



## **Corporate Information**

### **BOARD OF DIRECTORS**

Mr. Shiv Ratan Agarwal , Managing Director

Mr. Deepak Agarwal, Whole Time Director

Ms. Sushila Devi Agarwal, Whole Time Director

Ms. Shweta Agarwal, Whole Time Director

Ms. Sangeeta Devi Jaisanseriya, Independent Director

Mr. Kedar Chand Agarwal, Independent Director Website : [www.bikaji.in](http://www.bikaji.in)

Mr. Sachin Kumar Bhartiya, Non Executive Director

Mr. Vikrant Balbir Sibal, Non Executive Director

Mr. Shambhu Dayal Gupta, CFO

Ms. Divya Navani, Company Secretary

### **STATUTORY AUDITORS**

M/s M Surana & Co.  
Chartered Accountant

### **SECRETARIAL AUDITORS**

S.K. Joshi & Associates  
Company Secretaries, Jaipur

### **BANKERS**

HDFC Bank Limited

State Bank of India

### **REGISTERED OFFICE**

F 196 -199, F 178 & E 188 BICHHWAL IND.  
AREA,  
BIKANER RAJASTHAN 334006 INDIA  
CIN :U15499RJ1995PLC010856  
Tel :0151-2250350

### **PLANT LOCATIONS**

(A) E 558-561, C 569-572, E 573-577, F 585-592  
Karni Industrial Area(Ext.) Bikaner  
(B) E 1-A, B & C Bichhwal Industrial Area,  
Bikaner 334006  
(C) Plot No. 39/40/41 ,Aroon Industrial Estate ,  
Ramchandra Lane Extension , Malad ( W )  
Mumbai 400064



## **Directors' Report**

Dear Shareholders,

Your directors have pleasure in presenting the 24<sup>th</sup> Annual Report together with the Audited Financial Statement of your company for the year ended 31<sup>st</sup> March, 2019.

### **FINANCIAL HIGHLIGHTS:**

(Amount in lakhs)

<b>PARTICULARS</b>	<b>CURRENT YEAR (2018-19)</b>	<b>PREVIOUS YEAR (2017-18)</b>
Revenue from Operations	90217.73	78101.41
Other Income	963.48	480.22
Total Income	91181.21	78581.63
Total Expenditure	80950.03	68097.92
Profit before Interest, Depreciation, Taxation and Extraordinary Items	10231.18	10483.71
Depreciation & Amortization	2230.64	1688.33
Profit before Exceptional Items, Interest and Tax	8000.54	8795.38
Finance Costs	402.24	460.13
<b>Profit before Exceptional items &amp; Tax</b>	<b>7598.30</b>	<b>8335.25</b>
Add (Less): Exceptional Items	--	147.44
<b>Profit before Tax</b>	<b>7598.30</b>	<b>8187.81</b>
Tax Expense		
Current Tax	1808.61	1895.07



Deferred Tax	672.39	989.54
(Excess)/Short provision for tax pertaining to prior years		
<b>Profit after Tax</b>	<b>5101.14</b>	<b>5281.18</b>
<b>Earnings per Share (Basic)</b>	<b>21.09</b>	<b>22.63</b>
<b>Earnings per Share (Diluted)</b>	<b>21.09</b>	<b>22.63</b>
Surplus available for appropriation	24531.01	19994.38
Interim dividend on Equity Shares	486.22	466.83
Dividend Distribution Tax on Interim Dividend	102.95	97.68

## RESULT OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS:

During the year under review, your Company has recorded revenue from operations (net) of Rs. 902.17 Crore in comparison to previous year of Rs. 781.01 Crore, thus registered healthy growth of 15.5 % from last year.

Other sales including sale of Solar Power stood at Rs. 2.63 Crore in comparison to previous year sale of Rs. 1.25 Crore , thus registered healthy growth of 110.04 % from last year.

The Company has incurred a Profit after tax of Rs. 51.01 Crore in current year as compared to Rs. 52.81 Crore in previous year.

## EXPORT INITIATIVES AND GROWTH POSSIBILITIES:

We have our presence in the international markets, with our export sales and this growth has been primarily achieved due to our strategic supply chain, extensive distribution network, diversified product portfolio and range of price points for consumers and experienced promoters and senior management.

We currently export our products to countries such as Europe, Australia, Japan, Singapore, Asia, Africa, Middle East, Europe and U.S.A.

We continue to focus on developing our reach in existing export markets and also explore other countries for better sales growth and enhance our brand recognition internationally.



## **TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013:**

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During the year your Company has not transferred any amount to General Reserve. Also Rs. 51.01 Crore has been taken to surplus in the statement of profit and loss.

## **DIVIDEND:**

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The Company has adopted Dividend Distribution Policy which is attached as **Annexure – “1”**. Your Board of Directors has paid an interim dividend of Rs. 2.00 per equity shares during the year which is in compliance with the Dividend Distribution Policy of the Company. This Policy is also available on company Website [www.bikaji.in/policies](http://www.bikaji.in/policies)

Further, the board does not recommend payment of any further dividend for the financial year ended 31<sup>st</sup> March, 2019.

## **MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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### **CHANGES IN DIRECTOR**

The Board was duly constituted during the year, but following changes took place in composition of the Board of Director:

- ❖ The Board of Director on the basis of performance evaluation of Independent Director recommends Mr. Kedar Chand Agarwal, as Independent director and the shareholder at their meeting held on 13<sup>th</sup> March, 2019 approved re-appointment of Mr. Kedar Chand Agarwal for a period of Five years from April 1, 2019 till March 31, 2024.
- ❖ The Board of Director on the basis of performance evaluation of Independent Director recommends Mrs. Sangeeta Devi Jaisanseriya, as Independent director and the shareholder at their meeting held on 13<sup>th</sup> March, 2019 approved re-appointment of Mrs. Sangeeta Devi Jaisanseriya for a period of Five years from April 1, 2019 till March 31, 2024.



- ❖ Mr. Vikrant Balbir Sibal who was appointed as Additional Director of the Company by the Board in its meeting held on 7<sup>th</sup> July , 2018 was regularized pursuant to his confirmation in the AGM held on 2<sup>nd</sup> August, 2018 in line with the provisions of Companies Act ,2013

#### **RETIRE BY ROTATION:**

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Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Sushila Agarwal (DIN: 00619049) and Mr. Deepak Agrawal (DIN: 00192890), are liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered themselves for re-appointment.

#### **KEY MANAGERIAL PERSONNEL:**

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There were no changes in the Key Managerial Personnel during the year.

#### **INDEPENDENT DIRECTORS:**

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Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, the Company has received a declaration/Confirmation of Independence pursuant to Section 149(6) of the Companies Act, 2013 confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013.

#### **CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

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There is no change in the nature of business in comparison to immediately preceding year.

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

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There are no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial year of the Company to which the Financial Statements relate and the date of the report.



## SHARE CAPITAL :

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The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty five Crores Only) divided into 2,50,00,000 (Two Crore Fifty Lakhs) Equity Shares of Rs. 10/- each and Issued, Subscribed and Paid-up capital is Rs. 24,31,33,060/- (Twenty Four crore Thirty One Lakh Thirty Three Thousand and Sixty) divided into 2,43,13,306 (Two Crore Forty Three Lakh Thirteen thousand Three Hundred and Six) Equity Shares of face value of Rs. 10/- each.

During the year, the Issued, paid up and Subscribed Capital of the company increased from Rs. 23,34,14,110/- (Twenty Three Crore Thirty Four Lakh Fourteen thousand One Hundred and Ten) divided into 23341411 (Two crore Thirty Three Lakh Forty one Thousand Four Hundred and Eleven) equity shares of Rs. 10/- each to Rs. 24,31,33,060/- (Twenty Four crore Thirty One Lakh Thirty Three Thousand and Sixty) divided into 2,43,13,306 (Two Crore Forty Three Lakh Thirteen thousand Three Hundred and Six) Equity Shares of face value of Rs. 10/- each due to allotment by way of private placement of 9,71,895 shares at Rs.1255.28 per share (including premium of Rs.1245.28 per share) in the Board Meeting held on 16.05.2018.

During the year under review, the Company has neither issued Shares with Differential Voting Rights nor granted Stock Options nor Sweat Equity.

Pursuant to the Amendment in Rule 9 of the Companies (Prospectus and Allotment of Securities) Rules, your Company offers facility to hold its Equity shares in electronic form, i.e. facilitates dematerialization of all its existing securities in accordance with provision of the Depositories Act 1996 and Regulation made thereunder.

The Company appointed National Securities Depository Limited ("NSDL") and Central Depository services (India) Limited ("CDSL") so as to enable allotment, holding, transfer, transmission, split or consolidation of Securities of the Company in dematerialized form and to give effect to the aforementioned amendment.



## **ALTERATION OF ARTICLES OF ASSOCIATION:**

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During the year, the shareholders at their meeting held on 16<sup>th</sup> May , 2018 adopted a new set of Articles of Association pursuant to the infusion of funds by the private equity investor.

In May 2019, the Company amended the existing articles of association of the company at Shareholders meeting held on 23<sup>rd</sup> May, 2019 to incorporate the provisions of the deed of adherence dated May 23<sup>rd</sup>, 2019 entered into between the Company, Avendus Future Leaders Fund I (represented by its Investment manager- Avendus PE investment Advisors Private limited), Avendus Capital Private Limited, India 2020 Fund II Limited and the existing shareholders of the Company in relation to the Share Subscription, Share Purchase and Shareholder's Agreement dated May 7, 2018 entered into between the Company and the Existing Shareholders of the Company.

## **WHISTLE BLOWER POLICY/ VIGIL MECHANISM:**

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Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company had adopted 'Whistle Blower Policy' for Directors and employees.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Audit Committee reviews periodically the functioning of Whistle Blower Mechanism. There is no complaint received during the year 2018-19.

No personnel have been denied access to the Audit Committee. A copy of the Whistle Blower Policy is available on the website of the Company at "[www.bikaji.in/policies](http://www.bikaji.in/policies)."

## **CODE OF CONDUCT:**

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The Company has adopted Code of Conduct ("the Code") which is applicable to the board of directors and all the senior management employees of the Company.

All Board members and senior management personnel have confirmed compliance with the Code for the year 2018-19. A declaration signed by the managing director of the Company to this effect is placed at the end of this report. The code requires directors and



employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The code is displayed on the Company's website [www.bikaji.in/policies](http://www.bikaji.in/policies)

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

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During the year under review the Company made a compounding petition along with supporting documents under Section 134 read with Section 135 of Companies Act, 2013, before the Special Court.

Further in order to regularize the default, the company has circulated an addendum containing prescribed information required under CSR Report for the financial year 2014-15 to shareholders, effecting proper disclosure in subsequent Board Reports regarding CSR Activities and expenditures.

Then, the Hon'ble court has compounded the offence imposing minimum compounding fee as prescribed under the Act by order dated 01.10.2018.

Except the above there are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

#### **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

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No Company has become/ceased to be a subsidiary/joint venture or associate during the financial year 2018-19. Therefore, Form AOC-1 is not applicable.

#### **DEPOSITS:**

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During the year, your Company has not accepted any public deposits under Chapter V of Companies Act, 2013.

#### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

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In terms of provisions of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, no amount is pending as on 31.03.2019 of unpaid/unclaimed dividends to be transferred to Investor Education and Protection Fund.

#### COMPLIANCE WITH SECRETARIAL STANDARDS:

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During the year under review, the Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

#### EXTRACT OF THE ANNUAL RETURN:

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The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and applicable Rules, in Form MGT-9 is annexed herewith for your kind perusal and information as **Annexure- "2"**. The Extract of the Annual Return is available on Company's corporate website "[www.bikaji.in](http://www.bikaji.in)".

#### MEETINGS OF THE BOARD OF DIRECTORS:

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There were 5(five) Meetings of the Board of Directors held during the Financial Year 2018-19:

S.NO.	DATE OF MEETING	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
1.	18.04.2018	7	6
2	16.05.2018	7	5
3.	02.08.2018	8	7
4.	16.11.2018	8	5
5.	13.03.2019	8	6



## REMUNERATION POLICY:

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The remuneration paid to Executive Directors is recommended by Nomination & Remuneration Committee and approved by Board in Board Meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company. The Policy is available on the Company's website i.e. [www.bikaji.in /policies](http://www.bikaji.in/policies)

### REMUNERATION TO WHOLE-TIME / EXECUTIVE / MANAGING DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

**a) Fixed pay:** The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders

**b) Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act .

**c) Provisions for excess remuneration:** If any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed by this section or without approval required under this section, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the company.

## PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

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The Board in consultation with its Nomination & Remuneration Committee has implemented a formal process for the annual evaluation of the performance of its Board, its Committees and Individual Directors including Independent Directors. This process includes criteria for performance evaluation.

The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013. Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance and compensation to Executive Directors, succession planning, strategic planning, etc. Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholder interest and enhancing shareholder value, experience and expertise to provide feedback and guidance to top management on business strategy, governance and risk, understanding of the organization's strategy, risk and environment, etc. Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

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Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual financial statements for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;



- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **AUDITORS AND AUDITORS' REPORT:**

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M/S M SURANA & COMPANY Chartered Accountants (FRN. 015312C), retire at the conclusion of ensuing Annual General Meeting. They have been statutory auditors of the company for financial year 2017-18 and 2018-19. In terms of the Companies Act, 2013 and the rules framed thereunder, it is proposed to appoint M/S M SURANA & COMPANY Chartered Accountants (FRN. 015312C), and M/s MSKA & Associates, Chartered Accountants (FRN. 105047W) as Joint statutory auditors of the company to hold office from the conclusion of the ensuing Annual General Meeting, until the conclusion of the next AGM of the company to be held in the year 2020.

The Company has received their written consents and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) of the Act.

The notes on financial statement referred to in the Auditor's Report are self explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation or adverse remark.

#### **SECRETARIAL AUDITORS AND THEIR REPORT:**

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Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/S. S.K.JOSHI & ASSOCIATES, Company Secretaries to undertake audit of secretarial and other related records of the Company.

The Secretarial Audit Report is annexed herewith as **Annexure-“3”**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Information referred in Secretarial Auditor Report are self-explanatory and don't call for any further comments.



## **INTERNAL AUDITORS:**

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The Board of Directors of your Company has re-appointed M/s Mundhra Rathi & Associates., Chartered Accountants, Jaipur (Firm Registration No.010901C) as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the financial year 2019-20. The Audit Committee of the Board of Directors, Statutory Auditors and the Management are periodically apprised of the Internal Audit findings and corrective actions taken.

## **COMMITTEES OF THE BOARD:**

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There are currently Three Committees of the Board, as follows:

- Audit Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility Committee

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

### **• AUDIT COMMITTEE:**

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The Audit Committee of the Company is duly constituted in accordance with the requirements of the Companies Act, 2013. All the Members of the Committee have relevant experience in financial matters.

The Statutory Auditors and Internal Auditors are invited to the Audit Committee Meetings to discuss with Directors the scope of audit, their comments, and to discuss the Internal Audit Reports. Minutes of the Audit Committee Meetings are circulated to all Directors and discussed at the Board Meetings. The Company Secretary of the Company acts as Secretary of the Audit Committee.

The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- Efficiency and effectiveness of operations.
- Safeguarding of assets and adequacy of provisions for all liabilities.
- Reliability of financial and other management information and adequacy of disclosures.



- Compliance with all relevant statutes.

#### **COMPOSITION OF AUDIT COMMITTEE**

The Company has Audit Committee and the same was reconstituted during the year comprising the following directors:-

NAME	DESIGNATION
Mr. Kedar Chand Agarwal	Independent Director
Mrs. Sangeeta Devi Jaisensaria	Independent Director
Mr. Sachin Kumar Bhartiya	Director
Mr. Vikrant Balbir Sibal	

#### **MEETINGS AND ATTENDANCE**

During the financial year ended on 31<sup>st</sup> March, 2019, two meetings of the Audit Committee were held and details are as follows:

S.NO.	DATE	COMMITTEE STRENGTH	NO. OF MEMBERS PRESENT
1.	02.08.2018	4	3
2.	13.03.2019	4	4

#### **ATTENDANCE AT AUDIT COMMITTEE MEETINGS DURING THE FINANCIAL YEAR**

Name of Director	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Kedar Chand Agarwal	2	1
Mr. Sachin Kumar Bhartiya	2	2
Mrs. Sangeeta Devi Jaisensaria	2	2
Mr. Vikrant Balbir Sibal	2	2

#### **ROLE OF THE AUDIT COMMITTEE**

The role of the Audit Committee is broadly as follows:



1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and Internal Auditors and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's Responsibility Statement.
  - (b) Changes, if any, in accounting policies and practices and reasons for the same.
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - (d) Significant adjustments made in the financial statements arising out of audit findings.
  - (e) Compliance with listing and other legal requirements relating to financial statements.
  - (f) Disclosure of any related party transactions.
  - (g) Qualifications in the draft audit report.
5. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
6. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
7. Discussion with internal auditors of any significant findings and follow up there on.
8. Reviewing the findings of any internal investigations, if any, by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
9. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
10. Evaluation of internal financial controls and risk management systems.
11. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.

