

BIKAJI

The
Great



Snacking
Story

ANNUAL REPORT
2020-21



EBITDA

₹ 144.8

crore

53.1% ↑

Net Revenue

₹ 1310.7 crore

21.9% ↑

Net Profit

₹ 90.3 crore

60.1% ↑

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The *Great* Indian Snacking Story



India's love for food is legendary. And snacks have always been Indians' soul food. But now, with smaller families leading busier lives, and both home cooking and sit-down family meals on the decline, packaged and branded variants of namkeen, sweets and wafers are becoming an indispensable part of the monthly grocery list. The need for convenient snacking choices and a boisterous new-age food culture are adding a new twist to this tale, creating possibilities of a double-digit growth for the snacking industry. As more people work from home, these snacks are satisfying food cravings in-between work or at leisure.

A growing middle-class, young demography, increasing disposable income and a shift towards an aspirational lifestyle are creating a new growth momentum for a range of indigenous and value-for-money food brands, further strengthening the market position of established players like Bikaji.

A pioneer in the Indian snacks industry and one of the most versatile food brands in the country, we are strategically equipped to cater to evolving consumer preferences, both within the country and abroad. Our homegrown, authentic flavours and wide product range offer something for everyone, helping us make our own unique addition to 'The Great Indian Snacking story'.



¹ based on nominal GDP values in dollar terms – IMF

Corporate Identity

Desi Flavours for a Global Palate

Having begun our journey from a small workshop in Bikaner, Bikaji Foods International Limited (Bikaji) has, over the past three decades, continuously expanded its product offerings and geographical presence to become a globally recognised Indian ethnic snacks brand. Drawing on flavours etched deep in collective memory, we have crafted our own success story and are now adding a new chapter to it.

Our strong brand recall and authentic taste along with our multi-location manufacturing sites and robust distribution network have positioned us amongst the largest players in the ethnic namkeen and sweets segment in India. Our foray into new-age western snacks and frozen foods will drive us into the league of leading players in the fast-growing packaged foods market.



Vision

To provide the best quality, hygiene, competitively priced food products to our customers



Mission

- Implement the best in technology, research and development
- Make brand 'Bikaji' reach international domains
- Sustain growth trajectory by fulfilling stakeholders' expectations
- Attract and attain customer loyalty with high-value products and services

#1

Manufacturer of Bikaneri Bhujia

#2

Manufacturer of Handmade Papad

Leading

Manufacturer of Packaged Sweets (Specially Rasgulla & Soan Papdi)



Key strengths

250+ snacking options across six key business categories

13

Bhujia Categories



61

Namkeen Categories



34

Packaged Sweets Categories



8

Papad Categories



Bikaji Cafe
Bikaji Funkeen

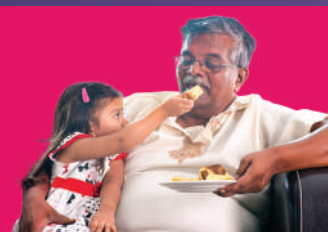
21

Western Snacks Categories



119

Other Snacks Categories



Myriad Offerings

Our diverse product portfolio is one of our key strengths, that makes Bikaji a preferred snacks brand among different consumer groups across India.

Homegrown and Trusted

With our diverse range of quality products, ethnic Indian taste, innovative packaging, strategic pricing, and effective branding strategy, we have established a strong brand equity and large customer base across India and global markets.

Strategically-positioned Units

Strategically Positioned Units are for Core markets and Focused Markets to serve better. Our manufacturing facilities are strategically located near raw ingredient supplies, which enables us to maintain a robust supply chain, reduce freight and logistics-related costs, and lower time to market.

Extensive distribution network

Over the years, we have developed a large pan-India distribution network. We have also partnered with reputed retail channels, including supermarkets, hypermarkets and retail store chains in India and international markets.

Strong financials

With our continued focus on efficiency, productivity and cost optimisation, we are able to deliver consistent financial performance and capitalise on potential opportunities.

Able Guidance and Support

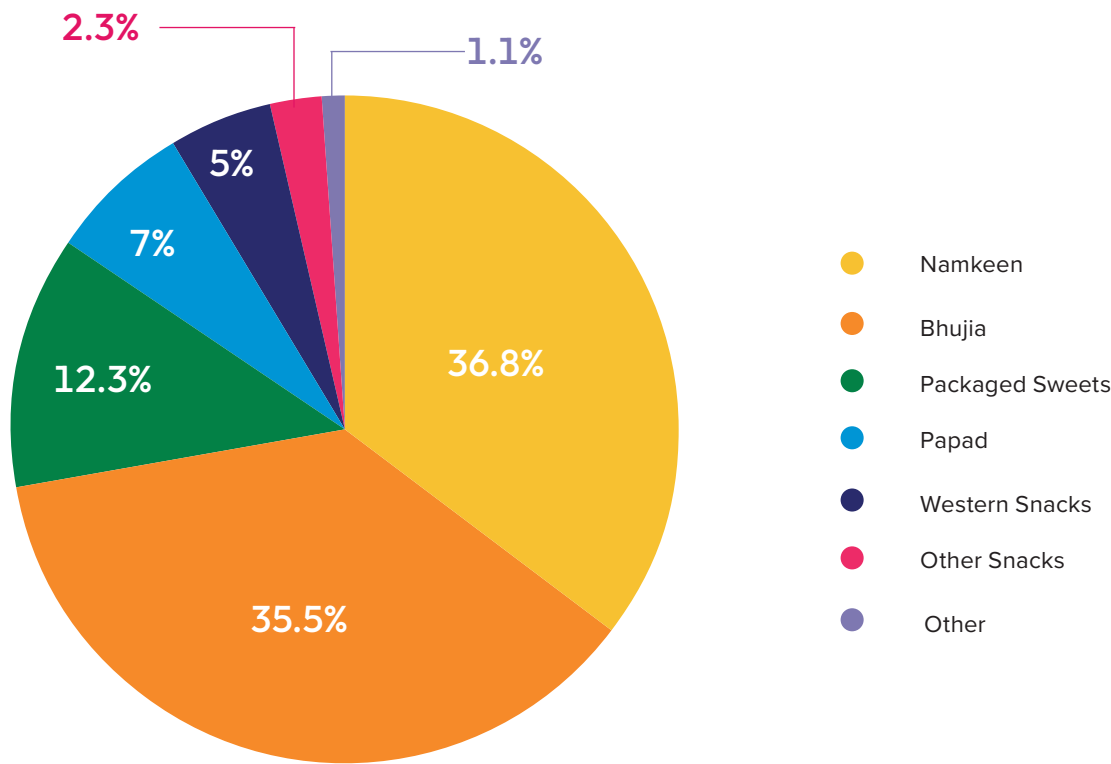
The success of a brand such as ours is largely a product of the synergies of the workforces that are guided by impeccable leadership. Our Founder, Mr. Shiv Ratan Agarwal, has to his credit not just an extensive experience of more than five decades, but he's also played a pioneering role in the Indian snack industry. Our Managing Director, Mr. Deepak Agarwal, has been instrumental in growing and diversifying our business by leaps and bounds. We also enjoy the support of marquee investors, including Avendus Capital, Axis Asset Management, Lighthouse Funds, IIFL Alternative Investment Funds and Intensive Softshare Private Limited, among others.

Product Portfolio

Something for Everyone

We offer a wide range of quality snack products, primarily bhujia, namkeen, packaged sweets, papad, and western snacks. We also sell frozen foods, gift packs, mathris, and cookies. Our deep understanding of the Indian palate, complemented by our product development capabilities, enables us to build a delectably diverse portfolio that caters to a wide range of tastes and preferences across customer groups.

