Milky Mist Dairy Food Limited
(Formerly Known as "Milky Mist Dairy Food Private Limited")
Special Purpose Consolidated Statement of Assets and Liabilities as at 31st March 2023
(Amount in million of INR unless otherwise stated)

Particulars	Note No.	As at 31st March 2023 ₹ in million
I ASSETS		
A) Non-current assets		
(a) Property, plant and equipment	2	9,001.01
(b) Capital work-in-progress	3	1,473.50
(c) Investment property	4	15.97
(d) Right of use assets	5	56.16
(e) Other Intangible assets	6	10.19
(f) Financial assets		
(i) Other financial assets	7	87.35
(g) Non-current tax assets	8	16.72
(h) Other non-current assets	9	201.20
Total non-current assets		10,862.10
B) Current assets		
(a) Inventories	10	1,057.98
(b) Financial assets		
(i) Trade receivables	11	702.77
(ii) Cash and cash equivalents	12	90.17
(iii) Bank balances other than (ii) above	13	37.05
(iv) Other financial assets	14	4.98
(c) Other current assets	15	139.15
Total current assets		2,032.10
TOTAL ASSETS		12,894.20
II EQUITY AND LIABILITIES		
A) EQUITY		
(a) Equity share capital	16	35.00
(b) Instruments entirely equity in nature	17	0.68
(c) Other equity	18	2,588.23
Total equity		2,623.91
B) LIABILITIES		
1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	19	6,182.33
(ia) Lease liability	20	42.57
(ii) Other financial liabilities	21	118.03
(b) Provisions	22	18.82
(c) Deferred tax liabilities (net)	23	785.00
(d) Other non-current liabilities	24	7.16
Total non-current liabilities		7,153.91

VKS Aiyer & CO COIMBATORE Chartered Accountants

Milky Mist Dairy Food Limited Perundurai 638 057

Milky Mist Dairy Food Limited
(Formerly Known as "Milky Mist Dairy Food Private Limited")
Special Purpose Consolidated Statement of Assets and Liabilities as at 31st March 2023
(Amount in million of INR unless otherwise stated)

2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	25	1,798.31
(ia) Lease liability	26	14.46
(ii) Trade payables	27	
a) total outstanding dues to micro and small enterprises		6.64
b) total outstanding dues to other than micro and small enterprises		279.34
(iii) Other financial liabilities	28	923.31
(b) Other current liabilities	29	82.64
(c) Provisions	30	11.68
Total current liabilities		3,116.38
Total Liabilities		10,270.29
TOTAL EQUITY AND LIABILITIES		12,894.20

To be read with Basis of preparation, Measurement, Material Accounting Policies and Notes to the Special Purpose Financial Statements.

As per our report of even date attached
For VKS Aiyer & Co
Chartered Accountants
ICAI Firm Registration No 000066S

Kaushik Sidartha
Partner
Membership No:217964

VKS Aiyer & CO COIMBATORE Chartered Accountants

Place: Perundurai
Date: 15-07-2025

For and on behalf of the Board of Directors of Milky Mist Dairy Food Limited

Sathishkumar T
Chairman and Managing Director
DIN: 02926325

Anitha S
Whole Time Director
DIN: 02926355

Dr K Rathnam
Whole-time Director and Chief Executive Officer
DIN: 06887651

Biswajit Mishra
Chief Financial Officer

S Prakash
Company Secretary & Compliance Officer
FCS No: A22495

Milky Mist Dairy Food Limited Perundurai 638 057

Place: Perundurai
Date: 15-07-2025

Milky Mist Dairy Food Limited
(Formerly Known as "Milky Mist Dairy Food Private Limited")
Special Purpose Consolidated Statement of Profit and Loss for the year ended 31st March 2023
(Amount in million of INR unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2023 ₹ in million
I Revenue from operations	31	13,941.75
II Other income	32	47.79
III Total income (I + II)		**13,989.54**
IV EXPENSES		
(a) Cost of materials consumed	33	9,163.21
(b) Purchase of stock-in-trade	34	497.34
(c) Changes in inventories of finished goods/work in progress/stock-in-trade	35	(241.58)
(d) Employee benefits expense	36	824.76
(e) Finance costs	37	574.58
(f) Depreciation and amortisation expenses	38	804.65
(g) Other expenses	39	1,731.87
Total expenses (IV)		**13,354.83**
V Profit before tax (III - IV)		**634.71**
VI Tax Expense		
Current Tax		120.88
Deferred tax		251.65
Earlier years		(10.12)
Total tax expense		**362.41**
VII Profit for the year (V + VI)		**272.30**
VIII Other comprehensive income/(loss)		
Items that will not be reclassified to P&L		
-Remeasurement of post employment benefit obligations		(0.03)
-Income Tax relating to items that will not be reclassified to P&L		0.01
		(0.02)
IX Total comprehensive income for the year (VII + VIII)		**272.28**
X Earnings per equity share (Face value ₹ 2 /- each)		
(1) Basic (in ₹)	40	0.43
(2) Diluted (in ₹)		0.42

To be read with Basis of preparation, Measurement, Material Accounting Policies and Notes to the Special Purpose Financial Statements.

As per our report of even date attached
For VKS Aiyer & Co
Chartered Accountants
ICAI Firm Registration No 000665

Krushik Sidartha
Partner
Membership No:217964

VKS Aiyer & CO COIMBATORE Chartered Accountants

Place: Perundurai
Date: 15-07-2025

For and on behalf of the Board of Directors of Milky Mist Dairy Food Limited

Rathishkumar T
Chairman and Managing Director
DIN: 02926325

Anitha S
Whole Time Director
DIN: 02926355

Dr K Rathnam
Whole-time Director and Chief Executive Officer
DIN: 06887651

Biswajit Mishra
Chief Financial Officer

S Prakash
Company Secretary & Compliance Officer
FCS No: A22495

Place: Perundurai
Date: 15-07-2025

Milky Mist Dairy Food Limited Perundurai 638 057

Milky Mist

Milky Mist Dairy Food Limited

(Formerly Known as "Milky Mist Dairy Food Private Limited")

Special Purpose Consolidated Statement of Cash Flows for the year ended 31st March 2023

(Amount in million of INR unless otherwise stated)

₹ in million

Particulars	For the year ended 31st March 2023	
Cash flows from operating activities		
Net profit before taxation		634.71
Adjustments for:		
Depreciation on Assets other than Right of Use Assets	790.23	
Depreciation on Right of Use Assets	14.42	
Finance cost	574.58	
Profit on sale of assets (Net)	(3.12)	
Loss on Scrapping of Asset	3.04	
Liability written back	(15.89)	
Rental Income from Investment Property	(1.32)	
Provision for Expected Credit Loss	22.57	
Interest income	(6.22)	1,378.29
Operating profit before working capital changes		2,013.00
Adjustments for Working Capital Changes:		
- (Increase)/Decrease in Inventories	(356.21)	
- (Increase)/Decrease in Trade Receivables	(92.24)	
- Increase/(Decrease) in Trade Payables	75.95	
- (Increase)/Decrease in Other Assets	(51.67)	
- Increase /(decrease) in Other Liabilities	306.58	(117.59)
Cash generated from operations		1,895.41
Income taxes refund / (paid)		(144.98)
Net cash from operating activities - (A)		1,750.43
Cash flows from investing activities		
Purchase of Property, Plant and Equipment (PPE), including CWIP, intangibles under development and Capital advance.	(3,915.55)	
Adjustment for Capital Creditors & Proceeds from sale of assets	229.55	
Rental Income from Investment Property	1.32	
Interest received	5.71	
Net cash from investing activities - (B)		(3,678.97)
Cash flows from financing activities		
Proceeds from long term borrowings	2,440.73	
Lease Liability Repayment	(16.16)	
Proceeds from/(Repayment of) current borrowings (net)	124.23	
Receipt of Interest subvention	-	
Interest paid	(568.73)	
Net cash from financing activities - (c)		1,980.07
Net increase in cash and cash equivalents (A+B+C)		51.53
Cash and bank balances at the beginning of the year		38.64
Cash and cash equivalents at the end of the year (Refer note no.12)		90.17

VKS Aiyer & CO COIMBATORE Chartered Accountants

Milky Mist Dairy Food Limited Perundurai 638 057

Milky Mist

Milky Mist Dairy Food Limited

(Formerly Known as "Milky Mist Dairy Food Private Limited")

Special Purpose Consolidated Statement of Cash Flows for the year ended 31st March 2023

(Amount in million of INR unless otherwise stated)

₹ in million

Changes in Liability arising from financing activities, disclosing changes arising from Cash and Non-Cash Flow:

Particulars	Non Current Borrowings (including current maturities)	Current Borrowings	Lease Liability
As at 31-03-2023			
Opening Balance as at 1st April, 2022	4,589.99	824.73	35.77
Cash Flows (Net) - Proceeds / (Repayment)	2,440.73	124.23	(16.16)
Addition during the year - Impact on account of Ind AS 116	-	-	37.42
Unwinding of Interest on Financial Instruments	0.96	-	-
Closing Balance as at 31st March 2023	7,031.68	948.95	57.03

To be read with Basis of preparation, Measurement, Material Accounting Policies and Notes to the Special Purpose Financial Statements.

As per our report of even date attached
For VKS Aiyer & Co
Chartered Accountants
ICAI Firm Registration No 000066S

Kaushik Sidartha
Partner
Membership No:217964

VKS Aiyer & Co COIMBATORE Chartered Accountants

Place: Perundurai
Date: 15-07-2025

For and on behalf of the Board of Directors
of Milky Mist Dairy Food Limited

Sathishkumar T
Chairman and Managing Director
DIN: 02926325

Anitha S
Whole Time Director
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Whole-time Director
and Chief Executive
Officer
DIN: 06887651

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Chief Financial Officer

S Prakash
Company Secretary & Compliance Officer
FCS No: A22495

Milky Mist Dairy Food Limited Perundurai 638 057

Place: Perundurai
Date: 15-07-2025

Milky Mist Dairy Food Limited
(Formerly Known as "Milky Mist Dairy Food Private Limited")
Special Purpose Statement of Changes in Equity for the year ended 31st March 2023
(Amount in million of INR unless otherwise stated)

₹ in million

A. Equity Share Capital

Particulars	No of shares	Amount
Issued and Subscribed Capital		
Balance at 1st April 2022 (3,50,000 Equity shares of ₹ 10/- each)	35,00,000	35.00
(+) Issue of shares during the year		
Balance at 31st March 2023	**35,00,000**	**35.00**

B. Instruments entirely equity in nature

Particulars	No of shares	Amount
Issued and Subscribed Capital		
Balance at 1st April 2022 (68,250 shares of ₹ 10 each)	68,250	0.68
(+) Issue of shares during the year		
Balance at 31st March 2023	**68,250**	**0.68**

Other Equity

Particulars	Reserves and Surplus				Items of other comprehensive Income	Total Other Equity
	General Reserve	Securities Premium	Retained Earnings	Common control Adjustment deficit account	Remeasurement of post employment defined benefit obligations	
Balance as at 1st April, 2022	5.17	194.24	2,170.51	(56.25)	2.28	2,315.95
Profit/(loss) for the year 2022-2023	-	-	272.30	-	-	272.30
Other Comprehensive Income for the year	-	-	-	-	(0.02)	(0.02)
Balance as at 31st March, 2023	5.17	194.24	2,442.81	(56.25)	2.26	2,588.23

To be read with Basis of preparation, Measurement, Material Accounting Policies and Notes to the Special Purpose Financial Statements.