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● **NOMINATION & REMUNERATION COMMITTEE:**



The Nomination and Remuneration Committee reviews and recommends the payment of salaries, commission and finalizes appointment and other employment conditions of Directors, Key Managerial Personnel and other Senior Employees.

### **Terms of Reference**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the Remuneration of the Directors, Key Managerial Personnel and Other Employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board
3. Devising a policy on Board diversity
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### **COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE**

The Company has Remuneration Committee and the same was reconstituted during the year comprising the following directors:-

NAME	DESIGNATION
Mr. Kedar Chand Agarwal	Independent Director
Mr. Sachin Kumar Bhartiya	Director
Mrs.Sangeeta Devi Jaisensaria	Independent Director
Mr. Vikrant Balbir Sibal	Director

The Company Secretary is Secretary of the Committee. The constitution of the Committee is as per the provisions of Schedule XIII of the Companies Act, 2013.

### **MEETINGS AND ATTENDANCE**

During the financial year ended on 31<sup>st</sup> March, 2019, one meeting of the Nomination & Remuneration Committee was held and details are as follows:

S.NO.	DATE	COMMITTEE STRENGTH	NO. OF MEMBERS PRESENT
1.	18.04.2018	3	3
2.	13.03.2019	4	4





### **ATTENDANCE AT NOMINATION & REMUNERATION COMMITTEE MEETINGS DURING THE FINANCIAL YEAR**

<b>Name of Director</b>	<b>No. of Meetings entitled to attend</b>	<b>No. of Meetings attended</b>
Mr. Kedar Chand Agarwal	2	2
Mr. Sachin Kumar Bhartiya	2	2
Mrs. Sangeeta Devi Jaisensaria	2	2
Mr. Vikrant BalbirSibal	1	1

### **• CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

In pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, Your company has a Corporate Social Responsibility (CSR) Committee. This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

### **COMPOSITION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Company has Corporate Social Responsibility Committee and the same was reconstituted during the year comprising the following directors:-

<b>NAME</b>	<b>DESIGNATION</b>
Mr. Shiv rattan Agarwal	Managing Director
Mr. Kedar Chand Agarwal	Independent Director
Mr. Deepak Agarwal	Whole Time Director
Mr. Sachin Kumar Bhartiya	Director
Mr. Vikrant Balbir Sibal	Director

The Company Secretary is Secretary of the Committee. The constitution of the Committee is as per the provisions of Schedule VII of the Companies Act, 2013.

### **MEETINGS AND ATTENDANCE**



During the financial year ended on 31<sup>st</sup> March, 2019, two meetings of the Corporate Social Responsibility Committee were held and details are as follows:

S.NO.	DATE	COMMITTEE STRENGTH	NO. OF MEMBERS PRESENT
1.	02.08.2018	5	5
2	13.03.2019	5	5

**ATTENDANCE AT CORPORATE SOCIAL RESPONSIBILITY COMMITTEE MEETINGS DURING THE FINANCIAL YEAR**

Name of Director	No. of Meetings entitled to attend	No. of Meetings attended
Mr . Shiv RatanAgarwal	2	2
Mr. Kedar Chand Agarwal	2	2
Mr. Deepak Agarwal	2	2
Mr. Sachin Bhartiya	2	2
Mr. Vikrant Balbir Sibal	2	2

**Terms of Reference**

- To formulate the Corporate Social Responsibility policy of the company which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Act;
  - To recommend the expenditure that can be incurred for this purpose;
  - To monitor CSR policy of the company from time to time;
  - To prepare a transparent monitoring mechanism for ensuring implementation of the projects / programs / activities proposed to be undertaken by the company
- Your Company has also formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at [www.bikaji.in /policies](http://www.bikaji.in/policies)

During the Financial Year 2018-19 the Company was required to spend an amount of Rs. 1.38 crore on the CSR activities pursuant to Section 135 of the Companies Act, 2013.



During the year, the Company had undertaken various meaningful CSR activities in the areas such as Educational and health, Animal welfare, Environment Protection etc. and the amount spent on these activities was Rs. 1.45crore.

The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure –“4”** and forms integral part of this Report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

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Particulars of loans, guarantees and investments made under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in Financial Statements forming integral part of the Annual Report.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

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All Related Party Transactions entered into by your Company during the Financial Year 2018-19 were on arm's length basis and in the ordinary courses of business. There is no material significant Related Party transactions entered into by the Company with Promoters, Directors, key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. Requisite prior approval of the Audit Committee was obtained for Related party Transactions. Therefore, disclosure of Related party transactions in Form AOC-2 as per the provisions of Sections 134(3)(h) and 188 of the Companies act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules , 2014 is not applicable.

Related Party disclosures have been disclosed in Note 47 of the notes to the Financial Statements forming integral part of Annual Report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

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The information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in **Annexure-“5”**



## **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the company has in place a policy on prevention of sexual harassment at work place.

The Company has constituted the Internal Complaint Committee under Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has not received any complaints during the year. The Company regularly conducts awareness programmes for its employees.

The following is the summary of sexual harassment complaints received and disposed off during the year:

<b>S. No.</b>	<b>Particulars</b>	<b>Status of the No. of complaints received and disposed off</b>
1.	Number of complaints on sexual harassment received	Nil
2.	Number of complaints disposed off during the year	Nil
3.	Number of cases pending for more than ninety days	Not Applicable
4.	Number of workshops or awareness programmes against sexual harassment carried out	The Company regularly conducts necessary awareness programmes for its employees
5.	Nature of action taken by the employer or district officer	Not Applicable

## **QUALITY PROCESSES:**

Your Company continued its efforts at improving quality of its products to ensure delivery of superior, safe and compliant products to its consumers. You would be happy to know that all the existing manufacturing units of your Company including contract manufacturing unit are certified by an accredited third party in accordance with 'Hazard Analysis Critical Control Points' (HACCP) / ISO 22000 standards and operate in compliance with stringent food safety and quality standards.



Your Company continued the journey to excel in food safety and quality delivery to provide delightful, safe and compliant products to consumers in every pack.

A dedicated Quality Assurance team handles the process change management, implementation and it's adherence across the organization. Quality assurance team monitors quality and productivity improvements through audits and dashboard reporting.

Your Company adheres to international quality standard certifications such as ISO 9001, HACCP, FSSAI and Halal Certification by JUHF Mumbai.

### BRAND VISIBILITY:

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We believe that our brands are one of our key strengths and that our customers, distributors, stockists and members of the financial community associate our brands with trusted and superior quality products. We undertake extensive consumer and market research to gauge the various aspects of a product and plan our marketing campaigns. On the basis of our product and market-based research studies, which we conduct on an on-going basis, we intend to continue to enhance the brand recall of our products through strategic branding initiatives, including through the use of social media and consumer engagement programs. We use various media channels to promote our brands including placing advertisements and commercials on television, newspapers, hoardings and on digital media

There has been paradigm shift in the advertisement policy of the company. The focus has shifted from TV to the new and innovative methods of advertisement which is evident from the change in the composition of advertisement expenditure which includes collaborations with Hindi movies such as **Veere Di Wedding, Zero, Kalank** to promote our products, increase brand awareness and strengthen the recall of the "Bikaji" brand

You will be delighted to know that your company was also official Snack partner for "**Rajasthan Royals**" for the Indian Premier League

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

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Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. To ensure good human resources management, your Company focused on all aspects of the employee lifecycle. This provides a holistic experience for the employee as well. During their tenure at the Company, employees are motivated through various skill- development, engagement and volunteering programs. Your Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on Key Result Areas are in place for all employees.

Your Company is committed to nurturing, enhancing and retaining talent through superior Learning & Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the organization's growth and its sustainability in long run. The total strength of your Company employees at the end of financial year 2018-19 was 1940.

#### **CREDIT RATING:**

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The details of the credit rating are follows:

- (a) Credit rating obtained in respect of securities : Bikaji Foods International Limited
- (b) Name of the credit rating agency : ICRA Limited
  - i. Long term Rating : [ICRA] A+(Positive)
  - ii. Short term Rating : [ICRA] A1+
- (c) Date on which the credit rating was obtained : 29<sup>th</sup> March, 2019
- (d) Revision in the credit rating : Yes (Upgraded)
- (e) Reasons provided by the rating agency for a downward revision : NA

#### **RISK MANAGEMENT:**

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Your Directors continually evaluate the risks faced by the Company which could affect its business operations or threaten its existence. The Company takes appropriate risk containment measures and manages the same on an ongoing basis.

The Company had formulated a Risk Management Policy for dealing with different kind of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kind of risks faced by the Company which could affect its business operations or threaten its existence and risk mitigating measures to be adopted by the Board. This Policy is also available on Company website [www.bikaji.in/policies](http://www.bikaji.in/policies)

#### **PARTICULARS OF EMPLOYEES:**

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The information and disclosures pertaining to remuneration and other details of employees, Directors and Key Managerial Personnel as required Under Section 197 of the Companies act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure- "6"** forming integral part of this report.

### **Key Managerial Personnel (KMP)**

Mr. Shiv Ratan Agarwal, Managing Director, Mr. Deepak Agarwal Whole Time Director, Mrs. Sushila Agarwal, Whole Time Director, Mrs. Shweta Agarwal, Whole Time Director, Mr. Shambhu Dayal Gupta, Chief Financial Officer and Ms. Divya Navani Company Secretary are the KMPs of the Company.

During the period under review there was no change in KMPs.

### **INTERNAL FINANCIAL CONTROLS:**

Your Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. Review of the internal financial controls environment of the Company was undertaken during the year under review which covered verification of entity level control, process level controls and IT controls, review of key business processes and analysis of risk control matrices, etc. During the period under review, effectiveness of internal financial controls was evaluated. Reasonable Financial Controls are operative for all the business activities of the Company and no material weakness in the design or operation of any control was observed.

### **PERSONNEL:**

Personnel relations with all employees remained cordial and harmonious throughout the year. Your Directors wish to place on record their sincere appreciations for the continued, sincere and devoted services rendered by all the employees of the Company.

### **SILVER JUBILEE CELEBRATION:**

**"BIKAJI"** had certain vision and mission and several targets to be achieved years ago. With the help of employees, clients, customers and distributors, company was able to gain the success and revenue they desired.



The grand celebration of Bikaji's 25th Anniversary began amid much fanfare Nov. 15, 2018. Several dignitaries and channel partners (distributors) from different regions (domestic and international) graced the occasion.

The day November 15<sup>th</sup>, 2018 was filled with motivation and great energy, followed by cultural activities which raised the festive spirit.

In an effort to inspire people to scale a higher peak of performance - Rs.1,500 Crores by 2020-21, the Company devised an inspirational theme called '**SHIKHAR 2020**'.

The whole event revolved around this theme. A special AC Nielsen report was presented which painted a clear picture of market realities. This in turn helped to chase the **SHIKHAR** target more sharply.

#### **ENVIRONMENT AND SAFETY:**

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We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted a health and safety policy that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facility or under our management.

We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We believe we are in compliance with applicable health and safety laws and regulations. We also believe that our manufacturing facility possesses adequate effluent treatment processes and minimize any contamination of the surrounding environment or pollution.

Our facility has the necessary environmental approvals such as consent to operate under the Water (Prevention & Control) Act, 1974 and Air (Prevention & Control) Act, 1981 etc. The company obtained Environmental Clearance (EC) w.r.t. its plant in Karni Industrial Area and also has its own waste management systems.





## GENERAL:

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Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- 1 Details relating to deposits covered under Chapter V of the Act.
- 2 Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 3 Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- 4 Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- 5 Your directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



## **ACKNOWLEDGEMENT:**

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Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, customers, vendors, shareholders, consultants, business associates etc. during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and workers of the Company.

**For & on behalf of the Board of Directors**

**(SHIVRATAN AGARWAL)**

**MANAGING DIRECTOR**

**DIN: 00192929**

**ADD: C-57, SADULGANJ, BIKANER,  
334001, RAJASTHAN**

**(DEEPAK AGARWAL)**

**WHOLE-TIME DIRECTOR**

**DIN: 00192890**

**ADD: C-57, HALDIRAM HOUSE, SADUL  
GANJ BIKANER 334003 RJ IN**

**PLACE: BIKANER**

**DATE: 06.09.2019**



## **ANNEXURES TO THE DIRECTORS' REPORT**

**Annexure 1** Dividend Distribution Policy

**Annexure 2** Extract of Annual Return of the Company in the prescribed Form MGT-9

**Annexure 3** Secretarial Audit Report in Form MR 3

**Annexure 4** Annual Report on CSR activities

**Annexure 5** Particulars of energy conservation, technology absorption and foreign exchange earnings and outgo required under the section 134 (3)(m) of the companies act and companies (accounts) rules, 2014

**Annexure 6** The information required under Section 197 of the Companies Act, 2013 and the Rules made there-under, in respect of employees of the Company



**Annexure: 4**

**ANNUAL REPORT ON CSR ACTIVITIES**

1.	A brief outline of the company's CSR policy	<p>Company is committed to its stakeholders to conduct its business in a responsible manner that creates a sustained positive impact on the society. This means working with the underserved communities to improve the quality of their life and preserve the ecosystem that supports the communities and the Company.</p> <p>Web link of CSR Policy is <a href="http://www.bikaji.in/policies">www.bikaji.in/policies</a></p>
	Role of CSR Committee	<p>CSR Committee shall formulate CSR Policy and recommend the areas for spending the allocated CSR amount. Further they shall monitor the activities/charter of Internal Working and implementation effectively.</p>
	Programmes & Projects	<p>Bikaji is closely working for educational and health programmes, skill development and rural development programmes.</p>
2.	The Composition of the CSR Committee.	<p>CSR Committee of the Company comprises of following Directors:</p> <ul style="list-style-type: none"> <li>• Mr. Shiv Ratan Agarwal (Chairman)</li> <li>• Mr. Sachin Bhartiya</li> </ul>



		(Member) • Mr. Kedar Chand Agarwal ( Member ) • Mr. Deepak Agarwal (Member) • Mr. Vikrant Balbir Sibal (Member)
3.	Average net profit of the company for last three financial years	Rs. 68.38 Crore
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 1.36 Crore
5.	Details of CSR spent during the financial year. (1) Total amount spent for the F.Y. 2018-19 (2) Amount unspent , if any; (3) Manner in which the amount spent during the financial year :	Rs.14530424.00  NIL The manner in which the amount is spent is detailed here under in Table A
6.	In case the Company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report :	Not Applicable



**Table A**

**DETAILS OF AMOUNT SPENT IN CSR ACTIVITIES**


S. No.	CSR project or activity identified	Sector in which the Project is Covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs.)	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (Rs.)	Cumulative expenditure upto to the reporting period (Rs.)	Amount spent: Direct or through implementing agency
1	Protection of art & culture	Protection and Development of Art and Culture of India	Nathdwara, Rajasthan	10,00,000	(1) 10,00,000 (2) Nil	10,00,000	Through Implementing Agency – Tatpadam Upan
2	Educational support and facilities	Promoting Education for Poor & underprivileged children	Ahmadabad, Gujarat	15,00,000	(1) 15,00,000 (2) Nil	15,00,000	Through Implementing Agency- All India Social Education Charitable Trust
3	Healthcare and Medical Facilities	Promoting and facilitating healthcare programme	Bikaner, Rajasthan & Varanasi, Uttar Pradesh	72,50,000	(1) 72,30,424 (2) Nil	72,30,424	Through Implementing Agency – various agencies
4	Rural Development Project	Water harvesting & conservation activity	Bikaner, Rajasthan	60,000	(1) 50,000 (2) Nil	50,000	Through Implementing Agency – Mukhyama



4	Rural Development Project	Water harvesting & conservation activity	Bikaner, Rajasthan	60,000	(1) 50000 (2) Nil	50,000	Through Implementing Agency – Mukhyamantri Jal Swakam Abhiyan
5	Rural Development Project	Clean India mission programme	Jaipur, Rajasthan	4,40,000	(1) 4,15,000 (2) Nil	4,15,000	Through Implementing Agency – Enkay Earth Foundation
6	Animal Welfare Related	Wildlife Awareness and Conservation Workshop	Jaipur, Rajasthan	15,00,000	(1) 13,35,000 (2) Nil	13,35,000	Through Implementing Agency – Enkay Earth Foundation
7	Social Awareness Related	Society Welfare and Awareness	Bikaner, Rajasthan	32,00,000	(1) 30,00,000 (2) Nil	30,00,000	Through Implementing Agency – Dantour Vikas Sarvajani Punyarth Trust

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

  
**(Shiv Ratan Agarwal)**  
**Chairman – CSR Committee**  
**DIN :00192929**

  
**(Deepak Agarwal)**  
**Whole Time Director**  
**DIN :00192890**



## **Annexure:5**

### **PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE SECTION 134 (3)(M) OF THE COMPANIES ACT AND COMPANIES (ACCOUNTS) RULES, 2014**

#### **(A) CONSERVATION OF ENERGY:**

Your Company continues to endeavor to improve energy efficiencies and conservation. During the year, a host of initiatives were undertaken across the manufacturing locations to reduce the impact on environment. During the financial year 2018-19 following steps were under taken by the company which resulted in saving in energy consumption:

1. Replacement & up gradation of less energy efficient process & equipment's by new technology & automation. For example the company is in process to make centralised refrigeration system with energy efficient equipment's automation to improve the monitoring action plan & performance of system w.r.t. Energy & manpower.
2. Replacing CFL lighting with LED.
3. Replacement of old heavy duty Electric Motors with high energy efficient IE3 Class Motors.
4. Introduction of Capacitors, where possible, to improve power factor
5. Implementation of Rainwater Harvesting for the company's plant.
6. Use of Coal instead of Diesel
7. Sewage Treatment plants have been installed to reduce load on Municipal Corporation. Treated wastewater is used for flushing purposes.
8. Bio Gas produced from ETP Plant is used as an alternative fuel to LPG in Canteens.
9. VFD installed for Ramp up and down of the compressor with respect to load for energy saving.
10. Daylight harvesting carried out by installation of tuflite sheets in factory.
11. Daylight harvesting carried out by providing adequate fenestrations.