Sales Mix by Product Type

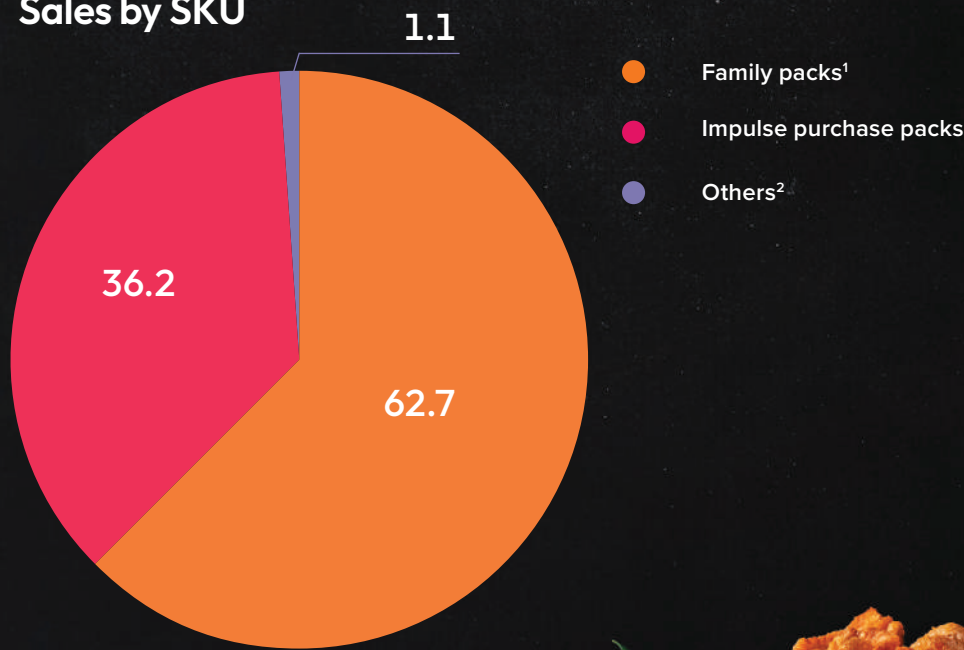


1. Western snacks include extruded products, pellets and chips
 2. Other snacks include gift packs (assortment), frozen food, mathri and cookies
 3. Others: primarily includes sales at our Mumbai restaurant

Packed to Perfection for Household Consumption Habits

We offer products in multiple sizes, offering a range of options to choose from based on their needs and budget. As we take pride in being an inevitable part of our consumers' monthly shopping plan, and a significant part of our sales comes from family packs.

Sales by SKU



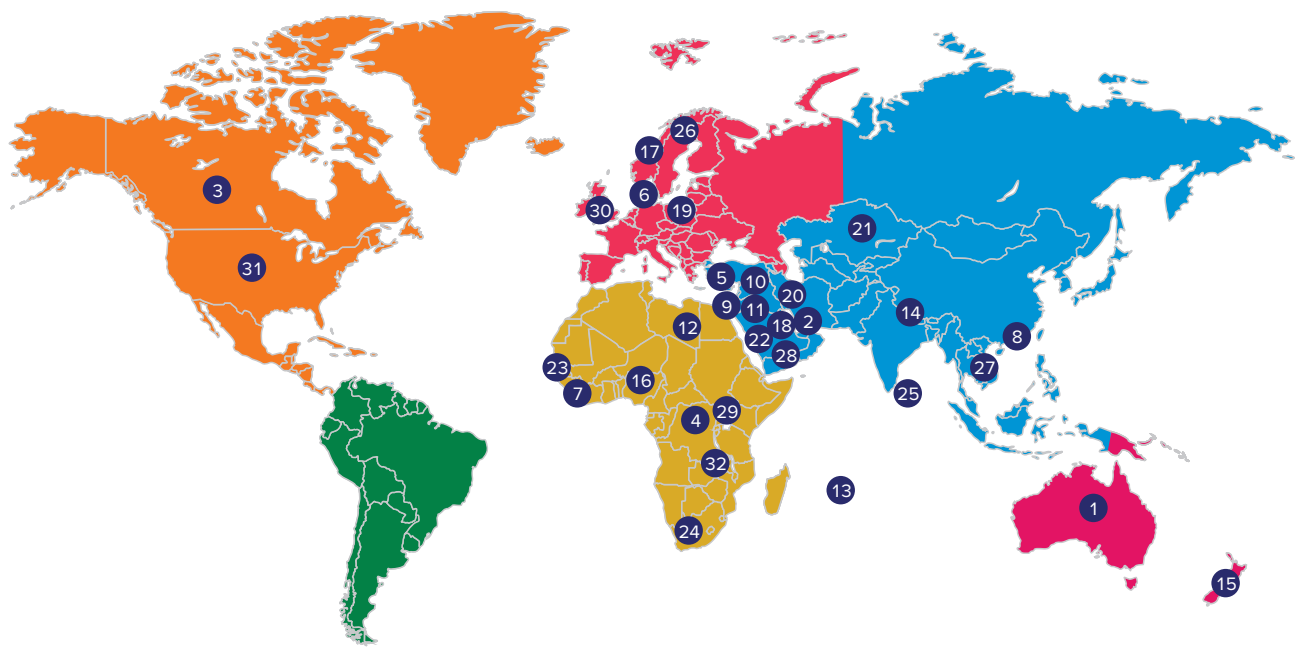
1 We categorise all SKUs above ₹10 as family packs
 2 Others include primarily sales at our Mumbai restaurant



Presence

Cultivating Tastes Around the World

We have a strong presence in India backed by our six world-class manufacturing facilities and a large distribution network. We are expanding our reach abroad through exports, effective alliances with retail chains, and brand salience among the Indian diaspora , currently with a presence in over 30 countries. We are setting new benchmarks with our products within the country and competing with the best brands globally.



- | | | | |
|-------------|----------------|--------------------------|--------------|
| 1 Australia | 9 Israel | 17 Norway | 25 Sri Lanka |
| 2 Bahrain | 10 Italy | 18 Oman | 26 Sweden |
| 3 Canada | 11 Jordan | 19 Poland | 27 Thailand |
| 4 Congo | 12 Libya | 20 Qatar | 28 UAE |
| 5 Cyprus | 13 Mauritius | 21 Russia | 29 Uganda |
| 6 Denmark | 14 Nepal | 22 Saudi Arabia | 30 UK |
| 7 Guinea | 15 New Zealand | 23 Sierra Leone Freetown | 31 USA |
| 8 Hong Kong | 16 Nigeria | 24 South Africa | 32 Zambia |

Pan-India Distribution Network

Over the last three decades, we have established an extensive distribution network with requisite domain experience and market knowledge. Currently, we are focusing on implementing an integrated inventory and distributed management system to further strengthen our supply chain.

5
Depots

22
States

43
Super-stockists

3
Union territories

2,082
Direct and indirect distributors

International Reach

We have expanded our geographic presence in the international market through global distributors or directly through reputed retail chains like Lulu Group International.

30+
Exporting to Countries

5.1%
Export revenue contribution in FY21

World-class, Strategically Located Manufacturing Units

Our manufacturing facilities are well-equipped with modern and automated production processes for all categories and majority of products. They are ideally positioned around raw material suppliers and target markets to improve the distribution of our finished products.