As per our report of even date attached
For VKS Aiyer & Co.
Chartered Accountants
ICAI Firm Registration No. 000066S

Kaushik Sidartha
Partner
Membership No:217964

VKS Aiyer & CO COIMBATORE Chartered Accountants

For and on behalf of Board of directors of Milky Mist Dairy Food Limited

Sathishkumar T
Chairman and Managing Director
DIN: 02926325

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Whole Time Director
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Dr K Rathnam
Whole-time Director and Chief Executive Officer
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Biswajit Mishra
Chief Financial Officer

Milky Mist Dairy Food Limited Perundurai 638 057

S Prakash
Company Secretary & Compliance Officer
FCS No: A22495

Place: Perundurai
Date: 15-07-2025

Place: Perundurai
Date: 15-07-2025

1.01 Corporate Information:

Milky Mist Dairy Food Limited (Formerly known as Milky Mist Dairy Food Private Limited (MMDFPL)) was a private limited company domiciled in Erode, India incorporated on 10th July, 2014 under the provisions of Companies Act, 2013('the Act') . The Company is engaged in the business of procurement of milk, undertakes processing of milk and manufacture of various value added products namely paneer, cheese, curd, butter, ghee, fresh cream, milk powder, flavoured milk, lassi etc. which are marketed under its brand name "Milky Mist". The registered office of the Company is situated at SF. No. 43/1-4, Pattakaranpalayam, Perundurai, Erode, Tamil Nadu - 638057.
Company considered in Special Purpose Consolidated Ind AS Financial Statements: Asal Food Products Private Limited whose country of incorporation is India.
The Company and its wholly owned subsidiary included in these Special Purpose Consolidated Ind AS Financial Statements are together referred to as 'the Group'.

MMDFPL was converted into a public limited company w.e.f 26 May 2025. Consequent to the conversion, the name of the Company has been changed to "Milky Mist Dairy Food Limited" ('MMDFL' or 'the Company'). The Company and its wholly owned subsidiary included in these Special Purpose Consolidated Ind AS Financial Statements are together referred to as 'the Group'.

1.02 BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

Basis of Preparation and measurement:

Statement of Compliance:

Special Purpose Consolidated Ind AS financial statements of the Company comprises the Special Purpose Consolidated Balance Sheet as at 31st March 2023, the Special Purpose Consolidated Statement of Profit & Loss (including other comprehensive income), Special Purpose Consolidated Statement of changes in Equity and the Special Purpose Consolidated Statement of Cash flows for the year ended 31st March 2023, the summary of material accounting policies and Explanatory Notes ("Collectively - Special Purpose Consolidated Ind AS Financial Statements")
The group has prepared financial statements as required by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 as amended ("ICDR Regulation") issued by the Securities and Exchange Board of India ("SEBI") in pursuance of the Securities and Exchange Board of India Act 1992 and Section 26 of Part I of Chapter III of the Companies act 2013 ("The Act") for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (the DRHP, the RHP and the Prospectus collectively herein after called as Offering Document")/preparation and presentation of Consolidated Financial Statement of the Parent Company i.e Milky Mist Diary food Limited (Formerly Milky Mist Diary Private Limited) in connection with the proposed initial Public offering of Equity Shares of face value of Rs.2 each of the Company comprising of fresh issue of Equity Shares ("IPO").

SEBI mandates companies to furnish financial statement prepared in accordance with Indian Accounting Standard ("Ind AS") for all the three previous years and stub period. Accordingly, the group has prepared these Special Purpose Consolidated Ind AS financial Statements for the year ended 31st March 2024. These Special Purpose Consolidated Ind AS financial statements are not the Statutory Financial statements of the Company and do not include all the disclosures applicable to Statutory financial statements prepared under the Companies Act 2013.
Until financial year ended March 31, 2023, the Company prepared only Standalone Financial Statements. During the period ended March 31, 2025, the Company acquired controlling stake in its subsidiary, which were under common control (refer note 49 for further details) and is preparing Consolidated Financial Statements for the first time for the year ended March 31, 2023. Considering the requirement of SEBI as mentioned above, the Company prepared Special Purpose Consolidated Ind AS financial Statements for the years ended March 31, 2023.

Pursuant to the Companies (Indian Accounting Standard) Second amendment Rules, 2015, as amended, the group will prepare its first set of Consolidated Statutory financial statements as per Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended from time to time for the year ended 31st March 2025 and consequently 1st April 2023 is the transition date for preparation of such Consolidated Statutory financial statements. The consolidated financial statement for the year ending 31st March 2025 would be the first financial statement prepared in accordance with Ind AS. Up to the financial year ended 31st March 2024, the group prepared its statement in accordance with Accounting Standard prescribed u/s. 133 of the companies Act, 2013 ("Indian Gaap"). The Special Purpose Consolidated Ind AS financial statements for the year ended 31st march 2023 have been prepared after making suitable adjustments to the accounting heads from the "Indian GAAP" values following Accounting Policies (both mandatory exception and optional exemptions) availed as per Ind AS 101 for the transition date of 1st April and as per the presentation, Accounting Policies and grouping/classifications including amended Schedule III disclosure to the extent applicable. The Special Purpose Consolidated Ind AS financial statements were approved by the Board of Directors on 15.07.2025

The Special Purpose consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. The presentation of Special Purpose consolidated financial statement is based on Ind AS Schedule III of the Companies Act, 2013.
The Special Purpose consolidated financial statements have been prepared & presented on the historical convention and on accrual basis, except for the following material items in the Balance Sheet:
• Financial assets and liabilities are measured either at fair value or at amortised cost depending on the classification; and
• Employee defined benefit assets/ (liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defi ned benefit obligation.
• Long term borrowings are measured at amortised cost using the effective interest rate method;
• right-of-use the assets are recognised at the present value of lease payments that are not paid at that date. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs, incurred, if any.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
The Group has consistently applied the following accounting policies throughout the periods presented in these Consolidated Financial Information.

VKS Aiyer & CO COIMBATORE Chartered Accountants

Milky Mist Dairy Food Limited Perundurai 638 057

1.03 Basis of Consolidation:

The Group determines the basis of control in line with the requirements of Ind AS 110- Consolidated Financial Statements. The Consolidated Financial Information comprise the special purpose financial statements of the Company and its subsidiary as disclosed in Note 1.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Parent Company. Control exists when the Parent Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The special purpose financial statements of subsidiaries are included in these Consolidated financial information from the date that control commences until the date that control ceases. The Group re-assesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the Consolidated financial information at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each of subsidiaries and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory , are eliminated in full).

Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group.
The Special Purpose Financial Statements of the entity used for consolidation are drawn up to the same reporting date.

1.04 Business combinations accounting for common control transactions:

Common control business combination refers to a business combination involving entities in which all the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method.

The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities. The financial information in the Consolidated Financial Information in respect of prior periods have been restated as if the business combination had occurred from the beginning of the earliest period presented in these Consolidated Financial Information, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information has been restated only from that date.

The difference, if any, between the purchase consideration paid either in the form of share capital or cash or other assets and the amount of net assets of the entities acquired is transferred to capital reserve in case of credit balance and common control adjustment deficit account in case of debit balance and presented separately from other reserves within equity. The nature and purpose of such reserve in disclosed in the notes.

1.05 Functional and presentation currency

These Consolidated financial information are presented in Indian Rupees (₹), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

1.06 Use of estimates and judgements

The preparation of Financial Statements is in conformity with Indian Accounting Standards which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgments and the use of assumptions in these Financial Statements have been disclosed separately under the heading "Significant accounting Judgements, estimates and assumption".

1.07 Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities into current and non-current. Accordingly, current assets do not include elements which are not expected to be realised within 12 months and current liabilities do not include items where the Group does not have an unconditional right to defer settlement beyond a period of 12 months, the period of 12 months being reckoned from the reporting date.

VKS Aiyer & CO COIMBATORE Chartered Accountants

Milky Mist Dairy Food Limited Perundurai 638 057

Material Accounting Policy Information

Material accounting policy information This note provides a list of the material accounting policies adopted in the preparation of these Consolidated Financial Information.

1.08 Property, Plant and Equipment

Property, Plant and Equipment (PPE), being fixed assets are tangible items that are held for use in the production or supply of goods or services, or for administrative purposes and are expected to be used for more than a period of twelve months.
Freehold land is carried at cost. All other items of Property, Plant and Equipment (PPE) are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Financing costs (if any) relating to acquisition of assets which take substantial period of time to get ready for intended use are also included to the extent they relate to the period up to such assets are ready for their intended use.

Initial cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its location and working condition necessary for it to be capable of operating in the manner intended by the Management and estimated costs of dismantling and removing the item and restoring the site on which it is located.
Items such as spare parts, stand-by equipment and servicing equipment are capitalized when they meet the definition of Property, Plant and Equipment.
If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.
The carrying amount of an item of PPE is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain/ loss arising from derecognition of an item of PPE is included in the statement of Profit & Loss. The gain or loss arising from the derecognition of an item of PPE would be the difference between the net disposal proceeds, if any, and the carrying amount of the item.
Subsequent costs and disposal: Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance/life.
All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation: Depreciation on PPE are provided under Straight line method by the holding company and Written down value method by the subsidiary company as per the useful lives and manner prescribed under Schedule II to the Companies Act, 2013
The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, wherever adopted, are realistic and reflect fair approximation of the period over which the assets are likely to be used. Depreciation on assets is provided using the straight line method by the holding company and Written down value method by the subsidiary company based on rates specified in Schedule II to the Companies Act, 2013 or on estimated useful lives of assets estimated by the management.