➤ **The steps taken by the company for utilizing alternate sources of energy:**





Investigations are being made to use solar energy in the Karni Industrial Area factory.

➤ **The capital investment on energy conservation equipments:**

The capital investment on energy conservation formed part of the capital expenditure incurred.

❖ **Planning the following Initiatives during FY 2018-19:**

1. Installation of Solar power plant
2. Vapour Absorption Method System to use Complete Vapour & generate Refrigeration system for Air Conditioning in Plant
3. Bio Gas produced from the solid waste Digestive plant ( WIP ) will be used for generation of Electricity.

Thus, we have recognized our responsibilities to protect the environment. With this, we are dedicated to enter into renewable energy projects for captive consumption.

**(B) TECHNOLOGICAL ABSORPTION:**

The company has been at the forefront of technology adoption. It has regularly invested in equipping itself with automated technology with latest production processes and techniques to achieve high level of productivity and operational efficiencies. Besides, technology has also helped delivering innovative product offerings in a timely manner.

(i) The efforts made by the Company towards technology absorption, few are mentioned hereunder:

1. Upgrading of the Conveyer belts at the plant and Finished Good Loading Docks.
2. Installation of new and modernised packing machine.
3. Developed the ability to produce different products on different manufacturing lines.
4. Increased throughput on one production line.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:



a) Development of a new carton resulted in substantial cost saving.

b) The ability to produce different products on each production line has given greater flexibility in managing production thereby potentially enabling higher capacity utilization.

c) Increased throughput on one production line has resulted in better capital utilization.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

Not Applicable

(iv) The expenditure incurred on Research and Development:

As Research & Development is part of the ongoing quality control and manufacturing costs, the Expenditure is not separately allocated and identified.

#### **( C ) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

There were foreign exchange earnings and outgo during the year under review. Details are as follows:

**( In Lakhs)**

Particulars	2018-19	2017-18
<b>a) C.I.F. Value of Imports:</b>		
Capital Goods	579.30	578.57
<b>b) Expenditure in Foreign Currency:</b>		
Foreign Currency used for foreign travelling	18.73	34.41
Purchase of Raw Material	33.8	
<b>c) Earning in Foreign Currency</b>		
Export Sale	2390.5	2019.05
Reimbursement of Export Incentive	NIL	0.52



## **Annexure -6**

### **A. INFORMATION PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Employed for the whole financial year

<b>PARTICULARS</b>	<b>SHIV RATAN AGARWAL</b>	<b>DEEPAK AGARWAL</b>
Age	68Yrs	38 Yrs
Designation	Managing Director	Executive /Whole Time Director
Nature of Employment	Regular Employment	Regular Employment
Qualifications	Matriculate	MBA
Remuneration Received (INR)	2,52,00,000	2,52,00,000
Nature of Duties	Overall Management of the Company	Management of company's Operations
Experience	24 yrs.	17 yrs
Date of Commencement of Employment	06 /10/1995	30/09/2002
Percentage of Equity Shares of the Company held	36.64 %	17.40%



PARTICULARS	SUSHILA DEVI AGARWAL	SHWETA AGARWAL
Age	64 Yrs	38 Yrs
Designation	WHOLE TIME DIRECTOR	WHOLE TIME DIRECTOR
Nature of Employment	Regular Employment	Regular Employment
Qualifications	Matriculate	MA in English Literature
Remuneration Received (INR)	66,00,000	78,00,000
Nature of Duties	Overall Management of the Company	Management of company's Operations
Experience	24 yrs.	13 yrs
Date of Commencement of Employment	06/10/1995	16/11/2006
Percentage of Equity Shares of the Company held	1.49%	-



## **DECLARATION BY THE MANAGING DIRECTOR**

It is hereby declared that all the Board members and senior management personnel have complied with the Code of conduct laid down by the Board.

Further, they have affirmed compliance with the said code of conduct as on 31st March, 2019.

**Place: Bikaner**

**Dated: 06.09.2019**

**SHIV RATAN AGARWAL**

**Managing Director**

Ref. No.

Form No. MR-3

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31/03/2019**

Date.....

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

To,  
The Members  
**BIKAJI FOODS INTERNATIONAL LIMITED**  
CIN U15499RJ1995PLC010856  
F 196 -199, F 178 & E 188,  
BICHHWAL IND. AREA,  
BIKANER

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/SBIKAJI FOODS INTERNATIONAL LIMITED** (hereinafter called "the Company") for the audit period from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019 ("the audit period"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India in respect of Board meeting and general meetings.

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





**We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws:

1. Food Safety and Standards Act, 2006 and the Rules made there under.
2. The Prevention of Foods Adulteration Act, 1954 and the Rules made there under.
3. The Legal Metrology Act, 2009 and the Rules made there under.
4. The Environment Protection Act, 1986
5. Food Safety and Standards Rules, 2011.
6. The Food Safety and Standards (Packaging and Labeling) Regulations, 2011

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

Adequate notice were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or at short period, as the case may be, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out with majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** Company have filed necessary Returns, documents required to be filed under the applicable laws.

**We further report that** during the audit period, no specific event has taken place which has major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

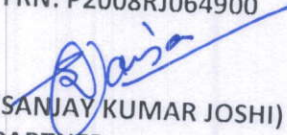
**We further report that** during the audit period:

- a. Company have issued and allotted 971895 Equity shares on private placement basis.
- b. Company have altered its Articles of Association.
- c. Company and its KMPs have compounded the offence by Hon'ble court under Section 134(3)(o) read with Section 135 of the Companies Act, 2013 and deposited compounding fee.
- d. Company have compounded the delay in filing of Charge Satisfaction and deposited the compounding fee under the order of Regional Director.

PLACE: JAIPUR  
DATE: 06.09.2019



For S.K. JOSHI & ASSOCIATES  
Company Secretaries  
FRN: P2008RJ064900

  
(SANJAY KUMAR JOSHI)  
PARTNER  
FCS: 6745; CP.NO: 7342



**\*\*This report is to be read in conjunction with our letter of even date which is marked as 'Annexure A' and forms an integral part of this report.**

**'Annexure A'**

To,  
The Members  
**BIKAJI FOODS INTERNATIONAL LIMITED**  
CIN U15499RJ1995PLC010856  
F 196 -199, F 178 & E 188,  
BICHHWAL IND. AREA,  
BIKANER

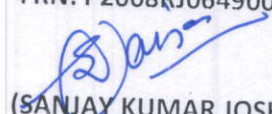
Secretarial Audit Report of even date is to be read along with this letter.

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

PLACE: JAIPUR  
DATE:06.09.2019



For S.K. JOSHI & ASSOCIATES  
Company Secretaries  
FRN: P2008RJ064900

  
(SANJAY KUMAR JOSHI)  
PARTNER  
FCS: 6745; CP.NO: 7342



**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURNS AS ON THE FINANCIAL YEAR ENDED**  
**ON 31.03.2019**

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

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	U15499RJ1995PLC010856
ii)	Registration Date	06/10/1995
iii)	Name of the Company	BIKAJI FOODS INTERNATIONAL LIMITED
iv)	Category / Sub-Category of the Company	Company limited by shares/State Non- Govt. Company
v)	Address of the Registered office and contact details	F 196 -199, F 178 & E 188 BICHHWAL IND. AREA, BIKANER RJ 334006 IN
		Contact no.: 0151-2250350, 2259914
		Mail id: cs@bikajifoods.com
iv)	Whether listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

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

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	MANUFACTURING OF BHUJIA ,NAMKEEN , PAPAD SWEETS, COOKIES	10796	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name And Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
NA					

**IV. SHARE HOLDING PATTERN**

**(Equity Share Capital Breakup as percentage of Total Equity)**

**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year	No. of Shares held at the end of the year	% Change
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a) Bodies Corp.									
(i) Indian		544000	544000	2.33	2416094	-	2416094	9.94	+7.61
(ii) Overseas		2917676	2917676	12.50	2272401	-	2272401	9.35	-3.15
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh					-	2304	2304	0.009	+0.009
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh					362430	-	362430	1.49	+1.49
c) Others					1746	-	1746	0.007	+0.007
d) (Specify)									
<b>Sub-total (B)(2)</b>		<b>3461676</b>	<b>3461676</b>	<b>14.83</b>	<b>5052671</b>	<b>2304</b>	<b>5054975</b>	<b>20.79</b>	<b>+5.96</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>		<b>3461676</b>	<b>3461676</b>	<b>14.83</b>	<b>5052671</b>	<b>2304</b>	<b>5054975</b>	<b>20.79</b>	<b>+5.96</b>
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		<b>23341411</b>	<b>23341411</b>	<b>100.00</b>	<b>18190750</b>	<b>6122556</b>	<b>24313306</b>	<b>100</b>	<b>-</b>

## ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total Shares of the Company	%of Shares Pledged / encumbered to	No. of shares	% of total Shares of the Company (To be	%of Shares Pledged / encumbered to total shares	
1	SUSHIL A DEVI AGARWAL	362430	1.55		-	-		-1.55
2	DEEPAK AGARWAL	4326023	18.53		4230426	17.40		-1.13
3	SHIV RATAN AGRAWAL	9066980	38.85		8907653	36.64		-2.21

4	SHIV RATAN AGARW AL HUF	6120252	26.22		6120252	25.17		-1.05
5	DEEPAK KUMAR AGARW AL HUF	1746	0.01		-	-		-0.01
6	PRATIS HTHA AGARW A	1152	0.005		-	-		-0.005
7	SAHNVI AGARW AL	1152	0.005		-	-		-0.005
	<b>Total</b>	<b>19879735</b>	<b>85.17</b>		<b>19258331</b>	<b>79.21</b>		<b>-5.96</b>

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

S. No	Name of the Promoters	Shareholding at the beginning of the Year,2018		Change during the year			Shareholding at the end of the Year,2019	
		No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
1	SUSHILA DEVI AGARWAL	362430	1.55	Changed from promoter category to Public			-	-
2	DEEPAK AGARWAL	4326023	18.53	16.05.2018	Decrease	Transfer of shares	4230426	17.40
3	SHIV RATAN AGRAWAL	9066980	38.85	16.05.2018	Decrease	Transfer of shares	8907653	36.64
4	SHIV RATAN AGARWAL HUF	6120252	26.22	No Change			6120252	25.17
5	DEEPAK KUMAR AGARWAL HUF	1746	0.01	Changed from promoter category to Public			-	-
6	PRATISHTHA AGARWAL	1152	0.005				-	-
7	SAHNVI AGARWAL	1152	0.005				-	-

**iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs -**

S. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year,2018	Change during the year	Shareholding at the end of the Year,2019
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		No of Shares	% of total shares of the company	Date	Increase/Decrease in share holding	Reason	No of Shares	% of total shares of the company
1	INDIA 2020 MAHARAJA LIMITED	2917676	12.50	16.05.2018	Decrease	Transfer of shares	2272401	9.35
2	IIFL SPECIAL OPPORTUNITIES FUND	-	-	16.05.2018	Increase	Transfer of shares	482703	1.99
3	IIFL SPECIAL OPPORTUNITIES FUND – SERIES 4	-	-	16.05.2018	Increase	Transfer of shares	427338	1.76
4	INTENSIVE SOFTSHARE PVT. LTD.	544000	2.33	16.05.2018	Decrease	Transfer of shares	416538	1.71
5	IIFL SPECIAL OPPORTUNITIES FUND – SERIES 5	-	-	16.05.2018	Increase	Transfer of shares	335593	1.38
6	IIFL SPECIAL OPPORTUNITIES FUND (SERIES 2)	-	-	16.05.2018	Increase	Transfer of shares	309724	1.27
7	IIFL SPECIAL OPPORTUNITIES FUND – SERIES 7	-	-	16.05.2018	Increase	Transfer of shares	278747	1.15
8	IIFL SPECIAL OPPORTUNITIES FUND – SERIES 3	-	-	16.05.2018	Increase	Transfer of shares	151510	0.62
9	IIFL SPECIAL OPPORTUNITIES FUND – SERIES 6	-	-	16.05.2018	Increase	Transfer of shares	13941	0.06
10	DEEPAK KUMAR AGARWAL HUF	1746	0.007	No change			1746	0.007

## V. Shareholding of Directors and Key Managerial Personnel:

S. No	For Each of the Directors & KMP	Shareholding at the beginning of the Year,2018		Change during the year			Shareholding at the end of the Year,2019	
		No of Shares	% of total shares of the company	Date	Increase/Decrease in share holding	Reason	No of Shares	% of total shares of the company
1	SUSHILA DEVI AGARWAL	362430	1.55	No Change			362430	1.49

2	DEEPAK AGARWAL	4326023	18.53	16.05.2018	Decrease	Transfer of shares	4230426	17.40
3	SHIV RATAN AGRAWAL	9066980	38.85	16.05.2018	Decrease	Transfer of shares	8907653	36.64

## VI. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid	121,47,31,273			121,47,31,273
iii) Interest accrued but not				
Total (i+ii+iii)	121,47,31,273			121,47,31,273
Change in Indebtedness during the financial year				
- Addition				
- Reduction	54,19,10,733			54,19,10,733
Net Change	54,19,10,733			54,19,10,733
Indebtedness at the end of the financial year	67,28,20,540			67,28,20,540
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	67,28,20,540			67,28,20,540

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL –

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

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total Amount
		DEEPAK AGARWAL	SUSHILA DEVI AGARWAL	SHWETA AGARWAL	SHIV RATAN AGRAWAL	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	25200000	6600000	7800000	25200000	64800000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					

	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - others, specify...					
5.	Others, please specify					
6.	Total (A)	25200000	6600000	7800000	25200000	64800000
	Ceiling as per the Act					

**B. Remuneration to other directors:**

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
	<b><u>Independent Directors</u></b> • Fee for attending board committee meetings • Commission • Others, please specify					
	Total (1)					
	<b><u>Other Non-Executive Directors</u></b> • Fee for attending board committee meetings • Commission • Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel Other than MD /Manager /WTD**


S. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	=	456000	1438500	1894500
2.	Stock Option				
3.	Sweat Equity				
4.	Commission				

	- as % of profit - others, specify...				
5.	Others, please specify				
6.	Total		456000	1438500	1894500

**VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made. If any (give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding	Section 134(3)(o) of companies Act ,2013	Discloser in Board Report regarding CSR Activities.	50000	Court	
	Section 87 of Companies Act,2013	Compounding for delay in filing of Form CHG-4	50000	Regional Director	
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding	Section 134(3)(o) of companies Act ,2013	Discloser in Board Report regarding CSR Activities.	200000(Rs.50000 individually from Managing Director, all Whole Time Directors)	Court	
<b>C. Other Officers in Default</b>					
Penalty					
Punishment					
Compounding	Section 134(3)(o) of companies Act ,2013	Discloser in Board Report regarding CSR Activities.	100000(Rs.50000 individually from CFO, Company Secretary of the company)	Court	

**For BIKAJI FOODS INTERNATIONAL LIMITED**

  
**SHIV RATAN AGRAWAL**  
 Managing Director  
 DIN: 00192929  
 ADD: C-57,SADULGANJ BICHWAL  
 INDUSTRIAL AREA BIKANER 334001 RJ IN

  
**DEEPAK AGARWAL**  
 Whole time Director  
 DIN: 00192890  
 ADD: C-57,HALDIRAM HOUSE, SADUL  
 GANJ BIKANER 334003 RJ IN





**AUDIT REPORT**  
**FOR THE YEAR 2018-19**

**BIKAJI FOODS INTERNATIONAL LIMITED**  
**BIKANER**

**AUDITORS**

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**M SURANA & COMPANY**

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**CHARTERED ACCOUNTANTS**



**M SURANA & COMPANY**  
**CHARTERED ACCOUNTANTS**



**INDEPENDENT AUDITORS' REPORT**

To,  
The Members,  
Bikaji Foods International Limited

**Report on the Audit of Ind AS Financial Statements**

**Opinion**

We have audited the accompanying Ind AS financial statements of Bikaji Foods International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis of opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

Attention is invited to note 16 of the Ind AS financial statements regarding Insurance Claim Receivable in respect of loss damaging property, plant and equipment and also inventory due to fire which occurred on 9<sup>th</sup> July 2018 in the Company plant located at Karni Industrial area resulting into loss amounting to INR 17,255,126. These assets are secured through insurance. The Company has not lodged the claim regarding loss till reporting date.

