects of the team, and his personal objective is to harness young unknown talent and mentor budding cricketers to help achieve their dreams.

Mr. Wadia is a Member of the Audit Committee, Corporate Social Responsibility Committee, Finance Committee, Strategy & Innovation Steering Committee and Executive Committee of the Board of the Company.

Mr. Wadia holds 4,551 (0.004%) equity shares in the Company.

Except Mr. Wadia being an appointee, Mr. Nusli N Wadia (his Father) and Mr. Jeh N Wadia (his Brother), none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 3.

During the Financial Year 2014 - 15, Mr. Wadia has attended all the five Board Meetings held during the year.

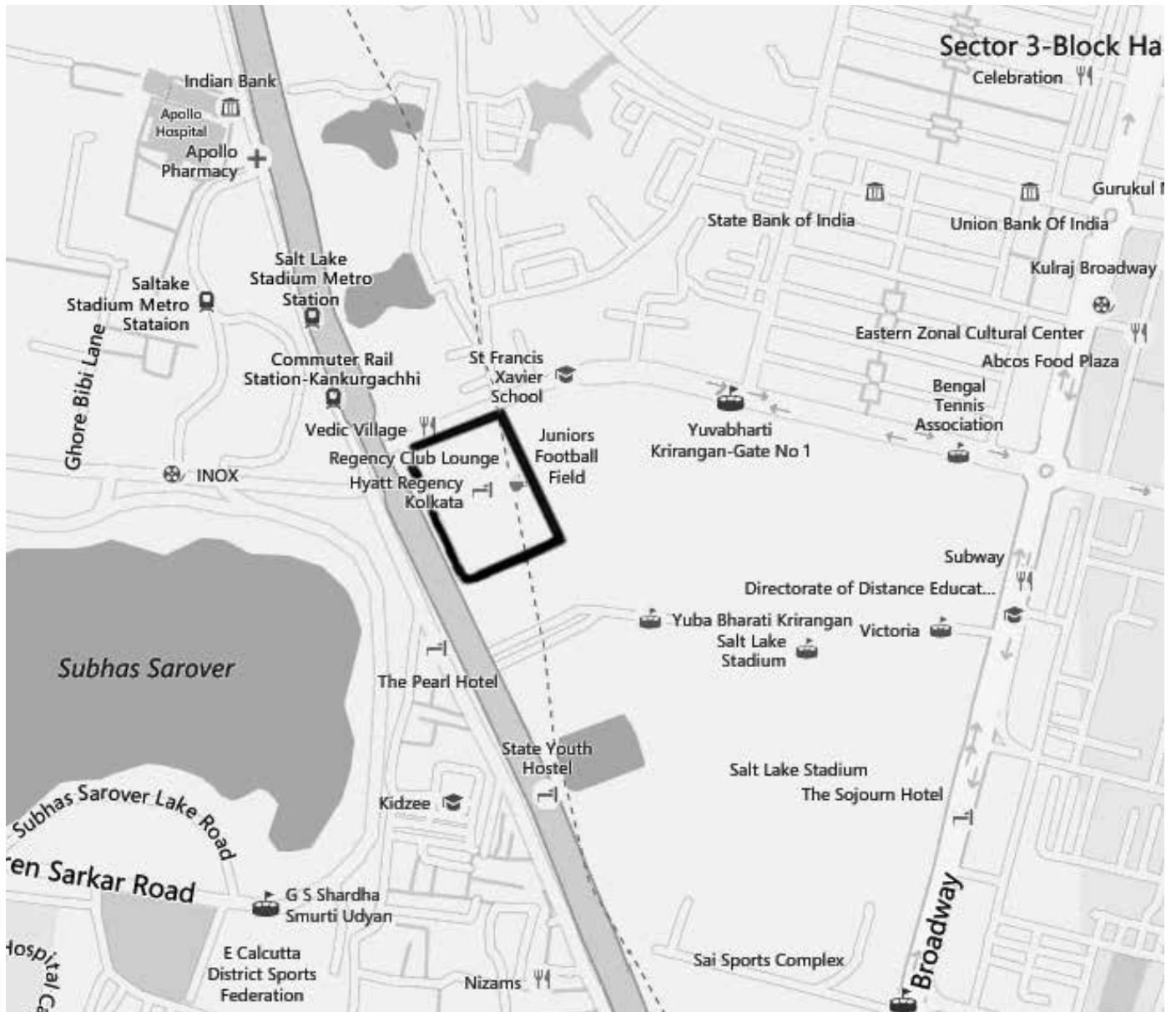
By Order of the Board of Directors  
For **Britannia Industries Limited**

**Registered Office:**  
5/1A, Hungerford Street,  
Kolkata - 700 017.  
21 May 2015

**Rajesh Arora**  
GM- Legal & Company Secretary

# Britannia Industries Limited

Route map to the venue of the AGM : Hyatt Regency, JA-1, Sector 3, Salt Lake City, Kolkata - 700 098




FORM A

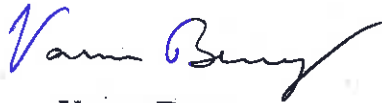
Covering Letter to the Annual Audit Report to be filed with the Stock Exchanges

1.	Name of the Company	Britannia Industries Limited
2.	Annual financial statements for the year ended	31 March 2015
3.	Type of Audit Observation	Unqualified
4.	Frequency of observation	Not applicable

for BSR & Co. LLP  
Chartered Accountants  
Firm Registration Number: 101248W/W-100022

for Britannia Industries Limited

  
Sunil Gaggar  
Partner  
Membership No.: 104315

  
Varun Berry  
Managing Director

  
Nasser Munjee  
Chairman- Audit Committee

Place: Bangalore  
Date: 21 May 2015

Place: Mumbai  
Date: 21 May 2015

Place: Mumbai  
Date: 21 May 2015

  
Amlan Datta Majumdar  
Chief Financial Officer

Place: Mumbai  
Date: 21 May 2015