Leasehold Improvements thereon are amortised over the primary period of lease or Estimated Useful Life whichever is lower.

S.No	Asset Category	Estimated Useful Life (Years)	Useful Life as per Schedule II of Companies Act, 2013
1	Building		
	- Factory	30 Years	30 Years
	- Other than Factory	60 Years	60 Years
2	Improvements to Leasehold Building	Term of Lease or Estimated Useful Life whichever is lower	
3	Plant and Equipments		
	- Power Generation Plant	22 Years	22 Years
	- Plant & Machinery	10 Years on double shift basis/15 years	10 Years on double shift basis/15 Years
	- Crates	3 Years	15 Years
4	Electrical Equipment	10 Years	10 Years
5	Computer	3 Years	3 Years
6	Computer Server	6 Years	6 Years
7	Furniture & Fixtures	10 Years	10 Years
8	Office Equipment	5 Years	5 Years
9	Vehicles		
	- Two Wheeler	10 Years	10 Years
	- Four Wheelers	8 Years/ 10 Years	8 Years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, if there has been a significant change in the expected pattern of consumption of future economic benefits embodied in the asset, depreciation is charged prospectively to reflect the changed pattern.

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Milky Mist Dairy Food Limited Perundurai 638 057

1.09 Investment Property

Investment Property acquired by the group is a land or building, held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business.

Investment properties, are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The building components of Investment properties (if any) are depreciated using the straight-line method over their estimated useful lives.

1.10 Intangible Assets and Amortisation

Intangible assets acquired separately by the group are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. Operating software is capitalised and amortised along with the related fixed asset.

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

All the Intangible assets are amortised over a period of 6 years.

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amounts of the assets and are recognised in the Consolidated statement of Profit and Loss when the assets are derecognised.

1.11 Lease

As a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from the use of the asset throughout the period of the lease and

(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Assets subject to operating leases are included in PPE. Lease income on an operating lease is recognised in the statement of profit and loss on a straight line basis over the term of the relevant lease except to the extent that the lease payments are structured to compensate for the expected inflationary cost. Costs including depreciation are recognised as an expense in the statement of profit and loss.

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1.12 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw material and packing Material: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Finished goods and work in progress: cost includes cost of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Stores and Spares: Cost is determined on weighted average basis.

Due allowance is estimated and made by the Management for slow moving/non-moving items of inventory, where ever necessary, based on the technical assessment and such allowances are adjusted against the closing inventory value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.13 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

1.14 Government Grants and Export Benefits

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will complied with. When the grant or subsidy relates to revenue, it is recognised as income or is adjusted against the related cost on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where Grant related to specific fixed assets are presented in the Balance sheet by showing such grant as deduction from the carrying amount of asset concerned

1.15 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract embodying the related financial instruments.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables and current accounts that do not contain a significant financing component are measured at transaction price

Subsequent measurement

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Liabilities

Initial recognition and Subsequent measurement:

Financial liabilities are initially measured at fair value, net of transaction costs .The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Trade and other payables:

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortized cost unless designated as fair value through profit and loss at the inception.

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Fair value measurement

The Group measures financial instruments at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the Special Purpose Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level Input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.16 Foreign Currencies

The Consolidated financial information are presented in ₹ in million, which is also the Group's functional currency.

Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

In preparing the Consolidated financial information of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at that date.

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Group are recognized as income or expense in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

1.17 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured based on at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of customer return, various discounts, rebates, schemes offered by the group as a part of the contract. The Group recognises revenue when it transfers control of product or service to a customer.

Revenues and costs relating to sales contracts are recognised as the related goods are delivered, and titles have passed, at which time all the following conditions are satisfied :-

- the group has transferred to the buyer the control over the goods;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company ; and
- the costs incurred or to be incurred in respect of the transactions can be measured reliably.

The Group accounts for discounts and schemes related pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive.

Other Operating Revenues comprise of income from ancillary activities incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract.

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Interest Income:

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or shorter period, where appropriate to the gross carrying amount of the financial asset or to the amortized cost of a financial asset.

When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss. The expected cash flows are reassessed on a yearly basis and changes, if any, are accounted prospectively.

1.18 Employee Benefits

Retirement benefit costs and termination benefits:

(i) Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the group pays specified contributions to a separate entity. The group makes specified monthly contributions towards Provident Fund and Employee State Insurance. The group contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(ii) Defined Benefit Plan: The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

a) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b) net interest expense or income; and

c) re-measurement

The group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. The group presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary and also considering whether the holding company will contribute this amount to the gratuity fund within the next twelve months.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the group in respect of services provided by employees up to the reporting date.

1.19 Borrowing Costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.20 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, and share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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1.21 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in other comprehensive income/equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided, using the balance sheet method, on all deductible temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and on carry forward of unused tax credits and unused tax loss. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity).

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets (including Minimum Alternate Tax credit available) is reviewed at each reporting date and accumulated MAT credit will be derecognised in the year in which the company exercises its option, if any, available under the provisions of the Income tax Act whereby it would be advantageous for the company to avail certain concessions foregoing the MAT credit adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

1.22 Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

1.23 Significant accounting Judgements, Estimates and Assumptions

In the course of applying the policies outlined in all notes as above, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies:

a) Useful Lives of Property, Plant and Equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

b) Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

c) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

d) Allowances for Uncollected accounts receivable and advances

Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which is the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

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2 Property Plant and equipment

₹ in million

Description of Assets	Freehold Land	Leasehold Improvements	Buildings	Plant and Machinery	Office Equipment	Furniture & Fittings	Vehicles	Computers	Electrical Installations & Fittings	Total
I Cost										
Balance as at April 01,2022	1,233.65	15.35	1,141.21	5,780.07	13.14	33.11	555.78	44.76	218.33	9,035.40
Additions during the year	11.28	6.22	702.42	2,318.68	5.67	6.28	129.26	10.23	14.87	3,204.91
Disposals during the year	-	3.69	-	6.36	-	-	2.33	-	0.47	12.85
Balance as at March 31,2023	1,244.93	17.88	1,843.63	8,092.39	18.81	39.39	682.71	54.99	232.73	12,227.46
II Accumulated depreciation										
Balance as at April 01,2022	-	0.62	118.75	1,937.83	6.38	16.91	260.09	36.76	68.56	2,445.90
Depreciation for the year	-	2.68	47.24	634.09	2.03	2.93	71.36	7.02	20.83	788.18
Withdrawn during the year	-	0.65	-	4.93	-	-	2.05	-	-	7.63
Balance as at March 31,2023	-	2.65	165.99	2,566.99	8.41	19.84	329.40	43.78	89.39	3,226.45
III Net Carrying Value (I-II)										
Balance as at April 01,2022	1,233.65	14.73	1,022.46	3,842.24	6.76	16.20	295.69	8.00	149.77	6,589.50
Balance as at March 31,2023	1,244.93	15.23	1,677.64	5,525.40	10.40	19.55	353.31	11.21	143.34	9,001.01

Refer Note no.1.08 of Material Accounting Policies

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3 Capital work in progress

₹ in million

Particulars	As at 31st March 2023
At the beginning of the year	690.22
At the end of the year	1473.50

Capital work-in-progress (CWIP) ageing as on 31-03-2023:

₹ in million

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
Projects in progress	1453.59	19.91	-	-	1,473.51
Projects temporarily suspended	-	-	-	-	-

Following table represents Capital Work-in-progress projects which have exceeded their original budgeted cost and /or planned time of completion:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
Projects in progress	400.40	-	-	-	400.40
Projects temporarily suspended	-	-	-	-	-

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5 Right of Use Assets

₹ in million

Particulars	Buildings	Total
I Cost		
Balance as at April 1,2022	44.95	44.95
Additions during the year	35.35	35.35
Disposals during the year	-	-
Balance as at March 31,2023	80.30	80.30
II Accumulated depreciation		
Balance as at April 1,2022	9.72	9.72
Depreciation for the year	14.42	14.42
Withdrawn during the year	-	-
Balance as at March 31,2023	24.14	24.14
III Net Carrying Value (I-II)		
Balance as at April 1,2022	35.23	35.23
Balance as at March 31,2023	56.16	56.16

Refer Note no.1.11 of Material Accounting Policies

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4 Investment Property

₹ in million

Particulars	Land	Buildings	Total
I Cost			
Balance as at April 01,2022	14.12	2.32	16.44
Additions during the year	-	-	-
Disposals during the year	-	-	-
Balance as at March 31,2023	14.12	2.32	16.44
II Accumulated depreciation			
Balance as at April 01,2022	-	0.39	0.39
Depreciation for the year	-	0.08	0.08
Withdrawn during the year	-	-	-
Balance as at March 31,2023	-	0.47	0.47
III Net Carrying Value (I-II)			
Balance as at April 01,2022	14.12	1.93	16.05
Balance as at March 31,2023	14.12	1.85	15.97

The Company has identified Lands at Palakkad, Kerala and Hyderabad, Telangana and Building at Mangalore, Karnataka to be in the nature of investment property

The methodology used is Level 3 as per Ind AS 113

Amount recognised in Statement of Profit and Loss for investment properties:

Particulars	2022-23
Rental Income	1.32
Direct operating expenses arising from investment property that generated rental income during the year :	
Depreciation on investment property	(0.08)
Profit / (Loss) from Investment Property	1.24

The title deeds of immovable property are held in the name of the company.

(i) For the purpose of IND AS transition, the company has adopted the cost model for measuring investment property.Fair value of Land and building held as investment property - Rs.77.15 million - Refer Note no 1.09 of Material Accounting Policies

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6 Other Intangible Assets

₹ in million

Particulars	Intangibles	Total
I Cost		
Balance as at April 01,2022	12.19	12.19
Additions during the year	0.88	0.88
Disposals during the year	-	-
Balance as at March 31,2023	13.07	13.07
II Accumulated depreciation		
Balance as at April 01,2022	0.91	0.91
Amortisation for the year	1.97	1.97
Withdrawn during the year	-	-
Balance as at March 31,2023	2.88	2.88
III Net Carrying Value (I-II)		
Balance as at April 01,2022	11.28	11.28
Balance as at March 31,2023	10.19	10.19

Refer Note no. 1.10 of Material Accounting Policies

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NON- CURRENT ASSETS

7 Other financial assets

Particulars	As at 31st March 2023 ₹ in million
Unsecured, Considered Good	
Rental and lease deposits	14.90
Security Deposits	56.05
Earmarked Balances	
Term Deposits (having maturity of more than 12 months)*	16.40
Unsecured Deposits, Considered Doubtful	
Deposits	2.15
Less : Allowance for doubtful deposits	(2.15)
Total	87.35

* Deposits with banks are earmarked as margin money for letter of guarantees issued.