Our opinion is not modified in respect of these matters.



## **Other information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors also responsible for overseeing the Company's financial reporting process.



## **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the Ind AS financial statement;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards referred to under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate report in Annexure 2.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer Note 37 to the Ind AS financial statements;

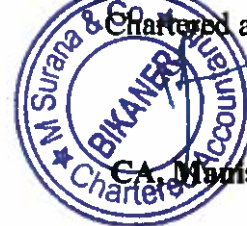
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(h) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For M SURANA & COMPANY**



**CA. Manish Surana**  
Partner

Membership No. 077597  
Firm Registration No 015312C

Place: Bikaner  
Date: 06/09/2019



## **Annexure 1 to the Independent Auditors' Report**

**Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2019, we report that:**

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

(b) As explained to us, all the fixed assets have been physically verified by the management in a phased manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties except the title deeds of property situated at Calcutta and the properties vested in the Company by operation of law in course of amalgamation are held in the name of the company.

ii) In our opinion and according to information and explanation given to us, and on the basis of our examination of records of the Company, the inventory has been physically verified at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and book records were not material. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us Provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and securities are complied with by the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in accordance with section 73 to 76 of the Act and the rules made there under. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) In our opinion and according to the information and explanations given to us, maintenance of cost records under section 148 of the Act is not applicable to the Company under the Companies (Cost Record and Audit) Rules, 2014

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident



Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Duty of Customs and Other Statutory Dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of statutory dues which have remained outstanding as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they became payable.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, and other statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable except below.

Name of the Statute	Nature of dues	Amount (In INR)	Financial year to which the amount relates
Rajasthan Value Added Tax Act	Interest on VAT/CST	1,01,87,000	2007-08 & 2008-09

(b) According to information and explanations given to us, the following dues have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Amount (In INR)	Amount paid under protest (In INR)	Financial year to which the amount relates	Forum where the dispute is pending
The Rajasthan Stamp Act, 1998	Stamp Duty	36,22,000	-	2016-17	Rajasthan High Court

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to bank. The Company does not have any loans or borrowings from government and has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, Company has not raised any money by way of any public offer during the year. Term loans were applied for the purpose for which loans were obtained.

(x) According to the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, paragraph 3(xii) of the Order is not applicable





(xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act and the details of such transactions are disclosed as per the requirements of applicable Indian Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records, the Company has made private placement of shares during the year. The fund has been applied for the purpose for which shares were allotted.

(xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non cash transaction with directors or persons connected with them during the year.

(xv) According to the information and explanations given to us, the provisions of section 45 – IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For M SURANA & COMPANY**  
Chartered accountants



Place: Bikaner  
Date: 06/09/2019

**CA. Manish Surana**  
Partner  
Membership No. 077597  
Firm Registration No 015312C



## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF BIKAJI FOODS INTERNATIONAL LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

#### **Opinion**

We have audited the internal financial controls with reference to financial statement of Bikaji Foods International Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of



Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with

reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: MUMBAI  
Date: 06/09/2019

**For M SURANA & COMPANY**  
Chartered Accountants



**CA. Manish Surana**  
Partner

Membership No. 077597  
Firm Registration No 015312C



# BIKAJI FOODS INTERNATIONAL LIMITED

Balance Sheet as at 31st March, 2019

Particulars	Note No.	₹ lakhs As at 31st March, 2019	₹ lakhs As at 31st March, 2018
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and equipment	3	39,118.87	30,769.59
(b) Capital Work in Progress	6	1,313.07	4,719.52
(c) Investment Property	4	282.74	313.54
(d) Intangible assets	5	170.09	191.92
(e) Financial assets			
(i) Investment	7	299.24	285.76
(ii) Other non - Current financial assets	8	1,075.63	640.53
(f) Other Non Current Assets	9	876.76	925.43
(g) Income tax assets (Net)	10	386.41	58.23
<b>TOTAL NON-CURRENT ASSETS</b>		<b>43,522.81</b>	<b>37,904.52</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	11	3,832.69	3,147.60
(b) Financial assets			
(i) Trade receivables	12	3,897.75	3,428.39
(ii) Cash and Bank Balances	13	10,333.12	6,742.63
(iii) Loans	14	178.34	183.88
(iv) Other Current financial assets	15	471.82	345.18
(c) Other Current assets	16	744.57	498.82
<b>TOTAL CURRENT ASSETS</b>		<b>19,458.29</b>	<b>14,346.50</b>
<b>TOTAL ASSETS</b>		<b>62,981.10</b>	<b>52,251.02</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	17	2,431.33	2,334.14
(b) Other Equity	18	44,554.16	28,387.11
<b>TOTAL EQUITY</b>		<b>46,985.49</b>	<b>30,721.25</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	19	3,971.71	4,582.30
(b) Provisions	20	261.20	139.89
(c) Deferred tax liabilities (net)	21	3,868.82	3,230.33
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>8,101.73</b>	<b>7,952.52</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	19	2,756.49	7,565.02
(ii) Trade Payables	22	2,925.56	2,181.53
(iii) Other Current Financial liabilities	23	1,609.58	3,092.37
(b) Provisions	20	15.00	36.40
(c) Other Current liabilities	24	587.25	701.93
<b>TOTAL CURRENT LIABILITIES</b>		<b>7,893.88</b>	<b>13,577.25</b>
<b>TOTAL LIABILITIES</b>		<b>15,995.61</b>	<b>21,529.77</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>62,981.10</b>	<b>52,251.02</b>

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For M SURANA & COMPANY

Chartered Accountants

FRN : 015322

**BIKANER**  
Chartered Accountants  
(MANISH SURANA)  
PARTNER  
Membership No. 077597

Bikaner

DATE :- 06-09-2019

UDIN - 19077597ABAAIB7500

For and on behalf of the Board of Directors of

Bikaji foods international limited

CIN : U15499RJ1995PLC010856

**(SHIVRATAN AGARWAL)**  
Managing Director  
(DIN 00192929)

**(S.D. GUPTA)**  
Chief Financial Officer

**(DEEPAK AGARWAL)**  
Director  
(DIN 00192890)  
**(DIWYANAVANI)**  
Company Secretary



# BIKAJI FOODS INTERNATIONAL LIMITED

## Statement of Profit & Loss for the Year ended 31st March, 2019

Sr. No	Particulars	Note. No.	₹ lakhs	₹ lakhs
			As at 31st March, 2019	As at 31st March, 2018
			₹	₹
I	Revenue from operations	25	90,217.73	78,101.41
II	Other Income	26	963.48	480.22
III	<b>Total Income (I + II)</b>		<b>91,181.21</b>	<b>78,581.63</b>
IV	<b>Expenses:</b>			
	Cost of Raw & Packing Materials Consumed	27	63,765.81	54,924.10
	Purchase of stock - in - trade		1,018.56	1,130.07
	Changes in Inventories of Finished Goods and Stock - in - Trade	28	(241.17)	(199.62)
	Excise Duty on Sale of Goods		-	17.96
	Employee Benefit Expense	29	5,087.49	3,847.39
	Finance cost	30	402.24	460.13
	Depreciation & Amortised Cost	31	2,230.64	1,688.33
	Other Expenses	32	11,319.34	8,378.02
	<b>Total Expenses (IV)</b>		<b>83,582.91</b>	<b>70,246.38</b>
V	<b>Profit before tax &amp; Exceptional items (III-IV)</b>		<b>7,598.30</b>	<b>8,335.25</b>
VI	Exceptional Items		-	147.44
VII	<b>Profit before tax (V-VI)</b>		<b>7,598.30</b>	<b>8,187.81</b>
VIII	<b>Tax expense:</b>			
	Current Tax		1,808.61	1,895.07
	Deferred Tax		672.39	989.54
	Tax expenses of earlier year		16.16	22.02
IX	<b>Profit/(Loss) for the period (VII-VIII)</b>		<b>5,101.14</b>	<b>5,281.18</b>
X	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss			
	(a) Fair value gain/ (loss) on Investments	34	(1.52)	(2.60)
	(b) Re-measurement gain / (loss) on defined benefit plan	34	(95.50)	69.28
	(c) Income tax relating to above	21	33.90	(23.08)
	<b>Total other Comprehensive Income for the year (net of tax)</b>		<b>(63.12)</b>	<b>43.60</b>
XI	<b>Total Comprehensive Income (IX) + (X)</b>		<b>5,038.02</b>	<b>5,324.78</b>
XII	<b>Earning per equity share of face value of Rs 10 each</b>			
	Basic and Diluted	33	<b>21.09</b>	<b>22.63</b>
	Significant Accounting Policies	2		
	The accompanying notes are an integral part of the financial statements.			
	As per our report of even date attached			

**For M SURANA & COMPANY**

Chartered Accountants

FRN : 015312C

(MANISH SURANA)

PARTNER

Membership No. 077597

Bikaner

DATE :- 06-09-2019

U PIN - 19077597AAAAE37500

**For and on behalf of the Board of Directors of**

Bikaji foods international limited

CIN : U15499RJ1995PLC010856

(SHIVRATAN AGARWAL)

Managing Director

(DIN 00192929)

(S.D. GUPTA)

Chief Financial Officer

(DEEPAK AGARWAL)

Director

(DIN 00192890)

(DIVYA NAVANI)

Company Secretary



**BIKAJI FOODS INTERNATIONAL LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Particular	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AND AS PER STATEMENT OF P&L A/C	7,598.30	8,187.81
<b>EXCEPTIONAL ITEMS</b>		
<b>ADJUSTMENTS FOR:</b>		
Depreciation/Amortization on Continuing Operation	2,230.64	1,688.33
Foreign exchange profit (net)	(102.77)	-
Interest Income	(633.46)	(473.23)
Finance Cost	402.24	460.13
Profit/loss on sale of fixed assets (net)	5.33	(2.86)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>9,500.28</b>	<b>9,860.18</b>
<b>ADJUSTMENTS FOR:</b>		
Trade and Other Receivables	(1,620.70)	(226.83)
Inventories	(685.10)	(532.10)
Trade payables & other Current Liabilities	1,029.56	585.82
<b>CASH GENERATED FROM OPERATIONS</b>	<b>8,224.04</b>	<b>9,687.07</b>
Foreign Exchange Profit	102.77	-
Net Prior Year Adjustment	(111.66)	47.27
Tax paid	(1,808.61)	(1,895.07)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>6,406.54</b>	<b>7,839.28</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(7,504.65)	(6,885.18)
Sale/Deduction of Fixed Assets	187.70	219.95
Interest Received	633.46	473.23
Investment in Equity Share	(5.00)	-
Investment in Preference Shares	(10.00)	(121.26)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(6,698.49)</b>	<b>(6,313.26)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Issue of Share	97.19	-
Securities Premium Received	12,102.81	-
Issue Expenses	(384.60)	-
Proceeds from borrowings	2,631.01	92.24
Repayments of borrowings	(4,764.01)	(1,957.75)
(Repayment)/Proceeds from short term borrowings	(2,913.62)	1,906.64
Dividend Paid (Including dividend distribution tax)	(589.17)	(564.51)
Interest paid (net)	(402.24)	(460.14)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>5,777.37</b>	<b>(983.52)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>5,485.40</b>	<b>542.51</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>2,091.23</b>	<b>1,548.71</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>7,576.63</b>	<b>2,091.23</b>

**Reconciliation of cash and cash equivalents as per the cash flow statement**

Cash and cash equivalents as per above comprise of the following

Cash and cash equivalents (note : 13)	10,333.12	6,742.63
Cash Credit Facility (note : 19)	(2,756.49)	(4,651.40)
<b>Balance as per statement of cash flows</b>	<b>7,576.63</b>	<b>2,091.23</b>

Significant Accounting Policies

Note no. 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For M SURANA & COMPANY

Chartered Accountants

FRN : 015377C

**BIKANER**  
Chartered Accountants  
(MANISH SURANA)  
PARTNER  
Membership No. 877596C  
Bikaner  
DATE : 06-09-2019

UDIN-19077597AAAAIB7500

For and on behalf of the Board of Directors of

Bikaji foods international limited

CIN : U15499RJ1995PLC010856

(SHIVRATAN AGARWAL)

Managing Director

(DIN 00192929)

(S.D.GUPTA)

Chief Financial Officer

(DEEPAK AGARWAL)

Director

(DIN 00192890)

(DIVYA NAVANI)

Company Secretary



# BIKAJI FOODS INTERNATIONAL LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2019

								₹ lakhs
Particulars	Equity Share Capital	Securities Premium	General Reserve	Retained earnings	Total other equity	Comprehensive Income	Other Income	Total equity
Balance as at 1st Apr 2017	2,334.14	8,719.05	193.09	14,713.20	23,625.34	1.49		25,960.97
Profit for the Year	-	-	-	5,303.20	5,303.20	-		5,303.20
Dividend	-	-	-	(466.83)	(466.83)	-		(466.83)
Taxes on Dividend	-	-	-	(97.68)	(97.68)	-		(97.68)
Tax Expenses Of Last Years	-	-	-	(22.02)	(22.02)	-		(22.02)
Total Comprehensive Income for the year	-	-	-	-	-	43.61		43.61
Balance as at 31st March 2018	2,334.14	8,719.05	193.09	19,429.87	28,342.01	45.10		30,721.25
Dividend	-	-	-	(486.22)	(486.22)	-		(486.22)
Taxes on Dividend	-	-	-	(102.95)	(102.95)	-		(102.95)
Issue of Share Capital During the Year	97.19	12,102.81	-	-	12,102.81	-		12,200.00
Share issue expenses	-	(384.60)	-	-	(384.60)	-		(384.60)
Profit for the Year	-	-	-	5,101.14	5,101.14	-		5,101.14
Total Comprehensive Income for the year	-	-	-	-	-	(63.12)		(63.12)
Balance as at 31st March 2019	2,431.33	20,437.26	193.09	23,941.84	44,572.19	(18.01)		46,985.50

The accompanying notes are an integral part of the financial statements. As per our report of even date

For and on behalf of the Board



(SHIVRATAN AGARWAL)  
Managing Director  
(DIN 00192929)

(DEEPAK AGARWAL)  
Director  
(DIN 00192890)

DATE :- 06-09-2019

(S.D. GUPTA)  
Chief Financial Officer

(DIVYA NAVANI)  
Company Secretary

UDIN - 190775974444137500



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Notes forming part of the Financial Statements

#### 1. General Information

Bikaji Foods International Limited (the 'Company') is a Company domiciled in India, with its registered office situated at F-196-199, F-178 & E-188, Bichhwal Industrial Area, Bikaner - 334006. (Rajasthan). The Company was incorporated in year 1995 under the provisions of the Companies Act, 1956, then applicable in India. The Company is primarily involved in manufacturing, purchase and sale of snacks food.

The Ind AS financial statements were authorised for issue in accordance with a resolution of the Directors on September 08, 2019.

#### 2. Significant accounting policies

Significant accounting policies adopted by the Company are as under:

##### 2.1 Basis of Preparation of financial statements

##### a) Statement of Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015 and related amendments as notified from time to time (hereinafter referred as 'Ind AS').

##### b) Basis of measurement

The financial statements have been prepared on accrual basis and under historical cost convention, except for certain financial assets and liabilities which are measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees (INR), which is also the functional currency of the Company, and all the values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

##### c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenditure for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected.



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### d) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their reporting period commencing April 1, 2018.

- Ind AS 115- Revenue from Contracts with Customers
  - Appendix B, Foreign Currency Transactions and Advance Consideration to Ind AS 21, The Effects of Changes in Foreign Exchange Rates
  - Amendment to Ind AS 20, Accounting for Government Grant and Disclosure of Government Assistance
  - Amendment to Ind AS 12- Income Taxes
  - Amendment to Ind AS 40 - Investment Property
- Amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2.2 Summary of Significant Accounting Policies

### A) Current/ Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primary for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **B) Revenue Recognition**

#### **a) Sale of goods**

Effective 1 April 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

In case customers have the contractual right to return goods, an estimate is made for goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

#### **b) Other Income**

Interest income is recognized using the effective interest rate (EIR) method.