Operational manufacturing facilities#

Rajasthan Karni – Bikaner Bichhwal – Bikaner I Bichhwal – Bikaner II Bichhwal – Bikaner III	West Bengal Kolkata, CMU*	Karnataka Tumakuru

Bhujia
 Western Snacks
 Papad
 Namkeen
 Packaged Sweets

As of December 2021 * CMU- Contract Manufacturing Unit



India’s Consumption Story

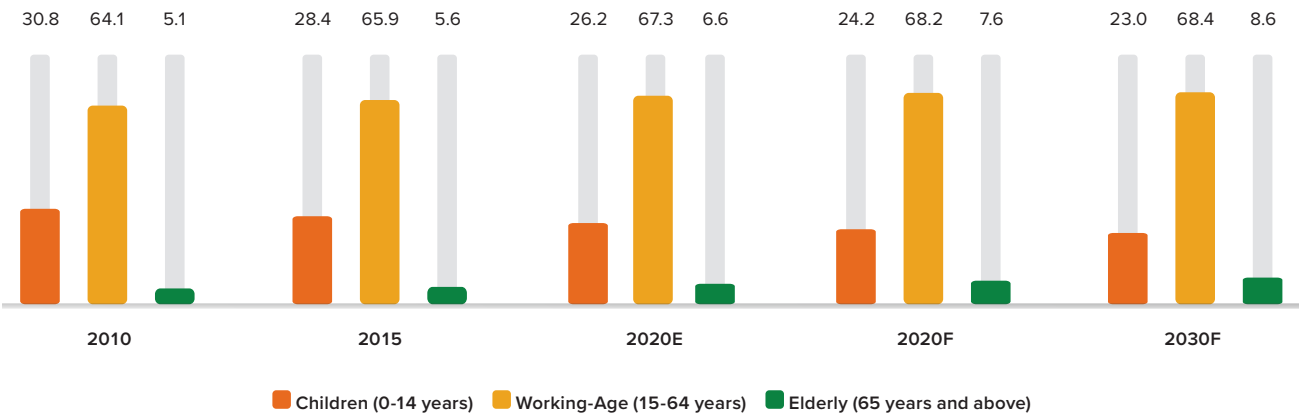
The Great Indian Indulgence

India is expected to be the world’s most populous country by 2030. Along with that, rising levels of income, expansion of the middle-class segment and yearning for a better lifestyle are likely to fuel India’s consumption growth. As a market leader in the organised snack industry, we are well-positioned to seize the emerging opportunities, cater to evolving tastes, and contribute to the unfolding food saga.

Working population driving consumption

The growing working-age population in India is a crucial driver of consumption. Greater buying power of this segment is aiding economic growth. In addition, the government is designing timely policy interventions for skill development of the youth, to better enable employment generation.

Increase in Working Population

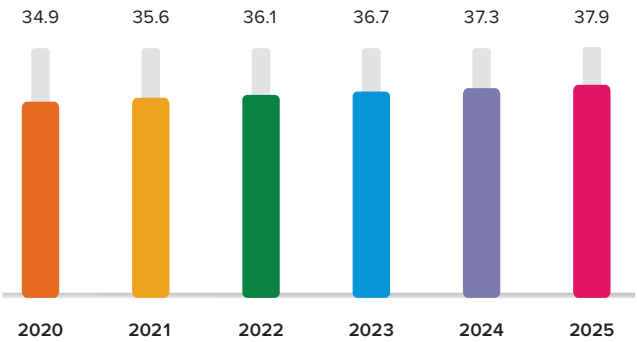


Note: E indicates estimate and F indicates forecast. Data is presented for clender years.
Source: United Nations; World Bank; Frost & Sullivan Analysis

Growing Affordability

According to Oxford Economics’ Global Cities report, 17 of the 20 fastest growing cities in the world between 2019-35 will be from India. Studies also show that India’s cities will contribute 70% of the country’s GDP by 2030. As people are moving to urban areas and upgrading their living standards, their consumption pattern is changing. They have better affordability, and are willing to spend on quality products and services, leading to substantial consumption growth.

Urban population share trend (in %)

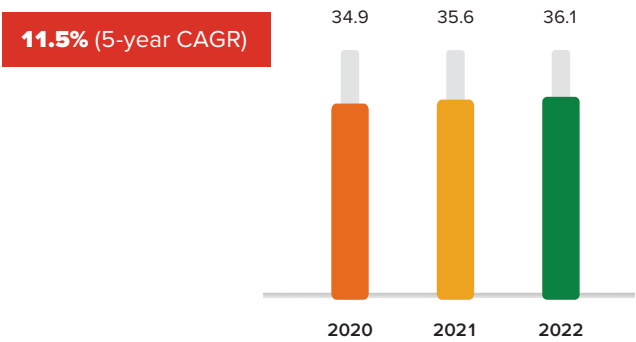


Source: World Bank

Changing Taste, Changing Lifestyle Choices

With rapid urbanisation, rising disposable income and changing lifestyles, there has been a shift in the food consumption pattern in India. Given the convenience they afford, processed and packaged foods are gaining in popularity. A fast-paced, busy lifestyle, as well as time constraints for meal preparations, have bolstered the packaged food market, which is expected to grow at a CAGR of 11.5% in the next five years. E-commerce is also facilitating the sale of convenience foods like ready-to-cook or ready-to-eat, frozen foods, and snacks significantly, due to increased availability and affordability.

Packaged food market forecast (₹ in billion)



What lies in the pack

Trends driving packaged food industry



Safety and Hygeine
Packaged food is the ultimate solution for maintaining the hygiene of the food products and given the pandemic, consumers are getting increasingly concerned about the safety and hygiene standards of food.



Convenience
A greater number of families are becoming nuclear. The urban lifestyles are changing and are enabling the working class to opt for ready-to-eat and quick-to-prepare packaged foods.



e-Commerce
With digital connectivity and popularity of e-commerce, online sales of packaged foods have grown significantly over the years. Consumers want to get foods at their doorstep, and this trend can further boost the packaged food market.



New Segment of Packaged Foods
In recent years, consumers have been looking for newer flavours and varieties of snacks. As a result, the demand for innovative packaged foods, such as frozen foods and regional snacking options, is likely to increase.

Chairman Speak

Keeping it Authentic and Indian



**Dear Friends,
Even as I write to you,
I remember the exciting
times when I laid the
foundation of Bikaji –
a name chosen to honour
Maharaj Shri Rao Bika,
the founder of Bikaner¹,
also known as the home
of bhujia.**

I had set out with a dream of taking Bikaner's bhujia to households across the country, and the globe. There is no greater joy and satisfaction than being able to achieve this dream.

Many have asked me why I started from Bikaner, when I could have done it from anywhere in India. My response has always been, "If not here, then where?" Bikaner is not only the place where bhujia originated in 1887, but it's also where my grandfather Ganga Bishen Agarwal or Haldiram Ji, as he is popularly known, first made his famous 'moth bhujia'. There are reasons why Bikaneri bhujia can only be made in Bikaner. Availability of raw materials, such as moth dal and spices, is a critical factor, and it is also one of the key differentiating factors for the products. Also, the desert water plays a big role and comes with its own uniqueness. Not to mention the fact that getting the 'Geographical Identification' tag for Bikaneri Bhujia has only deepened my belief that bhujia can never have its authentic taste unless it is made in Bikaner.

A Long Journey

This journey has not been easy. When I started in the late Eighties, bhujia was something the local halwai made, and you consumed it over the next couple of weeks, at the maximum. Those were times of a fragmented and unorganised market, and the concept of branded products was not too popular. Branded goods were a prerogative of foreign markets. The idea of scalable and hygienically packed bhujia was not only unheard of, but also something that was yet to be pioneered. I had to travel across the world to find machines that could be customised to produce bhujia, and pack it in a hygienic manner without compromising on the taste. But then, when one is curious and passionate about something, one goes the distance and finds innovative solutions.

Over the years, we have expanded our product portfolio and have become known for innovating and adopting new technology to improve operational processes and brand awareness. We have many firsts to our credit. From being conferred the National Award for Industrial Excellence in Food Products category way back in 1992, to introducing colour packaging for increasing customer recall, or

becoming the first in the industry to manufacture rasgulla on a fully automated manufacturing line we have come a long way. We use best-in-class tech software embedded like SCADA, produce the largest quantity of Bikaneri bhujia in India at 100 tonnes per day, with an overall production capacity of 48,600 tonnes and have launched the first-of-its-kind restaurant, Bikaji Food Junxon, Mumbai in 2008. We have a longer way to go as the Indian growth story, I believe, has just begun to unfold.