8 Non-current tax assets

Particulars	As at 31st March 2023 ₹ in million
Advance payment of taxes (Net)	16.72
Total	16.72

9 Other Non-current assets

Particulars	As at 31st March 2023 ₹ in million
a) Capital Advances	197.70
b) Deposits with sales tax authorities	3.50
Total	201.20

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CURRENT ASSETS

10 Inventories

Particulars	As at 31st March 2023 ₹ in million
a) Raw Materials	211.57
b) Work-in-progress	35.73
c) Finished Goods	699.36
d) Stores and Spares	98.86
e) Stock in trade	12.46
Total	1,057.98

Mode of Valuation of inventories is given in Note No 1.12 of material accounting policies
Inventories have been given as security for the borrowings availed by the Company. Refer Note.25

Cost of Inventory Recognised as an Expense

Particulars	As at 31st March 2023 ₹ in million
Cost of Materials Consumed	9,163.21
Cost of Traded Goods Sold	499.97
Stores and Spares	25.03
Total	9,688.21

Financial Assets

11 Trade Receivables

Particulars	As at 31st March 2023 ₹ in million
Unsecured	
a) Trade Receivables considered good	716.72
b) Trade Receivables which have significant increase in credit risk	67.73
c) Credit Impairment	-
	784.45
Less: Allowances for Expected Credit Loss	(81.68)
Total	702.77

Trade Receivables have been given as security for the borrowings availed by the Company. Refer Note . 25
Trade Receivables are non interest bearing and generally on credit terms in the range of 15-60 days
The Company's Exposure to credit and currency risk and loss allowances related to Trade Receivables are disclosed in Note No.46

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Trade receivable - Ageing Schedule as at 31st March 2023

₹ in million

Particulars	Outstanding for following periods					As on 31-03-2023
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables						
- Considered good	677.17	35.42	4.13	-	-	716.72
- which have significant increase in credit risk	-	-	31.59	9.37	11.19	52.15
- Credit Impaired						
(ii) Disputed trade receivables						
- Considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	5.95	9.63	-	15.58
- Credit Impaired						
Total	677.17	35.42	41.67	19.00	11.19	784.45
Less: Allowances for Expected Credit Loss	-	-	-	-	-	(81.68)
Total	677.17	35.42	41.67	19.00	11.19	702.77

Movement in the Allowances for Expected Credit Loss	As at 31st March 2023 ₹ in million	
Balance at the beginning of the period	59.11	-
Expected Credit Loss Provided / (Reversal)	22.57	-
Balance at the end of the period	81.68	

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12 Cash and cash equivalents

Particulars	As at 31st March 2023 ₹ in million
a) Balances with Banks	
- In Current Accounts	84.79
- In Deposits with Maturity less than 3 months	-
b) Cheques on hand	4.43
c) Cash on hand	0.95
Total	90.17

Refer Note No 1.13 of Material accounting policies.

13 Bank balances other than above

Particulars	As at 31st March 2023 ₹ in million
a. Earmarked balances	
- in margin account	36.27
- In Unspent CSR amount	0.78
Total	37.05

14 Other financial assets

Particulars	As at 31st March 2023 ₹ in million
Unsecured, considered good	
a) Export incentive receivable	0.34
b) Interest accrued	0.42
c) Electricity deposit	4.22
Total	4.98

15 Other current assets

Particulars	As at 31st March 2023 ₹ in million
a) Advance to suppliers	25.68
b) Advance for Expenses	0.24
c) GST Credit Receivable	70.62
d) Prepaid expenses	36.45
e) Employee Advances	6.16
Total	139.15

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16 Equity Share Capital

Particulars	As at 31st March 2023 ₹ in million
Authorised Share Capital	
50,00,000 Equity Shares of ₹ 10 each	50.00
Issued , Subscribed and Paid up share capital	
35,00,000 Equity Shares of ₹ 10 each	35.00
Total	35.00

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31st March 2023	
	Number of Shares	Amount (In million)
a. Shares outstanding at the beginning of the year	35,00,000	35.00
b. Shares issued during the year	-	-
c. Shares bought back during the year	-	-
d. Shares outstanding at the end of the year	35,00,000	35.00

b. Terms and Conditions:
Voting
- The shareholders are entitled to one vote for each share held by them.
Dividend
- The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.
Liquidation
- In the event of liquidation of the Company, the holders of the equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. the distribution will be in proportion to the number of equity Shares held by the shareholders.

Details of Shares held by the holding Company : There are no shares held by the Holding Company / Subsidiaries of ultimate Holding Company as on 31st March 2023.

c. Shares held by Holding Company or Ultimate Holding Company - Nil

d. Details of Shareholders' holding more than 5% shares in the Company :

Particulars	As at 31st March 2023	
	Number of Shares	Percentage
- Sathishkumar T	15,50,000	44.29%
- Anitha S	19,25,000	55.00%
	34,75,000	99.29%

e. Promoter and Promoter group Shareholding :

Particulars	As at 31st March 2023		As at 31st March 2022		Change during the year (A-B) / (B)
	Number (A)	Percentage (%)	Number (B)	Percentage (%)	
- Sathishkumar T	15,50,000	44.29%	15,50,000	44.29%	0.00%
- Anitha S	19,25,000	55.00%	19,25,000	55.00%	0.00%
- T S Shanjay	12,500	0.36%	12,500	0.36%	0.00%
- T S Nitin	12,500	0.36%	12,500	0.36%	0.00%
	35,00,000	100.00%	35,00,000	100.00%	-

f. There were no equity shares issued as bonus, share issued for consideration other than cash and shares bought back during the period of 5 years immediately preceeding the balance sheet date

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17 Instruments entirely equity in nature

Particulars	As at 31st March 2023 ₹ in million
Authorised Share Capital	
1,00,000 Preference Shares of ₹ 10 each	1.00
Issued , Subscribed and Paid up share capital	
68,250, 0.01% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each	0.68
Total	0.68

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31st March 2023	
	Number of Shares	Amount (In million)
a. Shares outstanding at the beginning of the year	68,250	0.68
b. Shares issued during the year	-	-
c. Shares bought back during the year	-	-
d. Shares outstanding at the end of the year	68,250	0.68

b. Terms and Conditions:

- Pursuant to the equity shareholders' approval obtained on July 15, 2020, the Company issued 68,250 CCPS of face value ₹ 10 each at a premium of ₹ 2,846, carrying a coupon rate of 0.01% per annum ('p.a.') and having a term of 36 months from the date of allotment to Grand Anicut Fund - I.

- The CCPS shall be converted into equity shares upon the earlier of:
(a) In connection with the listing of Company's securities - Immediately prior to the filing of an offer document (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time, and
(b) The date which is one day prior to 3 years from the date of allotment of the CCPS.

- The preference shareholders are entitled to receive notice of and vote on all matters that are submitted to the vote of the shareholders of the Company (including the holders of equity shares).

- The preference shareholders have preference on the distribution of dividend.

There are no preference shares allotted by way of Bonus Shares and there have been no shares bought back in the immediately preceding five years.

Details of Shares held by the holding Company : There are no shares held by the Holding Company / Subsidiaries of ultimate Holding Company as on 31st March 2023

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c. Shares held by Holding Company or Ultimate Holding Company - Nil

d. Details of Shareholders holding more than 5% shares in the Company :

Particulars	As at 31st March 2023	
	Number of Shares	Percentage
Grand Anicut Fund - I	68,250	100.00%
Oriental Carbon and Chemicals Limited	-	0.00%
Venkatesh Ramarathinam	-	0.00%
	68,250	100.00%

18 Other Equity

₹ in million

Particulars	General Reserve	Securities Premium	Retained Earnings*	Common Control Adjustment Deficit Account	Other Comprehensive Income	Total
Opening balance as at 1st April 2022	5.17	194.24	2,170.51	(56.25)	2.28	2,315.95
Add: Profit During the Year	-	-	272.30	-	-	272.30
Add: Additions during the Year	-	-	-	-	(0.02)	(0.02)
Closing balance at the end of the year	5.17	194.24	2,442.81	(56.25)	2.26	2,588.23

*Retained Earnings include an amount of Rs. 850.20 million (net of taxes) on account of Fair Valuation of Land as on the date of transition to Ind As. This amount is not available for distribution of dividend.

Nature & purpose of reserves

a) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any dividends or other distribution to the shareholders.

b) Common control adjustment deficit account

Common control adjustment deficit account represents excess of consideration paid over the book value of the net assets and reserves taken-over in a common control business combination after adjusting the opening reserves of the combined entity.(Refer Note No: 49)

c) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

d) General Reserve

The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

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19 Borrowings

Particulars	Non Current portion As at 31st March 2023 ₹ in million	Current portion As at 31st March 2023 ₹ in million
Secured Loans		
Term loans		
From banks	6,029.83	768.56
Less: Unamortized Upfront Fees on borrowings	(61.01)	(14.14)
	5,968.82	754.42
Vehicle Loans		
From banks	225.44	114.14
Less: Unmatured Financial Charges - Banks	(23.38)	(19.82)
	202.06	94.31
From others	-	0.62
Unsecured Loans		
Loan from directors	11.45	-
	6,182.33	849.36
Total	6,182.33	849.36

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Term loans from banks:
(i) Repayment terms:

Terms of loans	Bank	Security details	As at 31st March 2023
Repayable in 33 monthly instalments aggregating to ₹ 264 million. The interest is payable on monthly basis.	Indian Bank	Note 1	360.00
Repayable in 53 monthly instalments aggregating to ₹ 545.44 million. The interest is payable on monthly basis.	Indian Bank	Note 1	655.79
Repayable in 12 monthly instalments aggregating to ₹ 1,09.98 million. The interest is payable on monthly basis.	Indian Bank	Note 1	219.99
Repayable in 36 monthly instalments aggregating to ₹ 615.50 million. The interest is payable on monthly basis.	Indian Bank	Note 1	628.60
Repayable in 120 monthly instalments aggregating to ₹ 999.13 million commencing from April 2025. The interest is payable on monthly basis.	Indian Bank	Note 1	528.62
Repayable in 35 monthly instalments aggregating to ₹ 230.52 million. The interest is payable on monthly basis.	Indian Overseas Bank	Note 1	324.02
Repayable in 56 monthly instalments aggregating to ₹ 871.37 million. The interest is payable on monthly basis.	Indian Overseas Bank	Note 1	1031.75
Repayable in 48 monthly instalments aggregating to ₹ 501.70 million commencing from April 2024. The interest is payable on monthly basis.	Indian Overseas Bank	Note 2	501.70
Repayable in 7 monthly instalments aggregating to ₹ 1.63 million. The interest is payable on monthly basis.	Union Bank	Note 1	1.63
Repayable in 3 monthly instalments aggregating to ₹ 3.41 million. The interest is payable on monthly basis.	Union Bank	Note 1	3.41
Repayable in 4 monthly instalments aggregating to ₹ 0.30 million. The interest is payable on monthly basis.	Union Bank	Note 1	0.30
Repayable in 35 monthly instalments aggregating to ₹ 126 million. The interest is payable on monthly basis.	Union Bank	Note 1	169.20