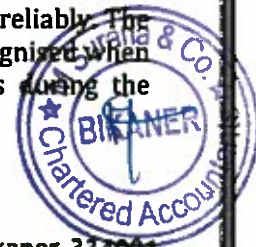
Dividend income on investments is recognised when the right to receive dividend is established.

### **C) Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition including capitalised borrowing costs, if any, and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

### Capital Work in Progress

The cost of the assets not put to use before such date are disclosed under the head 'Capital work-In-Progress'.

### D) Depreciation methods, estimated useful life and residual value

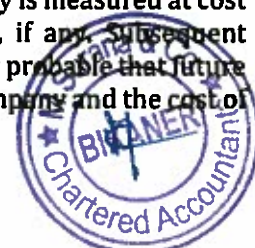
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual value, over their estimated useful lives. The Company has used the following rates to provide depreciation on its property, plant and equipment which are similar as compared to those prescribed under the Schedule II to the Act.

Property, plant and equipment	Estimated useful life
Plant and machinery	15 Years
Factory building	30 Years
Buildings	
-Office building with RCC frame structure	60 Years
-Flats	60 Years
Furniture and fixtures	10 Years
Office equipments	5 Years
Vehicles	
-Scooters and motor cycles	10 Years
-Motor cars and trucks	8 Years
Computers	
-Servers and networks	6 Years
-End user devices, such as, desktops, laptops etc.	3 Years

Individual assets costing INR 5,000 or less are fully depreciated in the year of purchase. The residual values are not more than 5% of the original cost of the asset. The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

### E) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of





## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The Company depreciates building component of investment property over 60 years from the date of original purchase. The useful life has been determined based on technical evaluation performed by the management's expert.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit or loss in the period of derecognition.

### F) Intangible asset

Intangible assets including those acquired by the Company are initially measured at acquisition cost. Such intangible assets are subsequently stated at acquisition cost, net of accumulated amortization.

#### Trade Marks

Trade Marks are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment loss, if any.

The Company amortises intangible assets with a finite useful life using the straight -line method over the following period:

A summary of amortization policies applied to the Company intangible assets is as below:

<u>Intangible assets</u>	<u>Useful life</u>
Trade Marks	10 Years
ERP software licences	10 Years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

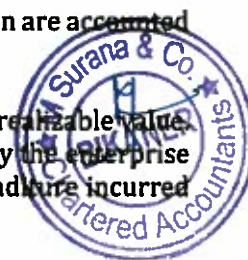
### G) Inventories

#### *Raw material, packing material and finished goods*

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 materials and packaging materials are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred



## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

in bringing such inventories to their present location and condition. In determining the cost, FIFO method is used.

Manufactured finished goods are valued at the lower of cost and net realisable value. Cost of manufactured finished goods is determined on the FIFO and comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

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

The comparison of cost and net realizable value is made on item by item basis.

### **H) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of managing director and other directors. Refer note 38 for segment information presented.

### **I) Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

General and Specific borrowing costs that are 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 capitalized as part of the cost of the respective asset. All the other borrowing costs are expensed in the period they occur.

### **J) Employee Benefits**

#### **a) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Compensated absences/ leave encashment: Accumulated leaves which are expected to be utilized within next 12 months are treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **b) Other long-term employee benefit obligations**

#### **i. Defined contribution plan**

**Provident Fund:** Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

**Employee's State Insurance Scheme:** Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

#### **ii. Defined benefit plans**

**Gratuity:** The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a fund set up by Life Insurance Corporation of India. Provision in respect of Gratuity is made as per actuarial valuation carried out by an independent actuary. The cost of providing benefits under the defined benefit plan is determined using projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Remeasurements are not classified to Statement of Profit and Loss in subsequent periods. Past service costs are recognised in Statement of Profit and Loss on the earlier of the date of the plan amendment or curtailment and the date on which the Company recognizes related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements, and net interest expense or income in the net defined benefit obligation as an expense in the Statement of Profit and Loss.

### **K) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGU's to which the individual assets are allocated.

Impairment losses are recognised in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

### **L) Provisions and contingent liabilities**

Provision are recognized when there is a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

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

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.





## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is not either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### **M) Foreign currency transaction**

#### **a) Functional and Presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

#### **b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of Profit and Loss.

Foreign Exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on net basis within other gains/ (losses).

### **N) Taxes**

Tax expense for the period, comprising current tax and deferred tax are included in the determination of the net profit and loss for the period.

#### **Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **Deferred tax**

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.



## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credit and unused tax losses. Deferred tax assets are recognised to the extent only if it is probable that future taxable amounts will be available to utilize those temporary differences, the carry forward of unused tax credits and unused tax losses. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

### **O) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **P) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents include cash on hand, cash in bank and short term deposits net of bank overdraft.

### **Q) Dividend Distribution**

Dividend distribution/ Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### R) Leases

#### As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

### S) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### a) Financial assets

##### (i) Initial recognition and measurement:

At initial recognition, all financial assets is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### (ii) Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.



## SUMMARY OF SIGNIFCANT ACCOUNTING POLICIES

**Amortized cost:**

**Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).**

**Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:**

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

**All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.**

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**(iii) Impairment of financial assets**

**In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI and for the measurement and recognition of credit risk exposure.**

**The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises the impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.**



## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward- looking estimate. At every reporting date, the historical observed default rates are updated and changes in the forward- looking estimates are analysed. On that basis, the Company estimates impairment loss allowance on portfolio of its trade receivables.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original effective interest rate (EIR). When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the Statement of Profit and Loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

### **(iv) Derecognition of financial assets:**

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred; or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset are transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Where the financial asset is neither transferred, nor the entity retains substantially all risks and rewards of ownership of the financial asset, then in that case financial asset is derecognized only if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### **b) Financial liabilities**

#### **(i) Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

#### **(ii) Subsequent measurement:**

The measurement of financial liabilities depends on their classification, as described below:

##### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the profit or loss.

##### *Loans and borrowings*

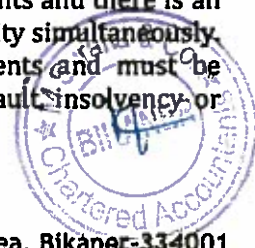
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Gains and losses are recognized in Statement of Profit or Loss when the liabilities are derecognized as well as through the EIR amortization process. 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.

#### **(iii) Derecognition of financial liability:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

### **c) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### T) Fair value measurement

The Company 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:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

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

### U) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Useful life, method and residual value of property, plant and equipments**

Plant and machineries and factory buildings contribute significant portion of the Company's Property, plant and equipment. The Company capitalizes its plant and machineries and factory buildings in accordance with the accounting policy disclosed under note 2.2 (D) above. The Company estimates the useful life and residual value of assets as mentioned in note 2.2(D). However the actual useful life and residual value may be shorter/ less or longer/ more depending on technical innovations and competitive actions. Further, Company is depreciating its plant and machineries and factory buildings by using straight line method based on the management estimate that repairs/ wear and tear to plant and machineries and factory buildings are consistent over useful life of assets.

**Estimations in contingencies/ provisions**

In preparing these financial statements, management has made estimation pertaining to contingencies and provisions that have a significant risk of resulting in a material adjustment and relates to the determination of contingencies and provisions outstanding with significant unobservable inputs.

**Judgments****Assessment of liability as remote, contingencies or liability/ provision**

In preparing these financial statements, management has made judgement in respect of classification of impact of certain pending/ existing tax related litigations as remote, probable obligation or possible obligation based on facts and involvement of external experts. Such judgement by the management materially affects the financial statements.

**V) Rounding off amounts**

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III, unless otherwise stated.

**W) Recent accounting pronouncements - Standards issued but not yet effective**

The amendments to standards that are issued, but not yet effective, upto the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) issued certain amendments to Ind AS which are effective from 1 April 2019 as below:

**a. Introduction of Ind AS 116 - "Leases"**

Ind AS 116 'Leases' eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity's balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as right of use of the leased assets or together with property, plant and equipment. If lease payments are made over time a financial liability representing the future obligation would be recognised.

The Company is in the process of evaluating the impact of adoption of this pronouncement on its financial statements."





## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **b. Amendments in Ind AS 12 – “Income Taxes”**

The Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

This amendment currently does not have any impact of the financial statement of the Company.

### **c. Appendix C, ‘Uncertainty over Income Tax Treatments’, to Ind AS 12 – “Income Taxes”**

This Appendix clarifies how the recognition and measurement requirements of Ind AS 12 ‘Income Taxes’, are applied while performing the determination of taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates.

The Company is in the process of evaluating the impact of adoption of this pronouncement on its financial statements."

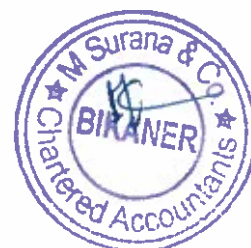
### **d. Amendments in Ind AS 19 – “Employee Benefits”**

"The Ministry of Corporate Affairs issued amendments in respect of Plan amendment curtailment or settlement.

The amendment require an entity:

- To use updated assumptions to determine current service cost and net interest for remainder of the period after plan amendment, curtailment or settlement and
- To recognise in profit and loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

The Company does not have any impact on account of this amendment.



**BIKAIJI FOODS INTERNATIONAL LIMITED**

Notes on Financial Statements for the Year ended 31st March, 2019

Note : 3 PROPERTY PLANT AND EQUIPMENT

₹ lakhs

Particulars	Land (Lease Hold)	Land (Free Hold)	Factory Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers & Peripherals	Flats	Total
Balance at 1-Apr-2017	904.51	194.51	6,887.63	16,613.41	429.34	761.61	129.13	224.58	186.95	26,331.67
Addition	-	2.20	2,596.32	6,676.43	348.47	362.89	71.19	21.98	-	10,079.49
Sale/Disposal				248.81	-	34.13				282.94
Balance at 31-March-2018	904.51	196.71	9,483.94	23,041.03	777.81	1,090.38	200.32	246.57	186.95	36,128.22
Addition	-	5.12	4,410.51	5,844.96	236.63	139.11	48.85	24.93	-	10,710.12
Sale/Disposal	-	-	-	186.55	-	24.05	-	-	-	210.60
Balance at 31-March-2019	904.51	201.83	13,894.46	28,699.44	1,014.45	1,205.44	249.17	271.49	186.95	46,627.75
Accumulated Depreciation										
Balance at 31-March-2017	-	-	556.04	2,576.48	85.95	293.20	71.56	153.92	23.19	3,760.33
Depreciation /Amortisation	-	-	265.77	1,195.41	60.12	92.39	13.00	30.74	6.71	1,664.15
Deduction	-	-	-	40.70	-	25.15	-	-	-	65.85
Balance at 31-March-2018	-	-	821.81	3,731.18	146.06	360.45	84.56	184.66	29.90	5,358.63
Depreciation /Amortisation	-	-	312.78	1,632.84	77.84	124.28	17.94	33.23	6.71	2,205.62
Deduction	-	-	-	46.95	-	8.42	-	-	-	55.37
Balance at 31-March-2019	-	-	1,134.59	5,317.07	223.90	476.31	102.50	217.89	36.62	7,508.88
Net Block										
As at 31-March-2019	904.51	201.83	12,759.87	23,382.37	790.54	729.14	146.68	53.60	150.33	39,118.87
As at 31-March-2018	904.51	196.71	8,662.13	19,309.85	631.75	729.93	115.76	61.91	157.04	30,769.59



**BIKAJI FOODS INTERNATIONAL LIMITED**

*Notes on Financial Statements for the Year ended 31st March, 2019*

**NOTE: 4 INVESTMENT PROPERTY**

Particulars	BUILDING	Flats	Land	Total
Balance at 1-Apr-2017	-	45.57	121.02	166.59
Additions	33.00	121.92	-	154.92
Sale/Disposal	-	-	-	-
Balance at 31st March 2018	33.00	167.49	121.02	321.51
Additions	-	0.25	9.94	10.19
Sale/Disposal	33.00	6.85	0.88	40.73
Balance at 31st March 2019	-	160.89	130.08	290.97
Accumulated Depreciation				
Balance at 31-March-2017	-	5.57	-	5.57
Depreciation	0.44	1.96	-	2.40
Deduction	-	-	-	-
Balance at 31-March-2018	0.44	7.53	-	7.97
Depreciation	0.52	2.67	-	3.19
Deduction	0.96	1.96	-	2.93
Balance at 31-March-2019	-	8.24	-	8.23
Net Block				
As at 31-March-2019	-	152.66	130.08	282.74
As at 31-March-2018	32.56	159.96	121.02	313.54

**Note :- (a) Information regarding Income and expenditure of Investment property**

Particular	₹ lakhs	₹ lakhs
	31-Mar-19	31-Mar-18
Rental Income derived from investment properties	2.16	1.98
Profit arising from investment properties before depreciation and indirect expenses		
Less :- Depreciation	2.16	1.98
	(2.40)	(3.19)
Profit arising from investment properties before indirect expenses	(0.24)	(1.21)
<b>Note: (b) Fair Value</b>		
Particular	31-Mar-19	31-Mar-18
Investment property	282.74	313.54
Estimation of Fair Value	636.37	636.37

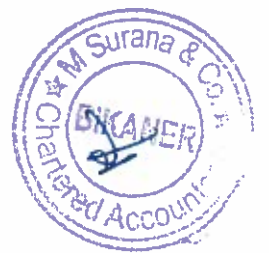
The fair value of investment properties have been determined by Register Valuer. The main inputs used are the rental growth, expected vacancy rates, terminal yields and discount rates based on comparable transaction and industry data. All resulting fair value estimates for investment properties are included in level 2.

**BIKAJI FOODS INTERNATIONAL LIMITED***Notes on Financial Statements for the Year ended 31st March, 2019*

₹ lakhs

**Note : 5 INTANGIBLE ASSETS**

<b>Particulars</b>	<b>Trade Marks</b>	<b>Computer Software</b>	<b>Total</b>
<b>Balance at 1-Apr-2017</b>	62.19	218.61	280.80
Additions	-	-	-
<b>Sale/Disposal</b>	-	-	-
<b>Balance at 31st March 2018</b>	62.19	218.61	280.80
Additions	-	-	-
<b>Sale/Disposal</b>	-	-	-
<b>Balance at 31st March 2019</b>	62.19	218.61	280.80
<b>Accumulated Amortisation</b>			
<b>Balance at 31-March-2017</b>	12.29	54.81	67.10
<b>Amortisation</b>	5.32	16.47	21.78
<b>Deduction</b>	-	-	-
<b>Balance at 31-March-2018</b>	17.61	71.27	88.88
<b>Amortisation</b>	5.32	16.51	21.83
<b>Deduction</b>	-	-	-
<b>Balance at 31-March-2019</b>	22.92	87.79	110.71
<b>Net Block</b>			
<b>As at 31-March-2019</b>	39.27	130.82	170.09
<b>As at 31-March-2018</b>	44.58	147.33	191.92



# BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

## NOTE : 6 CAPITAL WORK IN PROGRESS

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Opening balances	4,719.52	8,251.54
Addition during the year	7,313.86	6,702.39
Less: Capitalised during the year	10,720.31	10,234.41
<b>Closing balances</b>	<b>1,313.07</b>	<b>4,719.52</b>

### Capital Work in Progress

Capital work in progress as at 31 March 2019 comprises expenditure for the plant in the course of Installation

## Note : 7 FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>Quoted Shares</b>		
14220 Shares (Previous year 14220 shares) of Gokul Refoils & Solvent Ltd	1.22	1.78
14220 Shares (Previous year 14220 shares) of Gokul Agro Resources Ltd	1.71	2.67
<b>Unquoted Shares</b>		
Investment in Compulsorily Convertible Preference Share of Hanuman Agro Foods (P) Ltd. 2,913,050 Shares @ ₹ 10 each (previous year 2,813,050 Shares @ ₹ 10 each)	291.31	281.31
Investment in equity share of Beechhwal Eco-Friendly Foundation 50,000 Share @ ₹ 10 each)	5.00	-
<b>Total</b>	<b>299.24</b>	<b>285.76</b>

## Note : 8 OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>Non current assets</b>		
Security Deposit	41.05	36.66
Bank deposits with maturity period of more than 12 months from the Balance sheet date	1,034.58	603.87
<b>Total</b>	<b>1,075.63</b>	<b>640.53</b>

(Deposits are FDR with Bank)

(Out of which ₹ 96.66 lakhs are pledged/Lien marked against Bank guarantees given to various Government / statutory authorities)



# BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

<b>Note : 9 OTHER NON-CURRENT ASSETS</b>		
	₹ lakhs	₹ lakhs
Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Non - current assets</b>		
<b>Capital Advances</b>		
Considered good	653.61	723.50
Considered doubtful	27.26	-
Less :- Allowance for Doubtful Advance	(27.26)	-
Advances other than capital advances -	-	-
Balance with Government authorities		-
- Cenvat Receivable*	193.80	179.93
- Vat Receivable	7.35	-
- CST Advances	22.00	22.00
<b>Total</b>	<b>876.76</b>	<b>925.43</b>

\* The Company has filed writ petition before Jodhpur High Court for transitioning Cenvat Credit in respect to capital goods purchase during 01.04.2016 to 30.06.2017 in pre - GST period. The goods manufactured by the Company were hitherto exempted from the levy of Central Excise Duty but has become taxable @ 12% under GST regime. Considering that input tax credit is available on such purchases in the GST period, the writ has been filed on the equitable grounds in line with the objective of GST to avoid cascading effect of taxes and ensure seamless flow of credit.