Targeting a Growing Audience

Given the macroeconomic landscape, we want to expand our manufacturing capacity to cater to a larger audience. In addition, we plan to further diversify our product portfolio to fulfil consumer needs across ages and regions. It is undeniable that we have maintained the original flavour of traditional sweets and savoury delights. What we now need to do is give the Indian snacking industry a twist, by introducing more western and new-age snacks, like our Funkeen and Café ranges.

As we move to the next phase of growth, we're expanding our footprint and venturing into new products. I am confident of our strong fundamentals and structural values on which our business is built. We will continue to work on our dreams, making Bikaji a household name, and focusing on taking the unique local flavours of India to a larger, global audience.

I am extremely proud and humbled by what we have achieved. None of this could have happened without the constant support of the dynamic team at Bikaji. I would like to take this opportunity to thank each team member, along with our partners, suppliers, distributors, investors, bankers and all our stakeholders who have been instrumental in turning this dream into reality. I look forward to having your continued support and trust in us.

Regards,

Shiv Ratan Agarwal
Chairman

Managing Director's perspective

Packing More Power into our Growth Drive

Dear Stakeholders,
Hope you are safe and doing well. The pandemic has dynamically changed the world, and how we live. Work and social behaviour patterns have undergone drastic changes, and these trends will continue to be manifest for years to come.

The pandemic, thankfully, had minimal impact on our operations. The food industry qualified as essential products, and the government allowed us to restart operations in mid-May 2020. It was a challenging period, but the dedication and spirit of our workforce to serve the nation in whatever way they could, helped us keep operations running, and made it easier for us to navigate the way forward. As an organisation, we did everything possible for our people, be it providing food to the workers when everything was closed, or disbursing salaries early. We are humbled that not a single worker migrated from Bikaner, and the confidence they showed in us, made us want to strive better each day. Our longstanding relation with supply chain partners enabled us to seamlessly make our way through the pandemic.

We were able to maintain our strong performance trajectory during the year with our revenue growing ~22% to ~₹1,310 crores in FY21. Our PAT grew by ~60% to ₹90.3 crores, leading to a Return on Capital Employed of 20.88% as compared to 12.79% in FY20.

Focused Growth

The snacking industry has been on an uptrend and is expected to maintain momentum. The demand for hygienic products, brand awareness and ease of availability, are making people move towards the organised players.

Bikaji has a strong growth potential. Though a national player, we have been primarily concentrated in the markets of Rajasthan, Bihar and Assam, leaving nearly four-fifth of the population waiting to be tapped. Additionally, our entry into new segments, which are currently undergoing trial runs, is expected to accelerate growth, going forward.

To be a global, more accessible and forward-thinking brand, we have prioritised four focus areas: strategic expansion of manufacturing capabilities across the country, strengthening of distribution network, adoption of advanced technology, and attention to branding and marketing activities.

Distinctive Market Approach

As we enter new segments, we have planned to take a distinctive market approach by examining them across three categories of markets – core markets, focus markets, and other markets. Core markets include Rajasthan, Assam and Bihar, where we already have significant market share and are the category leader. For these markets, our focus is to consolidate our leadership by enhancing sales efficiency and productivity through sales automation and distribution management system.

Our focus markets include Uttar Pradesh, Punjab, Haryana and Delhi in north India, and Karnataka and Telangana in south India. In these markets, we want to increase our market share and presence by strengthening our distributor base. We intend to also leverage e-commerce channels in these markets to ensure consumer awareness

and reach. In addition, we will continue to launch specific innovative products catering to the local tastes.

In the remaining markets which we have termed 'other markets', our priority is to build a distribution network with experienced dealers, who have exposure in the same categories to leverage their strengths. Initially, we want to look at the large cities, and create demand, and strengthen our brand recall for our popular products through brand building activities. Once we get product acceptance and reach threshold business volumes, we will invest in full-fledged infrastructure to extend into deeper markets and offer all our product categories.

With this holistic market strategy, we believe we are poised to continue the Great Indian Snacking Story that began in the bylanes of Bikaner, and is now captivating the world.

Leveraging our People Capital

It is our employees, who have made Bikaji a global name in such a short span of time, and it's our people, who will further work towards making it a household name in the newer markets. Though words are not enough, I would like to take this opportunity to thank each one of our employees for their commitment, dedication and determination. We are also expanding our key management team, bringing in industry experts across units, to power the next phase of our growth.

At Bikaji, we believe that a new era of growth is beginning for us as we move towards becoming more organised, with stronger governance and a listing on the bourses. Last but not least, I would like to thank all our stakeholders for their support and unalloyed faith in our abilities.

Regards,



Mr. Deepak Agarwal
Managing Director

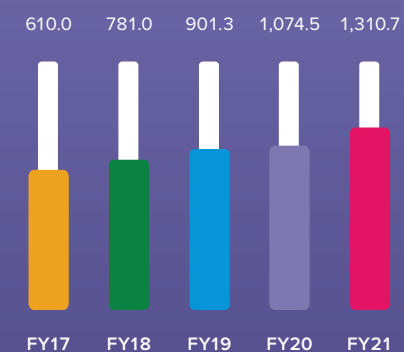
Key Performance Indicators

Small Bites Lead to Big Results

We have registered steady growth over the years. With the pandemic prolonging the stay at home last year and the year before that, small indulgences like snacks lifted the mood and provided welcome diversion. Quarantine snacking and consumers opting for our smart packages, both big and small, of savouries and sweets have resulted in healthy margins.



Revenue (₹ in cr)

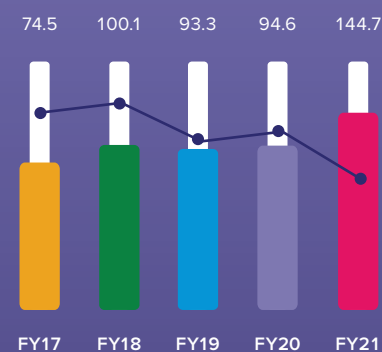


22% YoY growth
xx% (5-year CAGR)

Year in Review: We saw a significant demand pull across our products driven by Quarantine Snacking, leading to a robust growth in revenue.

Path Ahead: As we add new products and capacity, enter new places, and increase presence in lesser penetrated geographies, leveraging our multiple sales channels, we expect the growth to remain strong.

EBITDA (₹ in cr) & EBITDA Margin (in %)

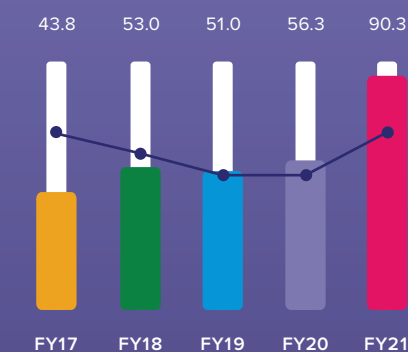


53.1% YoY EBITDA growth
xx% (5-year EBITDA CAGR)

Year in Review: We are an undisputed leader in the family pack segment sales. In fiscal 2021, we recorded the highest share of 63% amongst our other SKUs of ₹5 and ₹10 packs, which further drove EBITDA margins.

Path Ahead: We will be focusing on maintaining a preferable product-mix, with increased sale of large packs.

PAT (₹ in cr) & PAT Margin (in %)

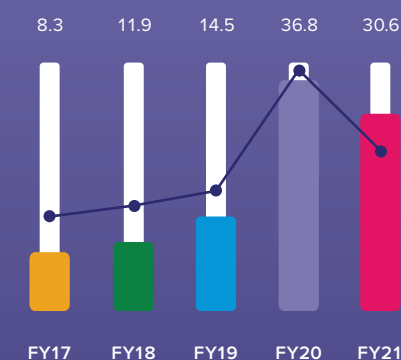


60.3 YoY PAT growth
xx% (5-year CAGR)

Year in Review: Our strong EBITDA and low debt-equity enabled us to maintain a healthy bottom-line.

Path Ahead: Moving forward, we also plan to maintain a low debt-equity ratio, funding our capital expenditures primarily from internal accruals.