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Repayable in 17 monthly instalments aggregating to ₹ 80.89 million. The interest is payable on monthly basis.	Union Bank	Note 2	100.82
Repayable in 44 monthly instalments aggregating to ₹ 51.33 million commencing from December 2023. The interest is payable on monthly basis.	Union Bank	Note 2	56.00
Repayable in 20 monthly instalments aggregating to ₹ 28.02 million. The interest is payable on monthly basis.	UCO Bank	Note 3	44.60
Repayable in 11 monthly instalments aggregating to ₹ 10.03 million.The interest is payable on monthly basis.	UCO Bank	Note 4	10.03
Repayable in 37 monthly instalments aggregating to ₹ 37.74 million.The interest is payable on monthly basis.	The Federal Bank Ltd	Note 5	51.73

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Terms of loans	Bank	Security details	As at 31st March 2023
Repayable in 39 monthly instalments aggregating to ₹ 156 million.The interest is payable on monthly basis.	The Federal Bank Ltd	Note 6	204.00
Repayable in 120 monthly instalments aggregating to ₹ 15,99.58 million commencing from February 2025.The interest is payable on monthly basis.	State Bank of India	Note 7	906.21
Repayable in 120 monthly instalments aggregating to ₹ 1,850 million commencing from October 2024.The interest is payable on monthly basis.	RBL Bank Limited	Note 7	1000.00
			6,798.39

The Effective rate of interest of the above loans are range from 8.76% to 13.00%

(ii) Security details:

Note 1: The loans are secured by pari passu first charge on properties owned by the Company(present and future), hypothecation of other fixed assets of the Company (except vehicles financed by HDFC Bank Ltd, Kotak Mahindra Bank Ltd and other financial institutions and Windmill/Biogas project financed by UCO Bank Ltd) and second pari passu charge on current assets of the Company.

Note 2: Secured by second charge with the existing credit facilities in terms of cash flows and entire current assets with charge on the assets financed.

Note 3: Secured by hypothecation of machineries purchased out of the term loan.

Note 4: Primarily secured by hypothecation of plant and machinery purchased out of the bank finance and collaterally secured by second charge on one number of Gamesa windmill 2MW capacity of INR 132.50 million and windmill land to an extent of 3.98 acres situated at SF No.253/1, Naampatti village, Kayathar, Tuticorin.

Note 5: Primarily secured by hypothecation of 2 MW of Solar Power plant at Periyapuliyur Village, Bhavani Taluk, Erode District and collaterally secured by (i) Equitable mortgage of agricultural land admeasuring 5.71 acres in R.S.No.732/2, 733/4, Periyapuliyur Village, Bhavani Taluk, Erode District, in the name of Sathishkumar T(Chairman and Managing Director) and (ii) Equitable mortgage of agricultural land admeasuring 14.66 acres in R.S.No.20/58 and others in Kavilipalayam Village, Erode District, in the name of Sathishkumar T(Chairman and Managing Director).

Note 6: Primarily secured by hypothecation of 7 MW of Solar Power plant at Kavilipalayam Village, Pujai Puliyampatti, Sathyamanalam Taluk, Erode District and collaterally secured by (i) Equitable mortgage of agricultural land admeasuring 5.71 acres in R.S.No.732/2, 733/4, Periyapuliyur Village, Bhavani Taluk, Erode District, in the name of Sathishkumar T(Chairman and Managing Director) and (ii) Equitable mortgage of agricultural land admeasuring 14.66 acres in R.S.No.20/58 and others in Kavilipalayam Village, Erode District, in the name of Mr.T.Sathish Kumar (Managing Director).

Note 7: The loans are secured by pari passu first charge over immovable and movable fixed assets of the Company excluding Windmill, 9MW Solar Power Plant and Bio Gas Plant (which has been charged to respective term loan lenders) and excluding vehicles financed by other lenders and second pari passu charge on the current assets of the Company.

The term loan facilities are further secured by 'the "Milky Mist" brand name and personal properties of the directors and guaranteed by personal guarantee of Promoter Directors.

Note 8: Note 8: 'Vehicle loan from banks and financial institutions of ₹ 296.37 Millions carries interest @ 6.51% to 9.30 % p.a. The loans are repayable in 42 to 60 monthly instalments starting from the respective date of finance. The loan is secured by specific assets financed (vehicle).

Unsecured Loans

Unsecured Loan from director is repayable in 6 years and is Interest free. These have been fair valued by applying an weighted average borrowing rate of 9.14 % per annum.

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20 Lease Liability

Particulars	As at 31st March 2023 ₹ in million
a) Lease Liability - Non Current	42.57
Total	42.57

Refer Note No. 1.11 of Material Accounting Policies and Note No. 50 for movement and maturities of Lease Liability

21 Other Financial liabilities

Particulars	As at 31st March 2023 ₹ in million
- Purchase consideration payable for business acquisition (Refer Note 49)	71.25
- Dealers deposit	46.78
Total	118.03

22 Provisions

Particulars	As at 31st March 2023 ₹ in million
Provision for Employee benefits	
- Gratuity (Refer note no. 48)	13.12
- Leave Encashment	5.70
Total	18.82

23 Deferred tax liabilities (Net)

Particulars		As at 31st March 2023 ₹ in million
Deferred Tax Liabilities :		
-On PPE and intangible assets		898.00
-On Unamortised Processing Fees		26.44
	[A]	924.44
Deferred tax assets :		
- On disallowances under the income tax act		28.68
- On Derecognition of Sales		5.53
- On Unused Tax Losses and benefits		14.59
- On Lease Liability		0.79
- On Employee benefit Expense		17.52
- On Other Temporary Differences		0.49
	[B]	67.60
Net deferred tax liability/(asset)		856.84
Less : MAT credit (Refer Note No:41)		(71.84)
Total		785.00

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24 Other non-current liabilities

Particulars	As at 31st March 2023 ₹ in million
Security Deposits	4.17
Deferred interest income	2.99
Total	7.16

25 Borrowings

Particulars	As at 31st March 2023 ₹ in million
Secured	
a) Current maturities of long-term borrowings (Ref. Note No. 19)	849.36
b) Working capital loans from bank	918.14
Unsecured	
a) Loan from Directors	30.81
Total	1,798.31

- Working capital loan from banks are secured by
(i) Pari passu first charge on all the current assets of the Company
(ii) Hypothecation of 2 MW of Solar Power plant at Periyapuliyur Village, Bhavani Taluk, Erode District
(iii) Hypothecation of 7 MW of Solar Power plant at Kavilipalayam Village, Pujai Puliyampatti, Sathyamangalam Taluk, Erode District
(iv) Equitable mortgage of agricultural land admeasuring 5.71 acres in R.S.No.732/2, 733/4, Periyapuliyur Village, Bhavani Taluk, Erode District, in the name of Sathishkumar T(Chairman and Managing Director)
(v) Equitable mortgage of agricultural land admeasuring 14.66 acres in R.S.No.20/58 and others in Kavilipalayam Village, Erode District, in the name of Sathishkumar T(Chairman and Managing Director) and collaterally secured by "Milky Mist" brand name of the Company and personal properties of the directors. The working capital facility is repayable on demand and carries interest in the range of 9% p.a. to 10.35% p.a.
- Unsecured loan from directors are non-interest bearing and are repayable on demand.

26 Lease liability

Particulars	As at 31st March 2023 ₹ in million
Obligation in respect of lease liability - Current	14.46
	14.46

Refer Note No. 1.11 of Material Accounting Policies and Note No. 50 for movement and maturities of Lease Liability

27 Trade Payables

Particulars	As at 31st March 2023 ₹ in million
Trade Payables	
a) Total outstanding dues of micro and small enterprises	6.64
b) Total outstanding dues of creditors other than micro and small enterprises	279.34
	285.98

The information in relation to dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

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Ageing as at 31st March 2023 — ₹ in million

Particulars	Outstanding for the following period				
	MSME	Others	Disputed dues - MSME	Disputed dues - Others	Total
Less than 1 year	6.64	278.96	-	-	285.59
1 -2 years	-	0.38	-	-	0.38
2 -3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Total	6.64	279.34	-	-	285.98

- The above ageing have been presented on First-in-First out basis based on settlement of invoices.

28 Other Financial Liabilities

Particulars	As at 31st March 2023 ₹ in million
a) Employees Benefits Payable	60.92
b) Provision for CSR	5.20
c) Interest Accrued but not due on Borrowings	15.97
d) Creditors for capital goods	366.50
e) Other Payables*	474.72
	923.31

*Other Payables includes Provision for expenses & creditors for expenses.

29 Other current liabilities

Particulars	As at 31st March 2023 ₹ in million
a) Statutory Dues payable	73.52
b) Contract Liabilities	7.97
c) Others	0.06
d) Deferred interest income	1.09
	82.64

30 Provisions

Particulars	As at 31st March 2023 ₹ in million
a) Gratuity (Refer note no. 48)	10.89
b) Leave Encashment	0.79
	11.68

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31 Revenue from operations

Particulars	For the year ended 31st March 2023 ₹ in million
Sale of products	
- Sale of manufactured goods	13,298.45
- Sale of traded goods	574.98
Total - A	**13,873.43**
Other operating revenue	
- Freight recovery	65.59
- Export incentive	2.73
Total - B	**68.32**
Grand Total (A+B)	**13,941.75**

Reconciliation of Revenue recognised in Statement of Profit and Loss Account with Contracted Price	
Revenue from contract with customers as per Contract Price	14,456.76
Less: Trade Discounts, Claims etc.,	(583.33)
Revenue from Contract with Customers as per Statement of Profit & Loss	**13,873.43**

Disaggregation of Revenue

Particulars	For the year ended 31st March 2023 ₹ in million
A. Export Sales	304.70
B. Domestic Sales	13,568.73
Total	13,873.43

Based on the management approval as defined in IND AS 108 - Operating segments the chief operating decision maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators. The Company operates in a single segment, i.e. Milk Products

Particulars	For the year ended 31st March 2023 ₹ in million
Contract Balances	
Trade receivable	702.77
Contract assets - Unbilled revenue	-
Contract liability - Advance from customer	7.97

Contract assets are revenue earned but remain unbilled at the end of the year. Contract liabilities are amount received for which performance obligation are yet to be satisfied.