<b>Note : 10 INCOME TAX ASSETS (NET)</b>		
	₹ lakhs	₹ lakhs
Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance income-tax [Net of provision for taxation: ₹ 1807.17 lakhs (31 March 2018 ₹ 1895.07 lakhs)]	386.41	58.23
<b>Total</b>	<b>386.41</b>	<b>58.23</b>

<b>Note : 11 INVENTORIES</b>		
	₹ lakhs	₹ lakhs
Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw Materials	1,085.95	806.03
Packing Materials	2,001.80	1,829.92
Finished Goods	670.04	428.87
Stores and spares	74.90	82.78
<b>Total</b>	<b>3,832.69</b>	<b>3,147.60</b>

## Notes :-

1. Finished Goods include stock in transit ₹ 243.05 lakhs (Previous year NIL)
2. The company follows a suitable provisioning norm for writing down the value of Packing Materials towards slow moving and non-moving. Provision for the year - ₹ 9.32 lakhs (Previous year NIL)



# BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

## Note : 12 TRADE RECEIVABLES (Unsecured)

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - unsecured	3,897.75	3,428.39
Receivables with significant increase in credit risk	-	-
Receivables - Credit impaired	31.06	-
Less : Allowance for Credit impaired receivable	(31.06)	-
	<b>3,897.75</b>	<b>3,428.39</b>
Of the above, trade receivable from	-	-
-Related parties	36.66	22.88
-Others	3,861.09	3,405.51
<b>Total</b>	<b>3,897.75</b>	<b>3,428.39</b>

Note :-

1. No trade or other receivable are due from Directors or other officers of the Company either severally or jointly with any other person.
2. For terms and conditions relating to related party receivables, refer Note 43

## Note : 13 CASH AND BANK BALANCES

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>Cash and cash equivalents</b>		
Balances with Banks		
- In Current Accounts	1,708.09	131.93
Cash on hand	16.13	14.50
	<b>1,724.22</b>	<b>146.43</b>
<b>Bank Balance other than Cash and cash equivalents</b>		
Bank deposits with maturity period of More than 3 month but less than 12 months from the Balance sheet date	8,608.90	6,596.20
<b>Sub Total (B)</b>	<b>8,608.90</b>	<b>6,596.20</b>
<b>Grand Total [ A + B ]</b>	<b>10,333.12</b>	<b>6,742.63</b>

(Deposit are FDR with Bank)

(Out of which ₹ 940.10 lakhs are pledged/Lien marked against Bank guarantees given to various Government / statutory authorities)





**BIKAJI FOODS INTERNATIONAL LIMITED**
**Notes on Financial Statements for the Year ended 31st March, 2019**

<b>Note :14 FINANCIAL ASSETS - CURRENT LOANS</b>		
	₹ lakhs	₹ lakhs
Particulars	As at 31st March, 2019	As at 31st March, 2018
Employees Advances	52.09	57.22
Security Deposits	126.25	126.66
<b>Total</b>	<b>178.34</b>	<b>183.88</b>

<b>Note :14 (a) Breakup of security details</b>		
	₹ lakhs	₹ lakhs
Particulars	As at 31st March, 2019	As at 31st March, 2018
Loan considered good - secured	-	-
Loan considered good - Unsecured	178.34	183.88
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
<b>Total</b>	<b>178.34</b>	<b>183.88</b>
<b>Loss allowance</b>	<b>-</b>	<b>-</b>
<b>Total loans</b>	<b>178.34</b>	<b>183.88</b>

<b>Note : 15 OTHER CURRENT FINANCIAL ASSETS</b>		
	₹ lakhs	₹ lakhs
Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest accrued on deposits	471.82	345.18
<b>Total</b>	<b>471.82</b>	<b>345.18</b>

<b>Note : 16 OTHER CURRENT ASSETS</b>		
	₹ lakhs	₹ lakhs
Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances to vendors:		
- Unsecured considered good	261.84	201.20
Prepaid expenses	45.99	61.15
Insurance Claim Receivable (refer note. 46)	172.55	-
Balance with Government authorities		
- GST Receivable	16.37	116.48
Export Incentive - Receivable	190.08	-
- Other Advances	57.08	119.99
Right to recover returned goods	0.66	-
<b>Total</b>	<b>744.57</b>	<b>498.82</b>



**BIKAJI FOODS INTERNATIONAL LIMITED****Notes on Financial Statements for the Year ended 31st March, 2019**

The Previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

<b>Note :17 SHARE CAPITAL</b>	<b>₹ lakhs</b>	<b>₹ lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
<b>AUTHORIZED CAPITAL</b>		
25000000 Equity Shares of ₹ 10/- each	2,500.00	2,500.00
(Previous year 25000000 Equity Shares of ₹ 10/-each)		
	<b>2,500.00</b>	<b>2,500.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
24313306 Equity Shares of ₹ 10/- each, fully paid	2,431.33	2,334.14
(Previous year 23341411 Equity Shares of ₹ 10/-each)		
<b>Total</b>	<b>2,431.33</b>	<b>2,334.14</b>

**(a) The reconciliation of the number of equity shares given below**

<b>Particulars</b>	<b>31st March 2019</b>		<b>31st March 2018</b>	
	<b>Number of Share</b>	<b>Amount In ₹</b>	<b>Number of Share</b>	<b>Amount In ₹</b>
Shares at the beginning of the year	233.41	2,334.14	233.41	2,334.14
Add Issue During Year	9.72	97.19		
<b>Shares at the end of the year</b>	<b>243.13</b>	<b>2,431.33</b>	<b>233.41</b>	<b>2,334.14</b>

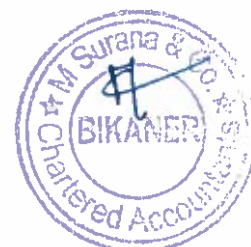
Fresh Issue of shares -IIFL SPECIAL OPPORTUNITIES FUND subscribed to 9,71,895 equity shares of the company ₹ 1255.28 per share for a total consideration ₹ 122.00 Crores in pursuance of SHA dated 7th May, 2018.

**(b) Rights, preferences and restrictions attached to the equity shareholders:**

- (i) The Company has one class of equity shares having a par value of ₹ 10/- per share. Each Equity share is entitled to one vote.  
(ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.  
(iii) The distribution will be in proportion to the number of Equity Shares held by the shareholders.

**(c) The details of Shareholders holding more than 5% equity shares of the Company are as under :**

<b>Name of Shareholders</b>	<b>Number of Share</b>	<b>% of Holding as at 31.03.2019</b>	<b>Number of Share</b>	<b>% of Holding as at 31.03.2018</b>
Shivratan Agarwal	89.08	36.64%	90.67	38.85%
Shivratan Agarwal HUF	61.20	25.17%	61.20	26.22%
Deepak Kumar Agarwal	42.30	17.40%	43.26	18.53%
India 2020, Maharaja Ltd.	22.72	9.35%	29.18	12.50%



# BIKAJI FOODS INTERNATIONAL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2019

### Note : 18 OTHER EQUITY

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>Securities Premium Reserve</b>		
As per last Balance Sheet	8,719.05	8,719.05
Add Issue During Year	12,102.81	-
Less : Utilisation towards expenses incurred in connection with further issue of shares	(384.60)	-
<b>Closing Balance Securities Premium Reserve (A)</b>	<b>20,437.26</b>	<b>8,719.05</b>
<b>General Reserve</b>	<b>193.09</b>	<b>193.09</b>
<b>Closing Balance of General Reserve (B )</b>	<b>193.09</b>	<b>193.09</b>
<b>Retained Earnings</b>		
Profit & Loss Account as Per Last Balance Sheet	19,429.87	14,713.20
Add :- Profit & Loss during the Year	5,101.14	5,281.18
<b>Total (i)</b>	<b>24,531.01</b>	<b>19,994.38</b>
<b>Less Appropriation :-</b>		
Interim Dividend on Equity Shares (Previous year ₹ 2)	(486.22)	(466.83)
Dividend Distribution Tax on Interim Dividend	(102.95)	(97.68)
<b>Total Appropriation (ii)</b>	<b>(589.17)</b>	<b>(564.51)</b>
<b>Less/Add Tax Adjustment :-</b>		
<b>Closing Balance of Retained Earnings (i)- (ii)- (iii) (C)</b>	<b>23,941.84</b>	<b>19,429.87</b>
<b>Other Comprehensive Income (OCI)</b>		
As per last Balance Sheet	45.10	1.49
Add: Movement in OCI (Net) during the year	(63.12)	43.61
<b>Other Comprehensive Income (OCI) (D)</b>	<b>(18.02)</b>	<b>45.10</b>
<b>Total (A) + (B) + (C) + (D)</b>	<b>44,554.16</b>	<b>28,387.11</b>

**Interim Dividend :-** The Board of Directors of the Company has paid a Interim Dividend of ₹ 2/- per share of face value of ₹ 10/- (Previous Year Interim Dividend '2 per share) amounting to ₹ 486.22 lac for the year ended 31 March 2019 The distribution has been in proportion to the number of Equity Shares held by the shareholders.

**Securities Premium Reserve -** Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium Reserve". Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Act



## BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

### Note : 19 BORROWING

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>Non current portion</b>		
Secured term loans from banks (refer below note :- 1 & 2)	3,971.71	4,582.30
	<b>3,971.71</b>	<b>4,582.30</b>
<b>Current Portion</b>		
Loan against Fixed Deposits & SLC Limit	-	2,913.62
Cash Credit From Bank (refer note :- 3)	2,756.49	4,534.06
Bank overdraft	-	117.34
	<b>2,756.49</b>	<b>7,565.02</b>
<b>Total</b>	<b>6,728.20</b>	<b>12,147.32</b>

Long - term borrowings, non current portion Include

#### 1. Term Loans from SBI

(A) Term/Corporate Loan from SBI amounting to ₹ 1823.96 lacs outstanding as on 31st Mar, 2019 is secured by:

a) First charge by way of Equitable Mortgage of immovable industrial property i.e. Land & Building (construction thereon) situated at , RIICO Industrial Area, Karni (Extension), Bikaner in the name of the company.

(B) Term/Corporate Loan from SBI amounting to ₹ 2631. lacs Outstanding as on 31st Mar 2019 is secured by:

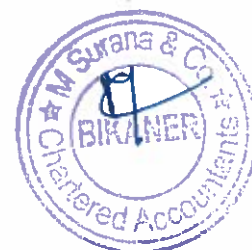
(a) First charge by way of Equitable Mortgage of immovable industrial property i.e. Land & Building (construction thereon) situated at Bichhwal Industrial Area, Bikaner and , RIICO Industrial Area, Karni (Extension), Bikaner in the name of the company. And hypothecation of plant & machinery at RIICO Industrial Area, Karni (Extension), Bikaner

#### 2. Vehicle Loan

Vehicle Loan of ₹ 45.34 lacs (Previous Year ₹ 255.84 lacs) relate to vehicle purchased under financing arrangements with various banks and financial institution are secured by way of hypothecation of the specified assets.

#### 3. Cash Credit Facility

Working capital loan is secured by hypothecation of present and future stock of raw material, packing material and Book Debts as well as personal guarantee of Mr. Shiv Ratan Agarwal(M.D.),Mrs. Sushila Devi Agarwal (Director) and Mr. Deepak Agarwal (Director). These are repayable on demand.



**BIKAJI FOODS INTERNATIONAL LIMITED**
**Notes on Financial Statements for the Year ended 31st March, 2019**
**(B) Terms of Repayment of Term Loan**
**₹ lakhs**

Term loan form Bank	No. Of Installments outstanding	Installment Amount	Repayment term	Interest Rate* as at 31.03.2019
SBI TERM LOAN 61322436301	14.00	132.00	Quarterly	9.75%
SBI TERM LOAN 37719056444	21.00	125.00	Quarterly	8.25%
CAR LOAN	14.00	3.41	Monthly	8.25%

\* Interest rates are floating rates



# BIKAJI FOODS INTERNATIONAL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2019

### Note : 20 Provisions

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>Non-current provisions</b>		
<b>Provision for employee benefits:</b>		
Gratuity	261.20	139.89
<b>Total</b>	<b>261.20</b>	<b>139.89</b>
<b>Current provisions</b>		
Gratuity	-	36.40
Provision for sales tax liability *	15.00	-
<b>Total</b>	<b>15.00</b>	<b>36.40</b>
<b>Total</b>	<b>276.20</b>	<b>176.29</b>

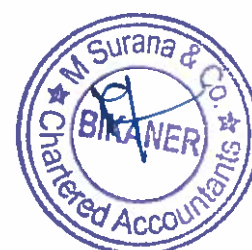
### \* Movement during the year

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Opening balance	-	-
Provision created during the year (refer note : 36)	15.00	-
Amount reversed during the year	-	-
Amount utilised during the year	-	-
<b>Closing balance</b>	<b>15.00</b>	<b>-</b>

### Note : 21 Deferred Tax Liability (Net)

In compliance of Indian Accounting Standard 12 "Income Tax " the company has recognized 'the Deferred Tax Liability Major components of deferred tax assets and liabilities on account of timing differences are as follows:

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Opening Deferred Tax Liability	3,230.33	2,217.71
Tax (income)/expense during the year recognised in the statement of profit and loss	672.39	989.54
Tax (income)/expense during the year recognised in OCI	(33.90)	23.08
<b>Closing Net Deferred Tax Liability</b>	<b>3,868.82</b>	<b>3,230.33</b>





# BIKAJI FOODS INTERNATIONAL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2019

### Note : 22 Trades Payable

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Micro and Small enterprises	378.25	160.99
Trade payable : Others	2,547.31	2,020.54
<b>Total</b>	<b>2,925.56</b>	<b>2,181.53</b>

Trade payables are non interest bearing and are normally settled in 0 to 45 days terms. There are no 'other amounts paid / payable towards interest under the MSMED. Act

This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 43

### Note : 22.1 The details of amounts outstanding to Micro, small and Medium Enterprises based on available Information with the Company is as under :

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Principal amount due and remaining unpaid	378.25	160.99
Interest due on above and the unpaid interest	-	-
Interest Paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

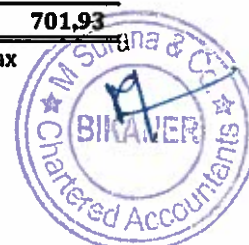
### Note : 23 Other Current Financial Liabilities

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Trade Deposits from Customer	116.94	138.97
Creditors for Capital Goods	217.17	477.85
Current maturities of Long Term Debt (Refer note no.19)	528.01	2,050.42
Accrued employees liabilities	747.46	425.13
<b>Total</b>	<b>1,609.58</b>	<b>3,092.37</b>

### Note :24 Other Current liabilities

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Statutory Dues #	256.19	378.44
Advance received from customers	330.40	323.49
Accounting for refund liabilities	0.66	-
<b>Total</b>	<b>587.25</b>	<b>701.93</b>

# Statutory dues includes payable on account of Provident Fund, ESIC, TDS, Goods & Services Tax



**BIKAJI FOODS INTERNATIONAL LIMITED**
**Notes on Financial Statements for the Year ended 31st March, 2019**

<b>Note 25 : Revenue from operations</b>		<b>₹ lakhs</b>	<b>₹ lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>	
<b>Sale - Food Products</b>			
Finished Goods	89,116.37	76,774.56	
Traded Goods	798.50	1,148.00	
<b>Solar Income</b>	39.55	53.10	
<b>Other Operating Revenue</b>			
Scrap Sales	137.85	121.36	
Sale of REC	125.46	4.39	
<b>TOTAL</b>	<b>90,217.73</b>	<b>78,101.41</b>	

**Note A: Reconciliation of revenue recognised with contract price**

<b>Particulars</b>	<b>₹ lakhs</b>	<b>₹ lakhs</b>
	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
<b>Contract price</b>	<b>89,789.38</b>	<b>77,050.62</b>
Adjustments for refund liabilities	(0.66)	-
Discount and rebates	(672.35)	(276.06)
<b>Revenue from contract with customers</b>	<b>89,116.37</b>	<b>76,774.56</b>