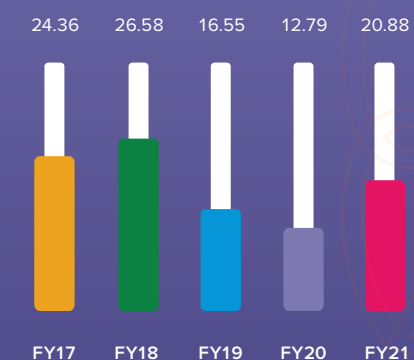
Advertisement Expenses (₹ in cr) & Advertisement Expenses Margin as % of Revenue (in %)



Year in Review: As our brand recall grows, and we move towards new channels and modern trade, we are reducing our advertisement spend both in absolute terms and as a percentage of revenue.

Path Ahead: We expect to maintain spends at current level, with a focus on creating brand awareness for our newer brands Funkeen and Café.

Return on Capital Employed (in %)



Year in Review: Our robust top and bottom-line has empowered us in creating strong returns on the capital employed.

Path Ahead: Going forward, we will focus on further improving our return by managing cost efficiently.



Strategic Priorities

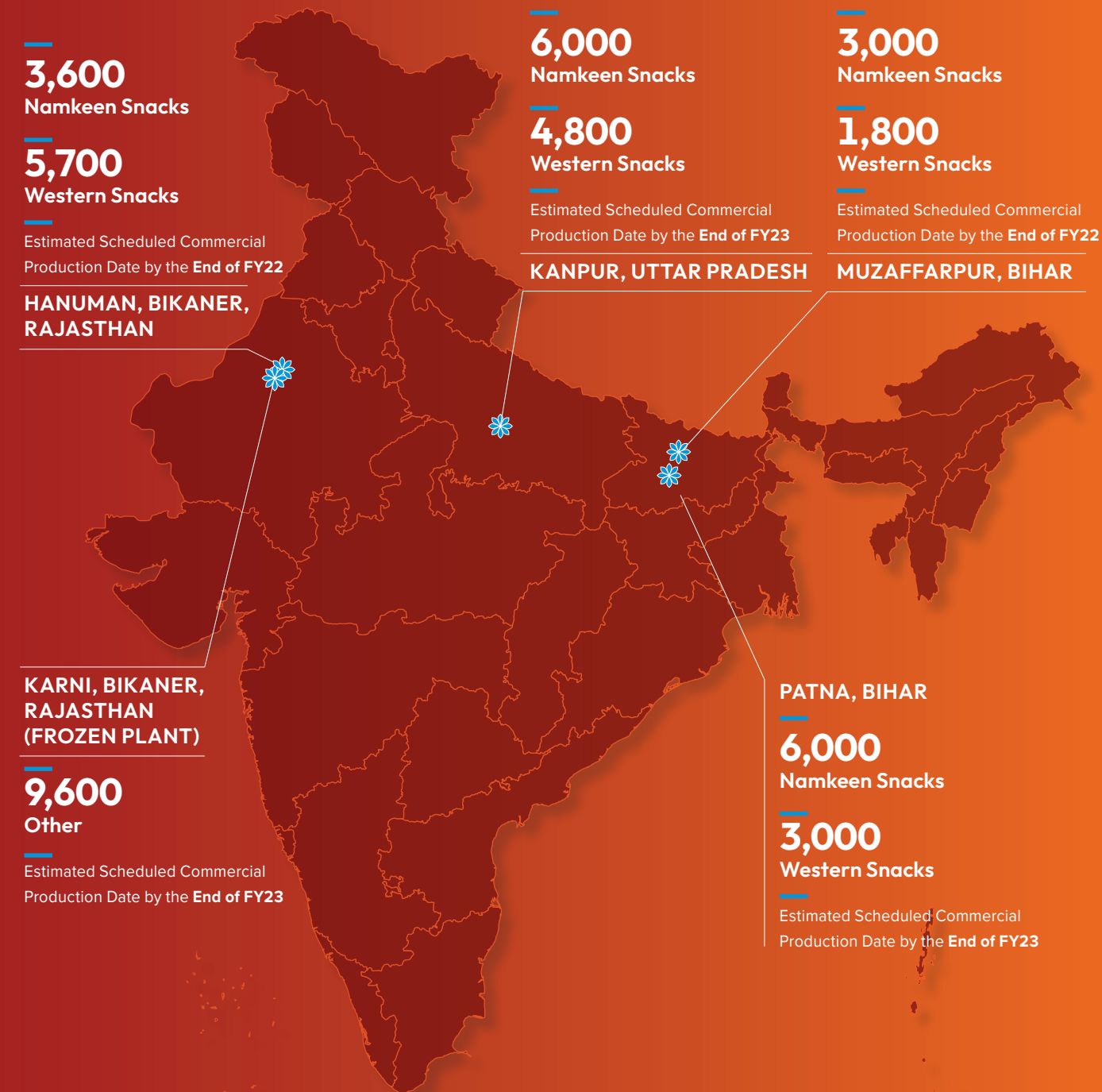
An Unbeatable Recipe for Success

To become a dominant pan-India player in the organised snacks market, we have a four-pronged strategy. From creating additional production facilities close to our target markets to leveraging technology and partnerships to increase our reach and brand appeal, we have an extensive gameplan to propel our next phase of growth.



Strategic Facility Expansion

We are expanding our facilities in Rajasthan, Bihar and Uttar Pradesh to fulfil the rising demand for various snacks foods. We expect the commercial operations of these facilities to flag off in the next two years.



Numbers in tonnes.

Strategic Priorities

Leveraging Technology

Since incorporation, we have strived to innovate and adopt technologies to improve our processes. As we plan to take our business to the next growth phase, we are implementing various advanced technology-driven processes to increase efficiency and optimise costs.

ERP System

We have Microsoft Dynamics 365, a robust Enterprise Resource Planning (ERP) system, which is integrated with our production systems that allows us to align demand with production. Moreover, it helps us in different operations like finance, sales, purchase, and inventory maintenance.

Automation

In addition, we will implement an automated storage retrieval system to optimize floor space in our warehouses and streamline goods movement. This will allow us to manage orders effectively and increase customer satisfaction, thereby growing sales.

DMS and SFA

We are also leveraging digital technologies to ensure seamless distribution and sales operations. We have implemented a comprehensive Distributed Management System (DMS) and Sales Force Automation (SFA) solutions for our super-stockists and distributors. These systems will allow them to effectively coordinate their operations, and help us to have a centralised control over distribution network.

In addition, we will implement an automated storage retrieval system to optimise floor space in our warehouses and streamline goods movement. This will allow us to manage orders effectively and increase customer satisfaction, thereby growing sales.



Strengthening our Distribution Network

We currently have presence in the majority of national and regional retail chains. We are using technology to strengthen the distribution network through a Distribution Management System (DMS) along with Sales Force Automation (SFA) to track secondary and retailing data points at the micro level. In addition to the technological interventions for our distributors, we want to focus on expanding the range of products offered at each outlet. This will help us ensure effective coverage of these retail outlets.

Apart from this, we are also focusing on the untapped markets by building a distribution network with experienced distributors, with prior exposure to the category and range of products we offer.



Setting Branding Standards

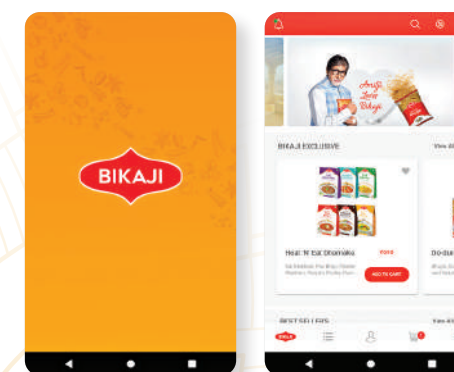
We have consistently allocated significant resources to establish and strengthen the Bikaji brand and increase our brand recall. Our entire product portfolio is marketed under the Bikaji brand, allowing customers to associate their favourite snacks with one brand.