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32 Other income

Particulars	For the year ended 31st March 2023 ₹ in million
Interest income	5.71
Profit on sale of assets (Net)	0.08
Rental income from investment properties	1.32
Liability written back	15.89
Interest Income on Financial Instruments	0.52
Miscellaneous income	24.27
Total	47.79

33 Cost of Materials consumed

Particulars	For the year ended 31st March 2023 ₹ in million
Materials Consumed	9,163.21
	9,163.21

Material consumed comprises:

Raw milk	7,011.69
Additives and other consumables	1,462.60
Packing material	688.92
Total	9,163.21

Particulars	For the year ended 31st March 2023 % in Consumption	For the year ended 31st March 2023 ₹ in million
Imports	0.34%	30.92
Indigenous	99.66%	9,132.29
Total	100.00%	9,163.21

34 Purchase of Stock-in-trade

Particulars	For the year ended 31st March 2023 ₹ in million
Cattle Feed	248.03
Milk products	133.59
Non-milk products	115.72
	497.34

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35 Changes in inventories of finished goods and work in progress

Particulars	For the year ended 31st March 2023 ₹ in million
Inventories at the end of the year:	
Finished goods	711.82
Work-in-progress	35.73
Total	747.55
Inventories at the beginning of the year:	
Finished goods	466.71
Work-in-progress	39.26
Total	505.97
Net Increase / (Decrease) in inventories of finished goods and WIP	(241.58)

36 Employee benefits expense

Particulars	For the year ended 31st March 2023 ₹ in million
Salaries, wages and bonus	783.37
Contribution to provident and other funds	19.04
Gratuity (Refer note no.48)	8.60
Staff welfare expenses	13.75
Total	824.76

37 Finance Cost

Particulars	For the year ended 31st March 2023 ₹ in million
a) Interest Expense	551.77
Less: Interest Subvention received	-
	551.77
b) Interest on Lease Liability	4.89
c) Other Borrowing Cost	17.92
Total	574.58

38 Depreciation & amortisation expenses

Particulars	For the year ended 31st March 2023 ₹ in million
a) Depreciation on Property, Plant & Equipment	788.18
b) Depreciation on Right of Use Assets	14.42
c) Amortisation of Intangible Assets	1.97
d) Depreciation on Investment Properties	0.08
Total	804.65

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39 Other Expenses

Particulars	For the year ended 31st March 2023 ₹ in million
Consumption of stores and spares	25.03
Power and fuel (net off self generation)	245.84
Water charges	18.26
Rent	8.84
Rates & taxes	56.57
Insurance expenses	26.98
Logistics expenses	502.62
Repairs & Maintenance	
- Building	14.37
- Machinery	130.51
- Vehicle	58.25
- Others	19.83
Milk chilling and Processing charges	31.14
Advertising and sales promotion	332.08
Security charges	15.38
Travelling and conveyance	101.46
Professional & consultancy charges	55.94
Auditor's remuneration (Refer note no.39(A))	3.66
Provision for Expected Credit Loss	22.57
Net loss on foreign currency transaction	15.92
CSR expenses	7.52
Miscellaneous expenses	39.10
Total	1,731.87

39(A) Auditor's Remuneration

Particulars	For the year ended 31st March 2023 ₹ in million
(a) For statutory audit	2.47
(b) For Tax Audit & Services	0.95
(c) For Certification & Others	0.20
(d) For reimbursement of expenses	0.04
Total	3.66

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40 Earnings per Share

Particulars	For the year ended 31st March 2023
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders - (A)	272.30
Weighted average number of equity shares outstanding for Basic EPS - (B)	63,00,00,000
Weighted average number of equity shares outstanding for Diluted EPS - (C)	64,22,85,000
Face value per equity share (in ₹)	2
Basic earnings per share (in ₹)** - (A/B)	0.43
Diluted earnings per share (in ₹)** - (A/C)	0.42
Weighted average number equity shares used as the denominator (B)	
Opening balance of number of equity shares of Face Value of ₹10 each	35,00,000
Number of equity shares after sub division of Shares (Face value from ₹10 to ₹2) (a)	1,75,00,000
Number of equity shares under bonus issue (35 bonus shares for each equity share) (b)*	61,25,00,000
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (a+b)	63,00,00,000
Diluted earnings per share	
Weighted average number of shares used as the denominator (C)	
Opening balance	35,68,250
Number of shares after shares sub division (Face value from ₹10 to ₹2) (a)	1,78,41,250
Number of shares under bonus issue (35 bonus shares for each equity share) (b)*	62,44,43,750
Weighted average number of shares used as the denominator in calculating basic earnings per share (a+b)	64,22,85,000

*The earnings per share reflects the impact of bonus shares issuance in the ratio of 35:1 i.e. 35 bonus shares for each equity share [refer note 57] subsequent to balance sheet date.

**Adjusted for bonus shares and sub-division of shares from beginning of previous financial year i.e., 01 April 2022, in accordance with Ind AS 33.

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41 Tax expense

The Holding Company has paid income tax as per Section 115JB of the Income-tax Act,1961 for measurement of its income tax expense and accordingly continued to recognise its income tax expense at the prescribed domestic effective tax rate of 34.944%.

The Subsidiary (Asal Food Products Private Limited) has paid income tax as per Section 115BAA of the Income Tax Act, 1961 for measurement of its income tax expense and accordingly continued to recognise its income tax expense at the prescribed domestic effective tax rate of 27.82%.

The major components of income tax expense and the reconciliation between expected tax expense based on the domestic effective tax rate and the reported tax expense in the statement of profit and loss is as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	For the year ended 31st March 2023
Profit / (Loss) for the year	634.71
Current tax	
Tax at the Indian tax rate of 34.94%	216.28
Tax at the Indian tax rate of 27.82%	4.54
Deferred tax	
Attributable to-	
Disallowances under Income Tax	5.57
Temporary Differences	145.80
Others	0.34
Income tax expense reported in the statement of profit or loss	372.53

MAT Credit availment:

The management is contemplating to migrate to the new tax regime u/s 115BAA wherein the Company would be paying a lower tax rate of 25.16% as against 34.94%. Considering the uncertainty in utilization of MAT credit on account of the above, MAT credit of ₹ 116.2 million has not been recognized during the year.

b. Income tax recognised in other comprehensive income ₹ in million

Deferred tax	For the Year ended 31-03-2023
Remeasurement of defined benefit obligation - (Expense) / Income	0.01
Total income tax recognised in OCI	0.01

c. Statement of Changes in Deferred tax assets / Liabilities
As on 31-3-2023

Particulars	As at 01-04-2022	Retained Earnings	Recognised in Profit & Loss	Recognised in OCI	As at 31-03-2023
Deferred Tax Liability					
On PPE and others	478.37	144.89	274.74	-	898.00
On Other temporary differences	19.87	-	6.57	-	26.44
	498.24	144.89	281.31	-	924.44
Deferred Tax Asset					
On disallowance under the Income Tax Act	35.86	-	(7.19)	0.01	28.68
On Other temporary differences	2.05	-	36.86	-	38.91
	37.91	-	29.67	0.01	67.59
Less: MAT Credit	71.84	-	-	-	71.84
TOTAL	388.49	144.89	251.65	(0.01)	785.00

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₹ in million

42 Contingent liabilities and Commitments:

Particulars	As at 31st March 2023
(a) Contingent liabilities:	
- Guarantees given by banks on behalf of the Holding Company	98.60
- Obligation with respect to Export Promotion Capital Goods (EPCG) licenses:	
Quantum of duty saved	1,133.54
(b) Commitments:	
- Estimated amount of contracts remaining to be executed on capital account	1,077.00

43 Segment information

The Holding Company's business activities are mainly related to processing of milk and manufacturing of milk related products, which are primarily assessed as a single reportable operating segment in accordance with Ind AS 108 - "Segment Reporting" by the management.

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44 **Related parties disclosures**

In accordance with Ind AS-24 "Related Party Disclosures" of the Companies (Accounts) Rules 2015, as amended time to time and the Companies Act, 2013, the names of related parties along with aggregate amount of transactions and year end balances with them are given as follows:

Key Managerial Personnel

Sathishkumar T- Chairman and Managing Director
Anitha S - Whole-time Director
Dr K Rathnam - Whole-time Director and Chief Executive Officer
Biswajit Mishra - Chief Financial Officer (appointed w.e.f March 07, 2025)
R Subramanian - CFO (resigned w.e.f September 15, 2023)
Vivek G - Company Secretary (resigned w.e.f January 11, 2025)
S Prakash - Company Secretary and Compliance Officer (appointed w.e.f January 18, 2025)
Radha Venkatakrishnan - Independent Director (appointed w.e.f March 8, 2025)
Mallika S Janakiraman - Independent Director (appointed w.e.f March 13, 2025)

Key Managerial Personnel - Relatives

Shivakumar C S- Deputy general manager (Information Technology)
T S Shanjay (Management Executive) (w.e.f May 02, 2024)

Others (Enterprise over which key management personnel are able to exercise significant influence)

Magiva Technologies Private Limited

Related Party Transaction

The following transactions were carried out with related parties during the year in the ordinary course of business:

Nature of transaction	Related Parties	Nature of parties	For the year ended 31st March 2023
Transactions during the year			
Remuneration paid	Sathishkumar T Anitha S Dr K Rathnam R Subramanian Vivek G	KMP	153.84
Remuneration paid	Shivakumar C S	KMP Relative	1.97
Rent	Sathishkumar T	KMP	0.06
Loan received during the year	Sathishkumar T Anitha S	KMP	35.00
Loan repaid during the year	Sathishkumar T Anitha S	KMP	15.75
Professional services	Magiva Technologies Private Limited	Others	11.12
Vehicle maintenance	Magiva Technologies Private Limited	Others	2.15
Closing balance at the end of the year			
Remuneration Payable	Sathishkumar T Anitha S Dr K Rathnam R Subramanian Vivek G Shivakumar C S	KMP/ KMP Relative	2.40
Amount Payable	Magiva Technologies Private Limited	Others	2.16
Loan from Directors	Sathishkumar T Anitha S	KMP	42.26