**Note B: Disaggregation of revenue**

For disclosure relating to disaggregation of revenue please refer note no. 38

<b>Note 26 : Other Income</b>		<b>₹ lakhs</b>	<b>₹ lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>	
<b>Interest Income on</b>			
- Bank deposits	633.46	473.23	
- Other deposits	2.21	2.15	
Rental Income	10.08	1.98	
Profit on Sales of Fixed Assets	-	2.86	
Liabilities written back to the extent no longer required	24.88	-	
Foreign exchange gain, net	102.77	-	
MEIS Income #	190.08	-	
<b>TOTAL</b>	<b>963.48</b>	<b>480.22</b>	

# MEIS Income amount includes income relating to F.Y. 2016-17 & 2017-18 of ₹ 13.59 lakhs & ₹ 64.15 lakhs respectively

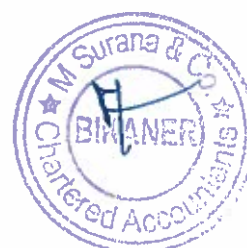


**BIKAJI FOODS INTERNATIONAL LIMITED**
**Notes on Financial Statements for the Year ended 31st March, 2019**

<b>Note 27 Cost of Raw &amp; Packing Material Consumed</b>		<b>₹ lakhs</b>	<b>₹ lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>	
<b>Raw Material</b>			
Inventory at the beginning of the year	806.03	575.80	
Add: Purchase	52,421.38	44,098.92	
	<b>53,227.41</b>	<b>44,674.72</b>	
Less:- Inventory at the end of year	1,085.95	806.03	
<b>Cost of Raw Material Consumed (A)</b>	<b>52,141.46</b>	<b>43,868.69</b>	
<b>Packing Material</b>			
Inventory at the beginning of the year	1,829.92	1,652.93	
Add: Purchase	11,796.23	11,232.40	
	<b>13,626.15</b>	<b>12,885.33</b>	
Less:- Inventory at the end of year	2,001.80	1,829.92	
<b>Cost of Packing Material Consumed (B)</b>	<b>11,624.35</b>	<b>11,055.41</b>	
<b>TOTAL (A)+(B)</b>	<b>63,765.81</b>	<b>54,924.10</b>	

<b>Note 28 Changes in Inventories of Finished Goods, stock In Progress &amp; Stock in Trade</b>		<b>₹ lakhs</b>	<b>₹ lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>	
Closing Stock	670.04	428.87	
Less: Opening Stock	428.87	229.25	
<b>(Accretion)/Decretion</b>	<b>(241.17)</b>	<b>(199.62)</b>	

<b>Note : 29 Employment Benefit Expenses</b>		<b>₹ lakhs</b>	<b>₹ lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>	
Salaries, Wages, Bonus, Leave encashment	4,638.98	3,440.54	
Contribution to Provident and other fund	232.21	196.22	
Gratuity expense (refer note : 42)	89.51	75.07	
Workmen and Staff Welfare Expenses	126.79	135.56	
<b>TOTAL</b>	<b>5,087.49</b>	<b>3,847.39</b>	



**BIKAJI FOODS INTERNATIONAL LIMITED**
**Notes on Financial Statements for the Year ended 31st March, 2019**

<b>Note : 30 Finance Cost</b>	<b>₹ lakhs</b>	<b>₹ lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Interest Cost on		
--Borrowings	377.56	436.88
--Others on statutory dues	2.44	2.58
Other Borrowings cost	22.24	20.67
<b>TOTAL</b>	<b>402.24</b>	<b>460.13</b>

<b>Note : 31 Depreciation &amp; Amortised Cost</b>	<b>₹ lakhs</b>	<b>₹ lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Depreciation of property, plant and equipment (refer note : 3)	2,205.62	1,664.15
Depreciation of Investment Property (refer note : 4)	3.19	2.40
Amortisation of intangible assets (refer note : 5)	21.83	21.78
<b>TOTAL</b>	<b>2,230.64</b>	<b>1,688.33</b>



# BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>Note : 32 Other Expenses</b>		
Power and Fuel	3,183.52	2,421.80
Manufacturing Charges	1,594.06	1,464.44
Brokerage and Commission	35.86	32.96
Laboratory Expenses	18.35	15.00
Fumigation Expenses	13.31	9.50
<b>Repair &amp; Maintenance</b>		
Building	79.04	94.10
Plant and Machinery	237.40	182.14
Export Sales Expenses	172.22	118.80
Advertisement Expense	1,454.07	1,185.94
Sales Promotion Expense	894.46	353.57
Freight and Forwarding Charges	2,166.41	1,453.80
Rent	242.23	187.12
Rates and Taxes	167.11	99.96
Computer and Running Expenses	30.49	58.19
Cleaning and Gardening expenses	35.21	41.42
Insurance Expenses	51.20	43.71
Legal & Professional charges	106.46	74.84
License/Membership & Trade Mark Expenses	31.85	17.72
General Expenses	44.46	73.29
Payment To Auditors & Expenses	10.00	5.00
Postage, telegram, telephones, Internet	27.84	25.68
Printing and Stationery Expenses	55.99	47.70
Travelling Expenses	274.02	205.52
Vehicle Expenses	20.10	25.46
Charity and donation	4.25	3.00
Watch & Ward Expenses	13.40	7.52
CSR Expenses	145.30	124.18
Loss on Sales of Fixed Assets	5.33	-
Foreign exchange loss, net	-	5.66
Bad debts/advances written off	194.22	-
Disposal of fixed assets	11.18	
<b>TOTAL</b>	<b>11,319.34</b>	<b>8,378.02</b>





**BIKAJI FOODS INTERNATIONAL LIMITED**
**Notes on Financial Statements for the Year ended 31st March, 2019**

<b>Note : 32 (a) Payment to Auditors</b>		₹ lakhs	₹ lakhs
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>	
<b>- As Auditor</b>			
Statutory Audit Fees	5.00	2.00	
Tax Audit Fees	2.00	1.00	
<b>- In other capacity</b>			
Certification & Consultation Fees	3.00	2.00	
<b>TOTAL</b>	<b>10.00</b>	<b>5.00</b>	

**Note : 32 (b) Details of corporate social responsibility as per Section 135 (5) of Act and Rules made thereunder:**

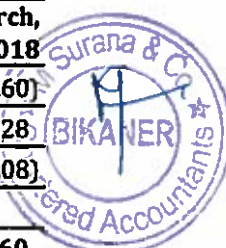
<b>Particulars</b>	₹ lakhs	₹ lakhs
<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>	
CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with schedule VII	136.77	114.18
<b>Amount spent during the year on</b>		
(i) Construction/acquisition of an asset	-	-
(ii) On Purpose other than (i) above	145.30	124.18
<b>TOTAL</b>	<b>145.30</b>	<b>124.18</b>

<b>Note : 33 Earning per Share</b>		₹ lakhs	₹ lakhs
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>	
Net Profit after tax	5,101.14	5,281.18	
Weighted Average No. of Equity Share	241.91	233.41	
Basic and Diluted Earning per share ₹	21.09	22.63	
Face value per equity share ₹	10.00	10.00	

Earnings per share calculations are done in accordance with IND AS 33 "Earnings per share".

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

<b>Note : 34 Components of other Comprehensive Income (OCI)</b>		₹ lakhs	₹ lakhs
<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>	
Gain/(loss) on FVTOCI Investment	(1.52)	(2.60)	
Re-measurement gain / (loss) on defined benefit plan	(95.50)	69.28	
Income tax relating to above	33.90	(23.08)	
<b>TOTAL</b>	<b>(63.12)</b>	<b>43.60</b>	



**BIKAJI FOODS INTERNATIONAL LIMITED**

Notes on Financial Statements for the Year ended 31st March, 2019

**Note : 35 Income tax expense**

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>(a) Income Tax expenses recognised in the statement of profit &amp; loss</b>		
Current income tax :	1,808.61	1,895.07
Adjustment of current tax of prior periods	-	-
<b>Total current tax expense (A)</b>	<b>1,808.61</b>	<b>1,895.07</b>
<b>Deferred tax</b>		
Deferred tax for current year	672.39	989.54
<b>Total deferred tax credit (B)</b>	<b>672.39</b>	<b>989.54</b>
<b>Income tax expense reported in the statement of profit and loss (A) + (B)</b>	<b>2,481.00</b>	<b>2,884.61</b>
<b>(b) OCI Section - Income tax related to Items recognised in OCI during in the year:</b>		
Net gain/(loss) on remeasurements of defined benefit plans	(33.90)	23.08
<b>Income tax expense charged to OCI</b>	<b>(33.90)</b>	<b>23.08</b>
<b>(c) Reconciliation of Income tax expense and the accounting profit multiplied by Company's tax rate:</b>		
Profit/(loss) before income tax expense	7,598.30	8,187.81
Income tax rate	34.944%	34.608%
<b>Amount of tax at India tax rate (A)</b>	<b>2,655.15</b>	<b>2,833.64</b>
<b>Adjustment</b>		
Effect of deduction under section 80JAA of the Income tax Act, 1961	(99.11)	(30.16)
Effect of deduction under section 80IA of the Income tax Act, 1961	(157.85)	-
Effect of deduction under section 80G of the Income tax Act, 1961	(43.20)	-
Gratuity expense	-	45.42
Donation	4.25	3.00
CSR expense	145.30	124.18
Other Items	83.57	4.85
Solar Plant tax holiday *	(520.44)	-
<b>Total Adjustment</b>	<b>(587.47)</b>	<b>147.28</b>
Income tax rate	34.944%	34.608%
<b>Tax impact of Adjustment (B)</b>	<b>(205.29)</b>	<b>50.97</b>
Tax impact of change in tax rate (C)	31.14	-
<b>Income tax expense recognised in the statement of profit and loss (A)+(B)+(C)</b>	<b>2,481.00</b>	<b>2,884.61</b>

\* The company started taking deduction of tax holiday u/s 80IA of the Income Tax Act, 1961 from the current year. Therefore the permanent difference related to the tax holiday period was reversed in accordance the provision of Ind As 12



**BIKAJI FOODS INTERNATIONAL LIMITED****Notes on Financial Statements for the Year ended 31st March, 2019****Note : 36 Contingent Liabilities and Commitments**

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
<b>(A) Contingent liabilities</b>		
In respect of Sales Tax	101.87	43.76
In respect of stamp duty charges	36.22	36.22
In respect other legal matters	22.90	-
<b>(B) Commitment</b>		
<b>(i) Capital Commitment</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,938.52	1,370.00
<b>(ii) Other Commitment</b>		
The Company has imported capital goods under the Export Promotion Capital Goods Scheme of the Government of India, at concessional rates of duty on an undertaking to fulfil quantified exports	657.76	1,348.92

(a) There was an agreement for purchase of industrial plot E-578, E-579, F-580 to F-584 at Karni Industrial area, Bikaner executed on the Non-Judicial Stamp Paper of ₹ 100/- and duly notarised by a Notary Public. It was contended by the stamping authorities that the aforesaid document was required to be registered with Sub Registrar, Bikaner. Subsequently stamping authorities raised a notice demanding of ₹ 36.22 lakhs on 09.01.2017 on company.

The judicature high court of jodhpur stayed the aforesaid order of DIG Stamp Bikaner by holding the agreement pertaining to the purchase of industrial plots at Karni Industrial Area as the contingent agreement. The aforesaid plots were eventually vested with M/S Hanuman Agro foods Pvt Ltd. The Company has subscribed to compulsory convertible preference share of the Hanuman Agro Foods (P) Ltd.

(b) The company moved the judicature high court of Jodhpur challenging the jurisdiction of Assistant Commissioner Commercial Taxes, Anti Evasion, Bikaner and Jaipur who had issued the notice for the levy of VAT/CST at the rate of 12.50% on the sale of branded namkeen as against 4% charged by the company. The high court granted stay on the notice relating to F.Y. 2006-07, 2007-08 & 2008-09.

During financial year the company received notice raising total tax and interest demand of ₹ 68.03 lakhs and ₹ 85.18 lakhs for F.Y. 2007-08 and 2008-09 respectively. Out of the total demand the company has met the tax component of liability which amounting to ₹ 51.34 lakhs. The interest component of total liability ₹ 47 lakhs and ₹ 53.97 lakhs pertaining to F.Y. 2007-08 and 2008-09 is lying unpaid. The amnesty scheme under the VAT providing for waiver of interest and penalty has already been announced by the Chief Minister of Rajasthan. The Scheme is yet to be notified. It is believed that the case of company will be covered by the scheme, hence no provisioning is warranted with effect to the unpaid interest liability on Vat demand.

(c) Filed civil suit with regard to agriculture land of the company situated at khasra no. 1159/159 and subsequent khasra no. 419 measuring 24 bigha at adjacent to the Karni industrial area plots of the Company. The SDM Bikaner has given verdict in favour of the company. Shree Ram Swroop Rathi has filed appeal against the order of the SDM before the Divisional Commissioner, Bikaner

(d) That a writ petition has been filed by the R.P.F. Commissioner, Jaipur against the order passed by the Employee's P.F. Appellate Tribunal passed in the favour of the company before the Hon'ble High Court Rajasthan, Jaipur about the applicability of the provisions of E.P.F. Act which is still pending. However, The Company has voluntarily complied the provision of the act on and from June 2011 by virtue of notification number G.S.R. 1190 (E) dated December 30, 2016 issued by the ministry of Labour & Employment.

(e) There is numerous interpretive issues related to the Supreme Court judgment dated February 20, 2019 on Provident Fund (PF) on the inclusion of allowance for the purpose of PF contribution as well its applicability of effective date. The company will address the issue when clarification is made available



## BIKAJI FOODS INTERNATIONAL LIMITED

### Notes on Financial Statements for the Year ended 31st March, 2019

#### Note : 37 Non cancellable operating leases

The company leases offices , warehouses, and retail stores under non cancellable operating leases . The leases have varying terms , escalations clauses and renewal rights . On renewal , the terms of the leases are renegotiated.

Particulars	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Commitments for minimum lease payment in relation to non cancellable operating leases are payable as follows :		
Within One year	26.52	-
Later than one year but not later than five years	50.79	-
Later than five years	-	-

#### Note : 38 Segment reporting

The Company primarily operates in the FMCG segment. The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of IND AS 108 "Operating Segments".

Geographical Locations: The Geographical segments have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and overseas segment includes sales to customer located outside India.

The following information discloses revenue from external customers based on geographical areas:

a. Revenue from external customers	₹ lakhs	₹ lakhs
	As at 31st March, 2019	As at 31st March, 2018
Particulars		
India	87,575.80	74,755.51
Outside India	2,339.07	2,019.05
<b>TOTAL</b>	<b>89,914.87</b>	<b>76,774.56</b>

#### b. Segment revenue with major customers

During the year 31 March 2019, 11.84% (PY 10.35%) of the Company's revenue was generated from one customer.



# BIKAJI FOODS INTERNATIONAL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2019

### Note : 39 Fair value measurement

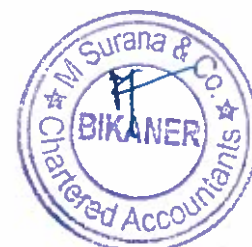
<b>(i) Fair value instruments by category</b>		
	₹ lakhs	₹ lakhs
Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Financial assets</b>		
(a) Investment	299.24	285.76
(b) Security Deposit	41.05	36.66
(c) Trade receivables	3,897.75	3,428.39
(d) Cash and cash equivalents	10,333.12	6,742.63
(e) Loans	178.34	183.88
(f) Bank balance Other than above	1,506.40	949.06
<b>Total of financial assets</b>	<b>16,255.90</b>	<b>11,626.38</b>
<b>Financial liabilities</b>		
(a) Borrowings		
- Short term	3,284.50	9,615.44
- Long term	3,971.71	4,582.30
(b) Provisions	276.20	176.29
(c) Trade Payables	2,925.56	2,181.53
(d) Trade Deposits from Customer	116.94	138.97
(e) Other Current Financial liabilities	964.63	902.98
<b>Total Financial liabilities</b>	<b>11,539.54</b>	<b>17,597.51</b>

The carrying value of the amortised financial assets and liabilities approximate to the fair value on the respective reporting dates.

### (ii) Fair values Hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position 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 identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.