Amitji Loves Bikaji

We have engaged Mr. Amitabh Bachchan, one of the most popular celebrities in India and across the globe, as our brand ambassador to strengthen our brand equity across all socio-economic classes across the country and abroad. Further, our marketing initiatives include advertisements on television, radio, movies, print, social media, digital and outdoor promotional campaigns, and sponsorships of prominent sports and cultural events in India.

Strong Digital Presence

To access a wider and more direct consumer base, we have launched our website (www.bikaji.com) and a mobile app. Our online platforms allow our customers to browse and select their favourite snacks and sweets from anywhere in the world.



*Amitji
Loves
Bikaji*



Market Segmentation

Just the Right Amount of Seasoning

Different markets need different strategies to break through. We have curated well-defined individual plans to drive growth in our core markets, focus markets, and ‘other’ markets, each of which requires a unique set of inputs and support.

Core Markets

Consolidate our leading position

Focus Markets

Grow presence and market share

Other Markets

Brand recall and product acceptance

Core Markets

Our core markets include Rajasthan, Assam and Bihar, where we continue to gain market share and strengthen our leadership position. In FY21, we enjoyed a significant market share in organised ethnic snacks market in each of these core markets.

Going forward, we will continue to invest in these markets to further consolidate our leadership position by improving distribution efficiency, designing a different marketing strategy, together with up-sizing and premiumisation of our products.

Market Share in Organised Ethnic Snacks, FY21

41.6%

Market share of in Rajasthan

53.2%

Market share in Assam

29.2%

Market share in Bihar

To consolidate our leadership position

INCREASING DISTRIBUTION CHANNEL EFFICIENCY

We will leverage growth from our existing distribution channels by enhancing distribution and sales efficiency and productivity using automation tools. We will continue to leverage wholesale distributors and hawkers’ channel, which are two critical and important business channels in these core markets. In addition, we have planned to implement a loyalty programme to increase our indirect reach.

SHOPPER MARKETING PROGRAM

We will conduct a specific shopper marketing program for our core markets by putting point-of-buying signage for different product categories. This will help customers in finding the products they are looking for in the store.

FACILITY EXPANSION - FOR WESTERN AND FROZEN SNACKS CATEGORY

Our new facilities in the core markets will help us to fulfil our consumer demand for western and frozen snacks.

SPECIFIC STRATEGY FOR CORE MARKETS- PRODUCT UPSIZING AND PREMIUMISATION

In addition to our key strategic priorities, we have specific strategies in place for core markets that includes upsizing and premiumisation by focusing on existing products with new categories and western snacks. Our new manufacturing facilities will help us play aggressively in western categories, help us better turnaround time and ensure logistical efficiency.

Market Segmentation

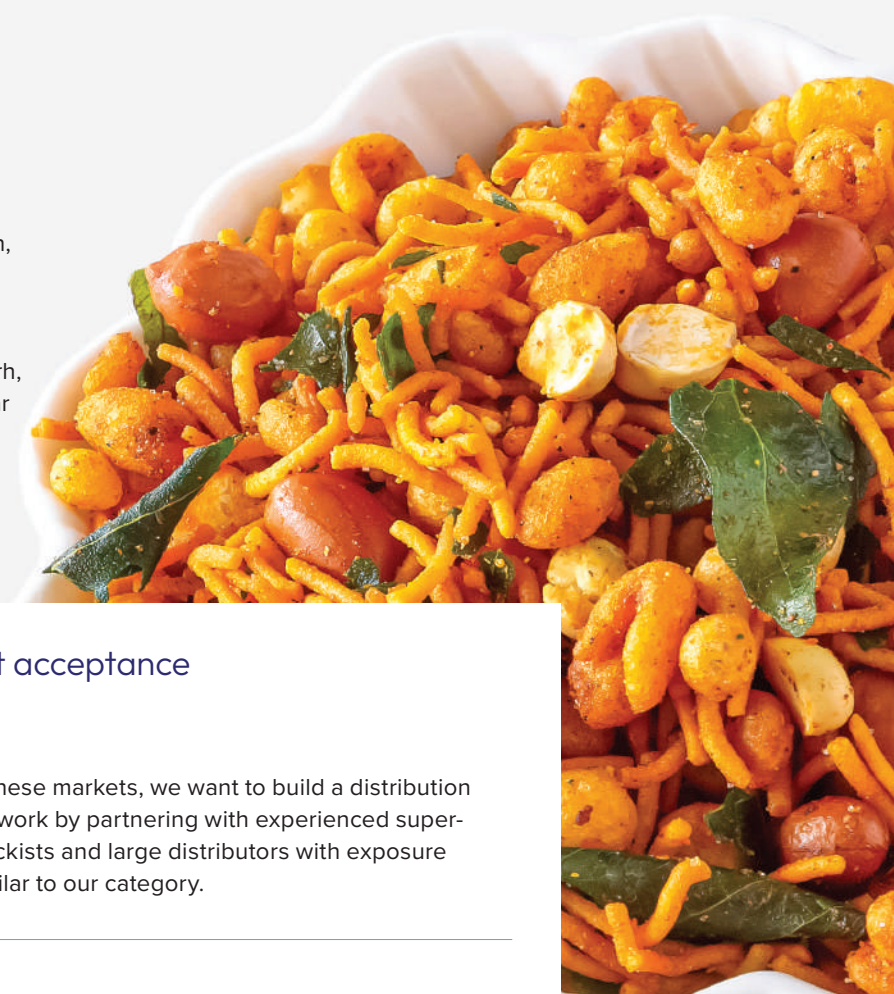
Focus Markets

Our focus markets include Uttar Pradesh, Punjab, Haryana and Delhi in North India, Karnataka and Telangana in South India. In these states, there are immense growth opportunities and we have already made significant inroads, recording a sales CAGR of 33.93 % between Fiscal 2019 and Fiscal 2021. These focus markets are typically proximate to our core markets. We expect these focus markets to contribute to disproportionate growth for the next several years.



Other Markets

Our other markets include Gujarat, Madhya Pradesh, Maharashtra, West Bengal, Jharkhand, Tamil Nadu, Chhattisgarh, Manipur, Nagaland, Uttarakhand, Odisha, Goa, Kerala, Andaman & Nicobar Islands, Jammu and Kashmir, Arunachal Pradesh, Chandigarh, Meghalaya, Himachal Pradesh, Daman, Dadra Nagar Haveli, Tripura and Andhra Pradesh.



Gain presence and market share

STRENGTHENING DISTRIBUTION BASE

We will strengthen our distribution base in these markets by adding more super-stockists and distributors in more cities and towns. We entered this geography by initially focusing on our top-selling products, and now we are expanding both our western and ethnic ranges, which would further help in gaining presence and market share.

INNOVATIVE PRODUCTS, CATERING TO LOCAL TASTE

We intend to leverage our popular products such as bhujia, and namkeen, and drive western snacks categories, to cater to local tastes. For example, in the southern focus markets, we have introduced regional tastes such as the Mangalore mix and Southern mix.

LEVERAGING MODERN TRADE

We intend to leverage modern trade (e-commerce) channels in these markets to ensure consumer awareness and reach. We plan to intensify our feet on the ground to strengthen our sales team in these regions, which will drive and assist in managing our distribution network and increase reach.

FACILITY EXPANSION

We have strategically planned to expand our facilities in Uttar Pradesh for 'Namkeen' and western snacks to support our growth strategy. The commercial operations in these facilities are expected to begin in the next two years.

Strengthen brand recall and product acceptance

BUILDING EFFECTIVE DISTRIBUTION NETWORK

In these markets, we want to build a distribution network by partnering with experienced super-stockists and large distributors with exposure similar to our category.

MASS MARKETING

We will focus on strengthening our brand recall through TV commercials and advertisement activities. This will help us gain product acceptance, resulting in enhanced trade and consumer traction.