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45 Financial instruments

(i) The following table shows the carrying amounts and fair values of financial assets and financial liabilities
The carrying value of financial instruments by categories as at 31 March 2023 are as follows:

Particulars	Note Number	FVTPL	FVTOCI	Cost / Amortised cost	Total Carrying value	Total Fair value
Financial assets						
Trade receivables	11	-	-	702.77	702.77	702.77
Cash and cash equivalents	12	-	-	90.17	90.17	90.17
Other bank balances	13	-	-	37.05	37.05	37.05
Other Financial assets	14,7	-	-	92.34	92.34	92.34
Financial Liabilities						
Borrowings	19,25	-	-	7,980.64	7,980.64	7,980.64
Trade Payables	27	-	-	285.98	285.98	285.98
Lease Liabilities	20,26	-	-	57.03	57.03	57.03
Other financial liabilities	21,28	-	-	1,041.35	1,041.35	1,041.35

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Financial instruments

i) Fair Value Hierarchy
Financial assets and financial liabilities are measured at fair value in the Special Purpose Financial Statement and are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observability of significant inputs to the measurement, as follows:
Level 1 : Quoted prices (unadjusted) in active markets for financials instruments.
Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

ii. The carrying value of the financial instruments by categories and the value based on hierarchy as on 31st March, 2023 were as follows:

Particulars	Note No.	Level	Carrying value 31 March 2023
Financial assets			
At Amortized Cost			
Trade receivables	11	3	702.77
Cash and cash equivalents	12	3	90.17
Bank balances other than Cash & Cash Equivalents	13	3	37.05
Other financial assets	14,7	3	92.34
Total assets		-	**922.33**
Financial liabilities			
Trade payables	27	3	285.98
Borrowings	19,25	3	7,980.64
Lease Liabilities	20,26	3	57.03
Other financial liabilities	21,28	3	1,041.35
Total liabilities		-	**9,365.00**

iii. The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

iv. There have been no transfers between Level 1, Level 2 & Level 3 during the period.

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46 Financial instruments - Risk management

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of financial risk which the entity is exposed to and how the entity manages the risk and the related impact in the special purpose financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, Credit ratings
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk - Interest rate risk	Borrowings at variable rates	Cash flow forecasting, Sensitivity analysis
Market risk - Financial Currency Risk	Adverse movements in the exchange rate between the Rupee and any relevant foreign currency	Internal Foreign Currency Exposure and risk management policy

(a) **Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Credit risk management

Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk
B: Moderate credit risk
C: High credit risk

Asset group	Description of category	Provision for expected credit loss*
Low Credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12 month expected credit loss / life time expected credit loss
Moderate Credit risk	Assets where the probability of default is considered moderate, where the capacity of the counter party to meet the obligations is not strong	12 month expected credit loss / life time expected credit loss
High Credit risk	Assets where there is a high probability of default	12 month expected credit loss / life time expected credit loss

* Life time expected credit loss (if required) is provided for trade receivables and for those financial assets where the credit risk has increased significantly, since the initial recognition.

Based on business environment in which the Group operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.
Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Any subsequent recoveries made are recognised in statement of profit and loss.

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₹ in million

Classification of Financial assets among risk categories:
As at 31st March 2023

Credit rating	Particulars	Gross Carrying Amount	Expected Credit Losses	Carrying Amount net of Provision
Low credit risk	Cash and cash equivalents, other bank balances, current investments, loans, trade receivables and other financial assets	1,004.01	(81.68)	922.33
Moderate credit risk	Nil	-	-	-
High credit risk	Nil	-	-	-

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement.

The processes and policies related to such risks are overseen by the Group's Board of Directors.

The table below provides details regarding the contractual maturities of significant financial liabilities As at 31st March 2023

₹ in million

Particulars	Carrying Value	On Demand	Less than 1 year	1 to 5 years	more than 5 years	Total
As at 31st March 2023						
Borrowings	7,980.64	948.95	848.73	5,149.00	1,033.95	7,980.64
Lease Liabilities	57.03	-	14.46	39.95	2.62	57.03
Trade payables	285.98	-	285.98	-	-	285.98
Other financial liabilities	1,041.35	-	1,041.35	-	-	1,041.35

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(c) **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue from export markets and the costs of imports.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency results in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Group's receivables in foreign currency. In order to hedge exchange rate risk, the Group has a policy to hedge cash flows (either using natural hedge or an artificial hedge) upto a specific tenure using forward exchange contracts and hedges based on their Internal Foreign Currency Exposure and risk management policy as approved by the management and in accordance with the applicable regulations where the Group operates.

The carrying amounts of the Group's monetary assets and monetary liabilities at the end of the reporting period are as follows:(expressed in units of respective foreign currency)

As at 31st March 2023

Particulars	USD	AED	EURO
Financial Assets	2,21,226.91	-	-
Financial Liabilities	-	-	10,87,264.00

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates and investments.

The overall exposure of Borrowings is as follows:

₹ in million

Particulars	31-03-2023
Fixed Rate Borrowing	296.37
Variable Rate Borrowing	7,642.00

Sensitivity Analysis:

The following table demonstrates the sensitivity to a reasonably possible change (100 basis points) in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in million

Particulars	2022-23
Interest Sensitivity - Term Loan	
Interest Rates - Increase by 100 basis points	(55.02)
Interest Rates - Decrease by 100 basis points	55.02
Interest Sensitivity - Working Capital Loan	
Interest Rates - Increase by 100 basis points	(8.66)
Interest Rates - Decrease by 100 basis points	8.66

47 **Capital Management**

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using gearing ratio, which is net debt divided by total equity. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

₹ in million

Particulars	31-03-2023
Borrowings	7,980.64
Less: Cash and cash equivalents	90.17
Less: Bank Balances other than Cash and Cash equivalents	37.05
Net debt (A)	**7,853.42**
Equity Share Capital	35.00
Instruments entirely equity in nature	0.68
Other equity	2,588.23
Total Equity (B)	**2,623.91**
Net Debt to Equity Ratio - (A)/(B)*100	299.30%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023.

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₹ in million

48 Employee Benefits

Refer Note no 1.18 of Material Accounting Policies

A. Defined contribution plans

The Company makes contributions towards provident fund, National Pension Scheme and employee's state insurance as a defined contribution retirement benefit fund for qualifying employees. The provident fund is operated by the regional provident fund commissioner. The National Pension Scheme is maintained by Pension Fund regulatory and Development Authority. The Employees state insurance is operated by the Employees State Insurance Corporation. Under these schemes, the Company is required to contribute a specific percentage of the payroll cost as per the statue.

The Company recognised the following contributions in the Statement of profit and loss

Particulars	2022-23
Employer's Contribution to Provident Fund	17.02
Employer's Contribution to Employees State Insurance	2.02
Total	**19.04**

B. Defined benefit plans

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment (i.e.) five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the ascertained liability to a Trust Fund set up with Life Insurance Corporation of India with whom the plan assets are maintained.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, salary risk and longevity

Investment Risk: The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest Risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Longevity Risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

a) Principal actuarial assumptions

The Holding Company provides for gratuity liability based on the actuarial valuation done by the independent actuary valuer and is funded. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at as on balance sheet date.

Principal assumptions used for the purpose of actuarial valuations were as follows: (Holding Company)

Particulars	31st March 2023
Discount rate(s)	7.58%
Expected Return on Assets	7.49%
Salary escalation rate	5.00%
Attrition rate	5.00%
Mortality	Indian Assured Lives Mortality (2012-14)

The Subsidiary Company provides for gratuity liability based on the actuarial valuation done by the independent actuary valuer and is unfunded. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at as on balance sheet date.

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Principal assumptions used for the purpose of actuarial valuations were as follows: (Subsidiary Company)

Particulars	31st March 2023
Discount rate(s)	7.52%
Expected Return on Assets	0.00%
Salary escalation rate	5.00%
Attrition rate	10.00%
Mortality	Indian Assured Lives Mortality (2012-14)

b) Amount recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows:

Particulars	31st March 2023
Current Service Cost	7.29
Net Interest on Defined Benefit Obligation	1.31
Expenses recognised in the statement of profit and loss	**8.60**

c) Amount recognised in Other Comprehensive income for the year

Particulars	31st March 2023
Return on plan assets	0.03
Actuarial gains/losses arising from changes in demographic assumptions	-
Actuarial gains/losses arising from changes in financial assumptions	(0.18)
Actuarial gains/losses arising from experience adjustments	0.18
Amount recognised in OCI for the current period	**0.03**

d) Movement in the present value of the defined benefit obligation are as follows

Particulars	31st March 2023
Defined benefit obligation as at the beginning of the year	19.60
Current service cost	7.29
Net Interest on Defined Benefit Obligation	1.43
Actuarial gains/losses arising from changes in demographic assumptions	-
Actuarial gains/losses arising from changes in financial assumptions	(0.18)
Actuarial gains/losses arising from experience adjustments	0.18
Benefits paid	(1.06)
Defined benefit obligation as at the end of the year	**27.26**

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e) Change in fair value of plan assets

Particulars	31st March 2023
Fair value of plan assets as at the beginning of the year	-
Expected return on Plan Assets	0.12
Employer Contributions	3.16
Benefits paid	-
Actuarial Gain/(Loss) on Plan Assets	(0.03)
Fair value of plan assets as at the end of the year	**3.25**

f) Net Liability recognised in the Balance sheet

Particulars	31st March 2023
Defined benefit obligation	27.26
Fair value of plan assets	(3.25)
Amount recognised (Liability)	**24.01**
- Non Current	13.12
- Current	10.89

g) Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumption for the determination of defined benefit obligation and based on reasonably possible changes in the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant

Particulars	31st March 2023
Discount Rate	
Discount rate + 100 basis points	25.20
Discount rate - 100 basis points	29.66
Salary escalation rate + 1%	29.46
Salary escalation rate - 1%	25.36
Attrition rate + 1%	27.51
Attrition rate - 1%	26.96

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

h) The expected future contribution and estimated future benefit payments from the fund are as follows:

Particulars	₹ in million
Year 1	1.61
Year 2	1.28
Year 3	1.49
Year 4	1.20
Year 5	0.82
Year 6 to 10	5.24
Above 10 Years	15.98

C) Compensated absences :

The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using Projected Unit Credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date.