**BIKAJI FOODS INTERNATIONAL LIMITED**

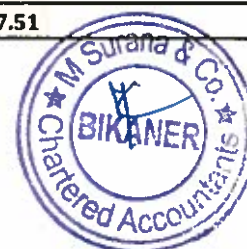
Notes on Financial Statements for the Year ended 31st March, 2019



Financial assets and financial liabilities measured at fair value – recurring fair value measurements

Particulars	As at 31st March, 2019 Level 1	As at 31st March, 2019 Level 2	As at 31st March, 2019 Level 3
	₹ lakhs	₹ lakhs	₹ lakhs
<b>Financial assets</b>			
(a) Investment	-	299.24	-
(b) Security Deposit	-	41.05	-
(c) Trade receivables	-	3,897.75	-
(d) Cash and cash equivalents	-	10,333.12	-
(e) Loans	-	178.34	-
(f) Bank balance Other than above	-	1,506.40	-
<b>Total of financial assets</b>		<b>16,255.90</b>	
<b>Financial liabilities</b>			
(a) Borrowings			
- Short term	-	3,284.50	-
- Long term	-	3,971.71	-
(b) Provisions	-	276.20	-
(c) Trade Payables	-	2,925.56	-
(d) Trade Deposits from Customer	-	116.94	-
(e) Other Current Financial liabilities	-	964.63	-
<b>Total Financial liabilities</b>		<b>11,539.54</b>	

Particulars	As at 31st March, 2018 Level 1	As at 31st March, 2018 Level 2	As at 31st March, 2018 Level 3
	₹ lakhs	₹ lakhs	₹ lakhs
<b>Financial assets</b>			
(a) Investment	-	285.76	-
(b) Security Deposit	-	36.66	-
(c) Trade receivables	-	3,428.39	-
(d) Cash and cash equivalents	-	6,742.63	-
(e) Loans	-	183.88	-
(f) Bank balance Other than above	-	949.06	-
<b>Total of financial assets</b>		<b>11,626.38</b>	
<b>Financial liabilities</b>			
(a) Borrowings			
- Short term	-	9,615.44	-
- Long term	-	4,582.30	-
(b) Provisions	-	176.29	-
(c) Trade Payables	-	2,181.53	-
(d) Trade Deposits from Customer	-	138.97	-
(e) Other Current Financial liabilities	-	902.98	-
<b>Total Financial liabilities</b>		<b>17,597.51</b>	



## BIKARI FOODS INTERNATIONAL LIMITED

### Notes on Financial Statements for the Year ended 31st March, 2019

#### Note : 40 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also hold investments measured at cost and fair value through OCI (FVOCI).

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

#### (A) Market risk analysis

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, and investments measured at FVOCI.

#### (i) Foreign currency risk

The Company has international transactions and is exposed to foreign exchange risk arising from its operating activities (revenue and Purchases denominated in foreign currency). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency. To mitigate the Company's exposure to foreign currency risk, non-INR cash flows are monitored in accordance with the Company's risk management policies.

#### Foreign currency risk exposure:

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Financial assets</b>		
Trade receivables		
-USD	6,87,114.14	4,22,151.83
-Euros		
<b>Total</b>	<b>6,87,114.14</b>	<b>4,22,151.83</b>
<b>Financial liabilities</b>		
Payable for Capital Creditors		
-USD	39,912.74	27,588.68
<b>Total</b>	<b>39,912.74</b>	<b>27,588.68</b>



## BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

### Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Increase/decrease in %	Effect on profit or loss	
		31-Mar-19	31-Mar-18
USD `	0.02	10.06	5.85
	(0.02)	(10.06)	(5.85)

### (ii) 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.

### Interest rate exposure

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	₹ lakhs	₹ lakhs
	As at 31 March 2019	As at 31 March 2018
Variable rate borrowing	6,683.45	11,891.49
Fixed rate borrowing	44.75	255.84
<b>Total borrowings</b>	<b>6,728.20</b>	<b>12,147.33</b>

### Sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	₹ lakhs	₹ lakhs
	As at 31 March 2019	As at 31 March 2018
Interest rates increase by 0.5%*	33.64	60.74
Interest rates decrease by 1%*	67.28	121.47
<b>Total borrowing</b>	<b>6,728.20</b>	<b>12,147.33</b>

### (B) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

### Trade Receivable

Customer credit risk is managed by the Company subject to the Company's established Receivable Management policy. The policy details how credit will be managed, past due balances collected, allowances and reserves recorded and bad debt written off. Credit terms are the established timeframe in which customers pay for purchased product. Outstanding customer receivables are regularly monitored by the management.

An impairment analysis is performed at each reporting date on an individual basis for customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

### (C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.



**BIKAJI FOODS INTERNATIONAL LIMITED**

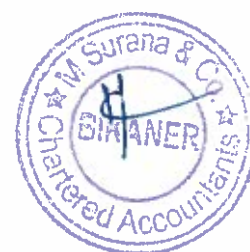
Notes on Financial Statements for the Year ended 31st March, 2019

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

Particulars	As at 31 March 2019		Total
	Less than 1 year	More than 1 year	
	₹ lakhs	₹ lakhs	₹ lakhs
<b>(A) Non-Derivative:</b>			
Borrowings including interest accrued	528.01	3,971.71	4,499.72
Trade payable	3,142.74	-	3,142.74
Security deposit	116.94	-	116.94
Other financial liabilities	1,003.65	-	1,003.65
<b>Total Non-Derivative financial liabilities</b>	<b>4,791.33</b>	<b>3,971.71</b>	<b>8,763.05</b>
<b>(B) Derivative:</b>			
Interest Swap contract liability	-	-	-
<b>Total Derivative financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>4,791.33</b>	<b>3,971.71</b>	<b>8,763.05</b>

Particulars	As at 31 March 2018		Total
	Less than 1 year	More than 1 year	
	₹ lakhs	₹ lakhs	₹ lakhs
<b>(A) Non-Derivative:</b>			
Borrowings including interest accrued	2,050.42	4,582.30	6,632.72
Trade payable	2,659.38	-	2,659.38
Security deposit	138.97	-	138.97
Other financial liabilities	803.57	-	803.57
<b>Total Non-Derivative financial liabilities</b>	<b>5,652.34</b>	<b>4,582.30</b>	<b>10,234.64</b>
<b>(B) Derivative:</b>			
Interest Swap contract liability	-	-	-
<b>Total Derivative financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>5,652.34</b>	<b>4,582.30</b>	<b>10,234.64</b>



# BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

Note : 41 Capital management policies and procedures

## (a) Risk Management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide a an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The amounts managed as capital by the Company are summarised as follows:

Particulars	₹ lakhs	₹ lakhs
	As at 31 March 2019	As at 31 March 2018
Total borrowings	7,256.21	14,197.73
Less cash and Bank balance (Including deposits with banks)	10,333.12	6,742.63
<b>Net debt</b>	<b>(3,076.91)</b>	<b>7,455.10</b>
Total equity	46,985.49	30,721.25
Total Capital	43,908.59	38,176.35
<b>Net debt to equity ratio</b>	<b>(0.07)</b>	<b>0.24</b>

Loan covenants	₹ lakhs
1. Any Adverse Deviation by More than 20% from the levels stipulated as below in respect of any two of the following Items for a minimum period of one year -	
i. Current Ratio	1.51
ii. Total Debt Gearing	0.66 : 1
iii. Interest Coverage Ratio	8.30
2. Minimum Working Capital	56.90
3. The Company will maintain minimum Tangible Net worth	26,069
26069 Lakhs	

The company has complied with these covenants throught the reporting period



**BIKAJI FOODS INTERNATIONAL LIMITED****Notes on Financial Statements for the Year ended 31st March, 2019****(b) Dividend distribution**

Particulars	₹ lakhs	₹ lakhs
	As at 31 March 2019	As at 31 March 2018
Interim dividend paid for the year ended 31 March 2019 ₹ 2 per share (31 March 2018: ₹ 2 per share)	486.22	466.83
Dividend distribution tax	102.95	97.68

Interim dividend on equity shares are subject to shareholders' approval at the annual general meeting. This amount has not been recorded as a liability for the year ended 31 March 2019.

**Note : 42 Employment benefit obligations****(a) Defined contribution plans****i. Provident fund & Other fund**

The Company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

Provident fund and employees' state insurance plan scheme is a defined contribution scheme established under a state plan. The contributions to the scheme are charged to the statement of profit and loss in the period when the contributions to the funds are due.

The Company has recognised following amounts as expense in the statement of profit and loss:

Particulars	₹ lakhs	₹ lakhs
	As at 31 March 2019	As at 31 March 2018
Included in contribution to provident and other funds (refer Note 30)		
Employees' state insurance plan	113.07	75.94
Provident Fund	119.14	120.28

**(b) Defined benefit plan: Gratuity**

The Company has a defined benefit gratuity Plan. The gratuity scheme of a company is covered under a group gratuity cum life Assurance cash accumulation policy offered by LIC of India. The funding to the scheme is done through an approved gratuity trust. Every employee who has completed a minimum a five years service is entitled to gratuity based on fifteen days last drawn salary for every completed year of service to a maximum of ₹ 20 lakhs . The disclosures as required pursuant to the Ind AS 19 is as under:-





# BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

## (i) Net employee benefit expenses recognized in the statement of profit and loss

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
Service Cost	74.30	59.69
Net Interest Cost	15.21	15.38
Past Service Cost	-	-
Administration Expenses	-	-
Gain)/Loss due to Settlements/Curtailments/ Terminations /Divestitures	-	-
<b>Total Defined Benefit Cost/(Income) included in Profit &amp; Loss</b>	<b>89.51</b>	<b>75.07</b>

## (ii) CURRENT / NON - CURRENT BIFURCATION

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
Current Benefit Obligation	95.09	36.40
Non - Current Benefit Obligation	412.42	281.22
<b>(Assets)/Liability Recognised in the Balance Sheet</b>	<b>507.50</b>	<b>317.62</b>

## (iii) Net employee benefit expenses recognized in other comprehensive income

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
Total Amount Recognised in Other Comprehensive Income (OCI)	95.50	(69.28)

## (iv) Key Financial Assumptions Used at the end of the year

Particulars	31st March 2019	31st March 2018
Discount Rate	7.39%	7.79%
Salary Escalation Rate	7.00%	7.00%

## (v) Key Financial Assumptions Used at the Beginning of the year

Particulars	31st March 2019	31st March 2018
Discount Rate	7.79%	7.27%
Salary Escalation Rate	7.00%	7.00%



# BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

## (vi) Analysis of Amounts Recognised in Other Comprehensive (Income)/Loss at Period-End

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
Amount recognized in OCI, Beginning of Period	(69.28)	-
Remeasurements due to:	-	-
Effect of Change in financial assumptions	12.89	(11.22)
Effect of Change in demographic assumptions	(27.65)	-
Effect of experience adjustments	108.86	(58.42)
(Gain)/Loss on Curtailments/Settlements	-	-
Return on plan assets (excluding interest)	1.40	0.36
Changes in asset ceiling	-	-
<b>Total remeasurements recognized in OCI</b>	<b>95.50</b>	<b>(69.28)</b>
<b>Amount recognized in OCI, End of Period</b>	<b>26.21</b>	<b>(69.28)</b>

## (viii) Change in Defined Benefit Obligation during the Period

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
Defined Benefit Obligation, Beginning of Period	317.62	304.60
Service Cost	74.30	59.69
Interest Cost	26.22	22.97
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	94.09	(69.64)
a. Effect of Change in Financial Assumptions	12.89	(11.22)
b. Effect of Change in Demographic Assumptions	(27.65)	-
c. Experience (Gains)/ Losses	108.86	(58.42)
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture	-	-
Benefits Paid from fund	(4.73)	-
Past Service Cost	-	-
Losses / (Gains) on Curtailments/Settlements	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>507.50</b>	<b>317.62</b>



# BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

## (viii) Change in Fair value of Plan Assets during the Period

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
Fair value of Plan Assets, Beginning of Period	141.33	104.45
Interest Income Plan Assets	11.01	7.59
Actual Company Contributions	100.09	29.65
Actual Plan Participants' Contributions	-	-
Actual Taxes Paid	-	-
Actual Administration Expenses Paid	-	-
Changes in Foreign Currency Exchange Rates	-	-
Actuarial Gains/(Losses)	(1.40)	(0.36)
Benefits Paid from Fund	(4.73)	-
Acquisition/Business Combination/Divestiture	-	-
Assets extinguished on Settlements/Curtailments	-	-
<b>Fair value of Plan Assets, End of Period</b>	<b>246.30</b>	<b>141.33</b>

## (ix) Reconciliation of Balance Sheet Amount

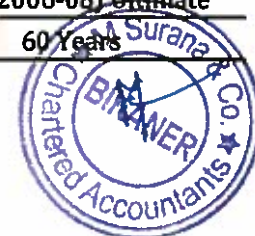
Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
Balance Sheet (Asset)/Liability, Beginning of Period	176.29	200.15
True-up	-	-
Total Charge/(Credit) Recognised in Profit and Loss	89.51	75.07
Total Remeasurements Recognised in OC (Income)/Loss	95.50	(69.28)
Acquisitions/Business Combinations/Divestitures	-	-
Benefit Pay-outs directly by the Company	-	-
Actual Company Contribution	(100.09)	(29.65)
Other Events	-	-
<b>Balance Sheet (Asset)/Liability, End of Period</b>	<b>261.20</b>	<b>176.29</b>

(x) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

Particulars	31st March 2019	31st March 2018
Insurer managed fund through approved trust	100.00%	100.00%

## (xi) Demographic Assumptions Used to Determine the Defined Benefit

Particulars	31st March 2019	31st March 2018
Withdrawal Rate	0.20	0.13
Mortality Rate	IALM(2012-14) Ultimate	IALM(2006-08) Ultimate
Retirement Age	60 Years	60 Years



## BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

### (xii) Expected Cashflows for the Next Years

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
Within 1 Year	98.54	37.79
Between 1 and 2 year	74.26	34.46
Between 2 and 3 year	74.28	38.90
Between 3 and 4 year	66.83	36.70
Between 4 and 5 year	68.18	38.56
Beyond 5 years	215.94	165.02

### (xiii) Sensitivity Analysis

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
Defined Benefit Obligation - Discount Rate + 100 basis points	(34.18)	(21.34)
Defined Benefit Obligation - Discount Rate - 100 basis points	39.71	24.18
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	38.44	23.86
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(33.32)	(20.75)

### Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow:

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability



## BIKAJI FOODS INTERNATIONAL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

### Note : 43 Related Party Disclosures as per Ind AS 24

During the year, the Company entered into transactions with the related parties. Those transactions along with outstanding balances as at 31 March, 2019 and for the year then ended are presented in the following table.

Name of related parties and description of relationship:

Name of Related Party	Relationship
Mastkin Foods Pvt. Ltd.	Enterprises over which key managerial personnel are able to exercise significant influence
Basant Vihar Hotels Pvt. Ltd.	
Shiv Ratan Agarwal	Key Managerial Personnel
Deepak Kumar Agarwal	
Sushila Devi Agarwal	
Shweta Agarwal	

### (a) Key management personnel compensation

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
<b>Short-term employee benefits</b>		
Salary	648.00	582.48
<b>Total Compensation</b>	<b>648.00</b>	<b>582.48</b>

### (b) Transaction with related parties

The following transactions occurred with related parties:

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
<b>Sales and purchases of goods and services</b>		
<b>Sale of goods to entity controlled by Key Management Personnel:</b>		
Mastkin Foods Pvt.Ltd	273.92	128.99
<b>Services taken from entity controlled by Key Management Personnel:</b>		
Basant Vihar Hotels Pvt. Ltd.	131.94	94.05
<b>Other Transactions</b>		
<b>Rent paid to Key Management Personnel</b>		
Shiv Ratan Agarwal	9.36	9.36
Sushila Devi Agarwal	9.84	9.84
Deepak Agarwal	7.20	7.20
<b>Sale of fixed assets to Key Management Personnel</b>		
Deepak Agarwal	33.00	



## BIKAJI FOODS INTERNATIONAL LIMITED

### Notes on Financial Statements for the Year ended 31st March, 2019

#### (c) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties

Particulars	₹ lakhs	₹ lakhs
	31st March 2019	31st March 2018
<b>Total Receivables (sale of goods)</b>		
Sale of goods to entity controlled by Key Management Personnel:		
Mastkin Foods Pvt.Ltd	50.35	22.88
<b>Total receivable from related party</b>	<b>50.35</b>	<b>22.88</b>

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

#### Note : 44 Fire at Factory Premises

A fire took place at karni unit of the company on 09th July 2018 causing loss to the property , Plant and equipment and stock. The loss estimated and recorded by the management in books of accounts was ₹ 173 lakhs to property ,Plant, equipment and stock. The management is contemplating recovery of claim in full from the New India Insurance company from which it had taken the insurance.





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**BIKAJI FOODS INTERNATIONAL LIMITED**

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Notes on Financial Statements for the Year ended 31st March, 2019

**Note : 45**

Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind-AS as required by schedule III of the Act.

**Note : 46**

The financial statement are approved for issue by the audit committee and the board of directors at its meeting held on September, 2019

**For M SURANA & COMPANY**

Chartered Accountants

FRN : 015312C

(MANISH SURANA)

PARTNER

Membership No. 077597

Bikaner

DATE :- 06-09-2019

UDIN - 19077597AAAAJB7500



**For and on behalf of the Board of Directors of**

Bikaji foods international limited

CIN : U15499RJ1995PLC010856

(SHIVRATAN AGARWAL)

Managing Director

(DIN 00192929)

(S.D.GUPTA)

Chief Financial Officer

(DEEPAK AGARWAL)

Director

(DIVYA NAVANI)

Company Secretary