LEVERAGING MODERN TRADE

We intend to focus on large cities and will be driving our popular products. Initially, our focus will be on modern trade, like e-commerce, and B2B platforms, to increase our market presence and product acceptance. Once we reach a certain business volume, we will expand to other channels and reach



People

Our Secret Ingredient

Our employees are key to achieving our strategic goals and laying a strong foundation for future growth. Ensuring the well-being of all our employees with an engaging, enabling and safe workplace continues to be our top priority.

3,203*

Employees

*Includes both employees of our Company (3,159 employees) and subsidiary (44 employees) as of September 30, 2021

Creating a Safe Workplace

It is our duty to ensure the safety and well-being of our workers, particularly at our manufacturing units. We consistently reinforce this safety priority through investment in secure technologies, creating detailed operating protocols, strengthening process compliance and periodically reviewing performance. We also engage in cross-functional analysis, create a documentation backbone and analyse deviation in order to create an effective framework to maximise workplace safety.

Training and Development

The talent and hard work of our people enable us to retain our market competitiveness. Our human resource policies prioritise employee training and retention. We provide training to our staff to help them grasp our internal compliance and control processes, as well as our food and health safety and quality control standards. We also encourage teamwork and ensure that our employees grow both personally and professionally. Our human resource practices are geared to attract the right talent, ensure their continual development, and promptly resolve workplace problems and issues.



Community Care

Taking Everyone Along

We believe business can play a key role in driving socio-economic development and transformation. Our community development initiatives proved relevant in supporting the post-pandemic recovery, particularly for the vulnerable sections who were most affected.

We continue to serve underprivileged communities in collaboration with multiple grassroots-level non-profit organisations. We align with organisations which are working not only on the economic empowerment of the poor, but are also focusing on the social, economic and legal empowerment of underprivileged women. We aim to eradicate some of the root problems of our society, such as gender bias. We also undertake initiatives to enhance access to quality education by providing scholarships as we strongly believe that education can go a long way in empowering people and enhance their ability to make choices about their lives.



Women Empowerment

Even though we have a largely mechanised process at our manufacturing plants, we have consciously kept business space for Hand Made Papad, while we do also have machine made papad as well. This decision would continue to give opportunity to over 3,000 women employees, who earn their livelihoods through papad manufacture at our workshops. The lack of mechanisation in the process also enables us to keep the tradition and art of handmade papad alive.

Governance

Guiding with Experience and Foresight



Mr. Shiv Ratan Agarwal - Founder
Chairman and Wholetime Director

He has made Bikaji a popular snack option not only in India but also across the globe. It was his vision to give bhujia its due recognition beyond the borders of Bikaner. Thanks to his commendable efforts and contribution, today, bhujia is not only a household name, but also a patented product with Geographical Indication (GI) tag.



Mr. Deepak Agarwal - Promoter
Managing Director

He completed his postgraduation studies in family managed business from SPJIMR-Mumbai. He joined the business two decades ago, and since then, has led the Company from the front. His new-age thinking and passion for more have paved the way for product innovations and several new and exciting products. His business acumen and bold decision-making ability have helped Bikaji scale greater heights.



Mrs. Shweta Agarwal
Wholetime Director

She has a postgraduate degree in Arts. Her dedication towards work has been an inspiration to the team. She has been a key driver of Company's growth, receiving various awards and recognition.



Mr. Sachin Kumar Bhartiya
Non-Executive Director

He joined Bikaji's Board in April 2014, and is a Partner at Lighthouse Funds. He is a Bachelor of Commerce from the University of Calcutta, and is a Chartered Accountant with experience in private equity, banking, infrastructure leasing and other financial services.



Mr. Vikrant Balbir Sibal
Non-Executive Director

He is a graduate from the prestigious Narsee Monjee College of Commerce & Economics, as well as an MBA in Finance from SIESCOMS. He has qualified for CFA Level 2 and ICSI. He is currently working as a Principal Fund Manager at IIFL and has more than 15 years of industry experience.



Mr. Siraj Azmat Chaudhry
Independent Director

He joined Bikaji's board in August 2021 who is an industry expert, thought leader and innovator in the agriculture and food industry. He has over 32 years of experience in building, turning around, acquiring, and divesting businesses. He also serves as an Independent Director on the boards of Tata Consumers Products, Tata Coffee, Dhanuka Agritech and Jubilant Ingrevia. He is also the former Chairman and Managing Director of Cargill India.

Management Team

A Dynamic Mix of Old and New



Mr. Manoj Verma
Chief Operating Officer
Joined: 2021

He holds a postgraduate diploma in Sales and Marketing from NIS Delhi, and has completed graduation from Agra University. He has 25 years of experience in Strategic Business Planning, Cross Functional Coordination, Merchandising & Retailing, Promotional Activities/Solution Selling, Commercial Operations/Sales Brand Development, RTM, Market Competition Analysis, NPD, and other fields with various renowned companies such as MRS Bector Specialties Ltd, Mondelez India Foods International, Aditya Birla Retail Ltd, Colgate Palmolive (I) Ltd, etc.



Mr. Shambu Dayal Gupta
Chief Financial Officer
Part of Bikaji since inception

He has a Master's degree in commerce. In addition to being responsible for the Company's finance, he is also responsible for liaising with key external stakeholders. He aids in building a constructive image of the Company, representing it extensively amongst industry groups and associations.



Mr. Rishabh Jain
Vice President - Finance
Joined: 2015

He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has over 10 years of experience in financial planning and tax audit. He is responsible for the administrative, financial, and risk management operations of the Company. He is primarily responsible for planning, implementation, managing and running of all the finance activities of the Company, including business planning, budgeting, forecasting and negotiations.



Mr. Bhupender Singh Sohal
Vice President – Sales
Joined: 2014

He is responsible for driving sales objectives, and achieving commercial budget and targets, identifying new sales opportunities, building client relationships and a high performing team by providing strong mentorship, coaching and guidance. Prior to joining Bikaji, he worked with MAPSOP, ICICI Prudential Life Insurance, Bharti AXA Life Insurance Ltd., and Reliance Broadcast Network Limited (92.7 Big FM). He has completed his MBA in Marketing.



Mr. Ram Kumar Sinha
President – Sales
Joined: 2020

He has 18 years of experience in General Trade, Modern Trade, E.Com.and HoReCa in FMCG Sales & Marketing. He has worked with different esteemed organisations, such as Reliance Retail Ltd, Tata IHCL and Godrej Groups. He has an MBA from Pune University, with a specialisation in Marketing.



Ms. Divya Navani
Company secretary
Joined: 2011

She is an Associate Member of the Institute of Company Secretaries of India. A commerce graduate, she holds a Master's degree in Law (LLM), a postgraduate diploma in labour law (PGDLL). She has hands-on experience over 10 years in Company Law compliances, and corporate secretarial matters.



Mr. Pravesh Kumar Tiwari
Head – Human Resource
Joined: 2019

He has pursued MBA in Human Resource Management / Personnel Administration from Uttar Pradesh Technical University. He has previously worked with Balaji Wafers Private Limited.



Mr. Paparao Ronanki
Vice President – Operations
Joined: 2021

He has an extensive exposure of 25 years in the food processing industry at various renowned companies, such as Miraj Group, Babaji Snacks Pvt. Ltd. (Haldiram Group), Lamba Food Products, and Bikanervala Foods Pvt. Ltd, etc.

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Directors' Report

Dear Shareholders,

Your directors have pleasure in presenting the 26th Annual Report together with the Audited Financial Statement of the "Company" Bikaji Foods International Limited (Consolidated and Standalone) for the financial year ended March 31, 2021.