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49 **Business combinations**

Acquisition of 100% common stock of Asal Food Products Private Limited, India

During the year ended 31 March 2025, the Holding Company has acquired 100% common stock of Asal Food Products Private Limited ("Acquired Company") through a share purchase agreement dated 29.03.2025. Pursuant to the said acquisition, the Acquired Company became a wholly owned subsidiary of the Holding Company. The consideration to the selling shareholders has been agreed at ₹ 71.25 million and is reflected as purchase consideration payable for business acquisition at the end of the financial year. The Group has recognised an amount of ₹ 56.25 million in the Common control adjustment deficit account with respect to the aforesaid acquisition which is in excess of net assets and reserves taken over.The purchase consideration is payable in cash and is current in nature. As per the requirements of Appendix C of Ind AS 103 Business Combination, the Group is required to restate the prior periods as if the business combination had occurred from the beginning of the preceding period in the financial statements and if business combination had occurred after that date, the prior period information shall be restated only from that date. Accordingly, the Group has recorded purchase consideration payable in earlier periods. The Group has not fair valued the consideration in earlier periods as the restatement is a disclosure requirement under appendix C of Ind AS 103 Business Combination.

The acquisition referred to above, being a "common control" transaction, has been accounted as per 'Pooling of Interest' method as prescribed under Appendix C of Ind AS 103 - "Business Combination". In accordance with the requirements of para 9 (iii) of Appendix C to Ind AS 103, the financial statements of the Company in respect of the prior period have been restated as if acquisition had occurred from the beginning of the preceding period presented i.e., 01 April 2022 irrespective of the actual date of the combination, the impact of which is detailed below:

₹ in million

Particulars	As at 31st March 2023 Reported (As per Previous GAAP)	As at 31st March 2023 Restated (As per Ind AS)
Total Assets	73.05	83.27
Total Liability	73.05	83.27
Total Income	336.01	307.80
Total Expenses	321.74	293.09
Profit After Tax	9.82	11.46
Total Comprehensive Income	9.82	11.45
	-	-
Cash Flows from Operating Activities	(0.15)	5.02
Cash Flows from Investing Activities	(3.62)	(3.62)
Cash Flows from Financing Activities	-	(5.17)

Common control adjustment deficit account on acquisition due to the excess of the net assets taken over against the amount paid by the Holding Company.

Particulars	Amount
Assets taken over (A)	155.43
Liabilities taken over (B)	96.54
Net assets taken over (C = A - B)	**58.89**
Reserves of Asal (D)	43.89
Issue of Cash to erstwhile owners (E)	71.25
Common control adjustment deficit account on acquisition (F = C - D - E)	(56.25)

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Milky Mist Dairy Food Limited Perundurai 638 057

Milky Mist Dairy Food Limited
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50 Leases

₹ in million

Particulars	As at 31st March 2023
Movement of Lease Liability	
Opening balance	35.77
Additions during the year	32.54
Add: Finance cost accrued during the year	4.89
Less: Payment of lease liabilities	16.13
Less: Termination of Leases	-
Closing balance	**57.03**
- Current	14.46
- Non Current	42.57
Details of contractual maturities of lease liabilities (Undiscounted basis) :	
Less than one year	19.00
One to five years	46.50
More than five years	2.79
Amount recognised in the Statement of Profit and Loss	
Amortisation of Right of Use Assets	14.42
Interest Expense on Lease Liabilities	4.89
Expense relating to Short Term Lease Liabilities/ Leases of Low value assets	8.84

Effective Interest rate for the Lease Liabilities of holding company is 9.49% and for subsidiary company is 9.14%

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51 Disclosure as required under Rule 16A of the Companies (Acceptance of Deposit Rules), 20'

Particulars	2022-23 (₹ in million)
Amount received from directors during the year	35.00
Closing balance of amount received from directors	42.26

52 Corporate Social Responsibility (CSR) activities :

Particulars	2022-23 (₹ in million)
a) Gross amount required to be spent by the Holding Company during the year	7.52
b) Unspent amount pertaining to earlier years	8.77
c) Total amount required to be spent by the Holding Company - (a+b)	16.29
d) Amount spent during the year	
(i) Construction/acquisition of	-
(ii) On purposes other than (i)	11.08
e) Balance amount to be spent / (Amount spent in excess) - (c-d)	5.21
f) Nature of CSR activities	Health care, Education project and Rural Development Project
g) Details of related party	

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53 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 :

₹ in million

Particulars	2022-23
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year included in:	
- Principal amount due to micro and small enterprises	6.64
- Interest due on above	-
	6.64
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond appointed day.	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.	0.56
The amount of interest accrued and remaining unpaid at the end of each accounting year.	2.16
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 for the purpose of disallowance as a deductible under Section 23 of the MSMED Act, 2006.	-

Note: The above information is furnished based on the confirmation received from the parties.

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54 Dividend

The Group has not proposed/paid any dividend during the year 2022-23

55 As these are special purpose financial statements for the purpose of consolidation of the Holding company. Accordingly, comparative financial information is not provided.

56 ADDITIONAL DISCLOSURE RELATING TO SCHEDULE III AMENDMENT OF COMPANIES ACT 2013

(i) **Details of Benami property:** The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) **Utilisation of borrowed funds and share premium:**

(A) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(iii) **Compliance with number of layers of companies:**
The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(iv) **Undisclosed income:** The Group has not any such transactions which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(v) **Details of crypto currency or virtual currency:** The Group has not traded or invested in Crypto currency or Virtual currency during the financial year.

(vi) **Valuation of Property, Plant and Equipment, intangible asset and investment property:** The Group has not revalued its Property, Plant and Equipment or Intangible Assets or both during the current or previous year.

(vii) **Struck off Companies:** The Group does not have any transactions with companies struck off.

(viii) **Wilful Defaulter:** The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) **Details of Delay in filing of Charges / Satisfaction With Registrar Of Companies (ROC):** The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(x) **Loans to Related Parties and others:** The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that :
a) are repayable on demand or
b) without specifying any terms or period of repayment.

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57 (i) **Subsequent Events**

On March 14, 2025, the shareholders of the Company have approved a stock split from a face value of Rs 10 to Rs 2 further the shareholder have approved the issue of 35:1 bonus shares on fully paid equity shares having face value of Rs.2 per share through capitalisation of securities premium of the Company.The shares have been allotted on March 17,2025.The impact of the above mentioned stock split and bonus shares has been considered retrospectively for the purpose of calculation of basic and diluted earnings per share for all periods presented in accordance with IND AS 33 .

Particulars	Equity Shares	0.01% Compulsorily Convertible Preference	Total
Weighted average number of shares	35,00,000	68,250	35,68,250
Total shares pre sub division of shares	35,00,000	68,250	35,68,250
Number of shares under shares sub divided	1,40,00,000	2,73,000	1,42,73,000
Total shares pre bonus issue	1,75,00,000	3,41,250	1,78,41,250
Number of shares under bonus issue (35 bonus shares for each share)	61,25,00,000	1,19,43,750	62,44,43,750
Total shares post bonus	63,00,00,000	1,22,85,000	64,22,85,000

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(Amount in million of INR unless otherwise stated)

58 Additional Information Pursuant To Schedule III To The Companies Act, 2013 Of Entities Consolidated As Subsidiaries
For the Financial year 2022-23

S. No	Name of the entity	Net Assets		Share in Profit / (Loss)		Share in Other		Share in Total	
		As a % of Consolidated Net Assets	₹ in million	As a % of Consolidated Profit / (Loss)	₹ in million	As a % of Consolidated OCI	₹ in million	As a % of Consolidated TCI	₹ in million
1	**Parent** Milky Mist Dairy Food Limited (Formerly known as Milky Mist Dairy Food Private Limited)	101.88%	2,673.16	96.00%	261.41	36.65%	(0.01)	96.01%	261.40
2	**Subsidiary** Asal Food Products Private Limited	0.87%	22.86	4.21%	11.46	63.35%	(0.01)	4.21%	11.45
	Total before Intercompany Elimination / Adjustments	**102.75%**	**2,696.02**	**100.21%**	**272.87**	**100.00%**	**(0.02)**	**100.21%**	**272.84**
	Intercompany Elimination / Adjustments	(2.75%)	(72.11)	(0.21%)	(0.57)	-	-	(0.21%)	(0.57)
	TOTAL	**100.00%**	**2,623.91**	**100.00%**	**272.29**	**100.00%**	**(0.02)**	**100.00%**	**272.27**

59 Financial Ratios:

Ratio	2022-23
Current Ratio (in times)	0.65
Debt Equity Ratio (in times)	3.04
Debt Service Coverage Ratio (in times)	1.29
Return on Equity Ratio (%)	10.95%
Inventory Turnover Ratio (in times)	10.70
Trade Receivables Turnover Ratio (in times)	20.87
Trade Payables Turnover Ratio (in times)	36.80
Net Capital Turnover Ratio (in times)	(12.86)
Net Profit ratio (%)	1.95%
Return on Capital Employed (%)	10.62%

Particulars	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt Equity Ratio	Total Debt	Shareholders' Equity
Debt Service Coverage Ratio	Earnings for debt service = Net Profit after taxes + Depreciation and Amortisation Expense + Interest	Debt Service = Interest + Lease Payments + Principal Repayments(Excluding Prepayments)
Return on Equity Ratio	Net Profit After Taxes - Preference Dividend	Average Shareholders' Equity
Inventory Turnover Ratio	Cost of Materials Consumed + Purchases of Stock-in-Trade + Changes in Inventory	Average Inventory
Trade Receivables Turnover Ratio	Net Credit Sales	Average Trade Receivable
Trade Payables Turnover Ratio	Cost of Materials Consumed + Purchases of Stock-in-Trade + Changes in Inventories of finished goods and work-in-process	Average Trade Payables
Net Capital Turnover Ratio	Net Sales	Working Capital = Current Assets - Current Liabilities
Net Profit Margin %	Net Profit after Tax	Net Sales
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net worth +Total Debt + Deferred Tax liability

Figures have been rounded off to the nearest million.

As per our report of even date attached
For VKS Aiyer & Co
Chartered Accountants
ICAI Firm Registration No 000066S

Kaushik Sidartha
Partner
Membership No:217964

VKS Aiyer & CO COIMBATORE Chartered Accountants

Place: Perundurai
Date: 15-07-2025

For and on behalf of the Board of Directors of Milky Mist Dairy Food Private Limited

Rathishkumar T
Chairman and Managing Director
DIN: 02926325

Anitha S
Whole Time Director
DIN: 02926355

Dr K Rathnam
Whole-time Director and
Chief Executive Officer
DIN: 06887651

Biswajit Mishra
Chief Financial Officer

S Prakash
Company Secretary & Compliance Officer
FCS No: A22495

Milky Mist Dairy Food Limited Perundurai 638 057

Place: Perundurai
Date: 15-07-2025