1. Financial Highlights:

The Highlights of financial results (standalone and consolidated) of your Company for the Financial Year 2019-20 and 2020-21 are summarised below:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	(2020-21)	(2019-20)	(2020-21)	(2019-20)
Revenue from Operations	1,30,845.66	1,07,455.08	1,31,074.91	1,07,455.08
Other Income	1,086.84	835.08	1,146.22	835.08
Total Income	1,31,932.50	1,08,290.16	1,32,221.13	1,08,290.16
Total Expenditure	1,19,945.29	1,02,044.64	1,20,209.92	1,01,926.12
Profit before Interest, Depreciation, Taxation and Extraordinary Items	15,571.43	10,176.46	15,622.67	10,294.98
Depreciation & Amortisation	3,292.00	3,419.52	3,311.97	3,419.52
Profit before Exceptional Items, Interest and Tax	12,279.43	6,756.94	1,2310.7	6,875.46
Finance Costs	292.22	511.42	299.49	511.42
Profit before Exceptional items & Tax	11,987.21	6,245.52	12,011.21	6,364.04
Add (Less): Exceptional Items				-
Profit before Tax	11,987.21	6,245.52	12,011.21	6,364.04
Tax Expense				
Current Tax	3,097.54	1,554.99	3,097.53	1,552.14
Deferred Tax (Excess)/Short provision for tax pertaining to prior years	(84.90)	(857.80)	(119.77)	(825.14)
Profit after Tax	8,974.56	5,548.33	9,033.45	5,637.04
Earnings per Share (Basic)	3.69	2.28	3.71	2.32
Earnings per Share (Diluted)	3.69	2.28	3.71	2.32
Surplus available for appropriation	37,875.52	29,490.17	37,369.36	28,989.66
Interim dividend on Equity Shares	486.27	486.27	486.27	486.27
Dividend Distribution Tax on Interim Dividend	0.00	102.95	0.00	102.95

2. Result of Operations and the State of Company's Affairs:

Standalone

After the initial period of disruption in first quarter of FY 2020-21, the Company made a good recovery. The latter half of the year also saw a smart turnaround. We continue to see the pressure on margins due to increase in commodity prices like Edible oil and Pulses, however the Company could get the full-year benefit of the cost control measures launched last year and certain investments which were made in the year 2020-21. The Standalone Revenue from Operations for the FY 2020-21 was at ₹1,30,845.66 lakhs which was 21.8% higher than the previous year Standalone Revenue from Operations of ₹1,07,455.08 lakhs. The Company has reported total income of ₹1,31,932.50 lakhs for the current

financial year as compared to ₹1,08,290.16 lakhs in the previous financial year. The Net Profit for the year under review amounted to ₹8,974.56 lakhs as compared to ₹5,548.33 lakhs in the previous financial year thus registering a robust growth of more than 57%.

Consolidated

The Consolidated Revenue from Operations during the year for the FY 2020-21 was ₹ 1,31,074.91 lakhs as against ₹1,07,455.08 lakhs in the previous financial year. The Company has reported total income of ₹1,32,221.13 lakhs for the current year as compared to ₹10,831 lakhs in the previous year. The profit after tax attributed to the Owners for the FY 2020-21 was ₹9,033.45 lakhs, as against ₹5,637.04 lakhs in the previous year.

3. Overall Performance of the Company During COVID-19 Pandemic:

The coronavirus (COVID-19) pandemic has radically changed the prospects of the global economy. This unprecedented crisis limiting physical mobility and economic activity have effectively stopped economies around the world and your Company's operations too were affected mainly during the first two weeks of Apr'20 due to shutdown of operations in the manufacturing plants of the Company amidst of outbreak of COVID-19.

However, all our factories in Bikaner were operational from April 14, 2020 with the permissions from the Local Authorities and accordingly we geared up for scaling up of our operations with changed SOPs for social distancing, health check-ups and other safety and healthcare measures.

In April 2020 when there was central lockdown, most of our labour and their families who were from outside Rajasthan and were being lock downed in Bikaner itself, we as a Bikaji Family provided all necessary help to them by timely payment of wages, food and safety measures.

The second wave presented new challenges especially on the healthcare system but during this time, we were better prepared, resulting in lesser disruptions across Company's operations. We remained focused on restoring normalcy in business and at the same time prioritising the health and safety of the employees and our business network.

The significantly strengthened performance that Bikaji reported in a COVID-19 year comes from the high degree of resilience that we built into our business through a series of consumer-centric and tactical innovations coupled with investments.

Your Company quickly adapted business approach, mobilised its teams to put in a strong effort despite lockdown restrictions, besides leveraging technology and innovation to address the changing environment and the emerging needs of our consumers.

Your Company has launched new products in FUNKEEN segment, CAFÉ Range, Rebranding of Cookies, Mangalore Mix, Southern Express in test markets during the year under review. Your Company maintained a diverse product portfolio at strategic price points and pack sizes targeted to youth and children in the sweet snacks segment.

The pandemic has led to a shift in shopping behaviour of consumers with the propensity for online shopping increasing. In the post-COVID world, e-commerce has emerged as the most-preferred contactless method of making purchases, among consumers and this trend is likely to stay. BIKAJI has also seen its e-commerce business more than double. Your Company's e-commerce business has grown to almost 3 times in revenue as compared to 2019-20. With the second wave of the COVID pandemic leading to localised lockdowns in some parts of the country, e-commerce continues to be one of the fastest growing channels for the Company.

Further, COVID-19 has emphasised the need for cleanliness and hygiene like never before. This has enhanced the preference for factory packaged snacks as against the "loose" snacks weighed and filled by hand at the point of sale. As this trend is likely to continue, brands such as ours will be big beneficiaries as it is neat and hygienic. There is indeed a secular shift being seen towards brands in the organised sector.

4. COVID-19 Response:

In order to live in a Covid era, a process was put in place to manage risks related to COVID-19 by day-to-day health monitoring of all employees and sanitising the workplace. The Company further ensured maintaining social distancing of its manpower.

The emergence of the second and more devastating wave of the pandemic in March 2021 tested the character of the organisation all over again. We rolled out a series of initiatives across our operations to prevent the spread of infection. The Company showed a high degree of flexibility and engagement, quickly adapting to the changing environment and operating conditions.

The COVID-19 pandemic and the consequent lockdowns in the previous and current year posed a formidable challenge to the Company's operations and the well-being of its employees. Recognising the seriousness of the threat, the Company stands committed to providing best-in-class medicare and support to employees and their families. The Company had put in place stringent safety protocols in the early stages of the pandemic, and also established Central and Business Contingency management teams, tasked with developing and ensuring risk mitigation measures, employee well-being and business contingency plans, provision and coordination of employee support, assistance to local

communities and coordination with local regulatory authorities and health care providers. Extensive communication and training on safety protocols were carried out, and employees and the extended workforce were provided with protective equipment. The criticality of Vaccination and continuous sanitisation, Masking and Social Distancing is being reinforced through frequent communication.

To ensure employees' health and well-being, Bikaji organised a Vaccination Camp for its employees and workers as per guidelines issued by the Government of India. The drive was organised at Karni Factory Unit on Monday, April 19, 2021 for workers and staff aged 45 and above and around 140 people got vaccinated. Adequate precautions were being taken to ensure a safe and smooth vaccination drive. The Company continue to help and facilitate vaccination of its employees from time to time.

It is our responsibility to ensure the health and safety of our employees and their families, and we are pleased to facilitate vaccination for them in a hassle-free manner through this camp. It is also our way of expressing our gratitude towards our employees, for their continuous support to the organisation in these difficult times. We are confident that with adequate safety measures and regular vaccination camps, we shall come out safe on the other side of this pandemic.

5. Export Initiatives and Growth Possibilities:

During the year 2020-21, exports recorded robust growth despite the operational disruptions caused by the pandemic. Our international business was impacted due to Covid in the first half of the year, however the business made a good recovery during the second half with most countries coming back to good growth driven by consumer connect initiatives, cost efficiencies and innovation. The Company registered a robust YoY growth of 48% in its export business.

Your Company has launched new product range, added SKU, mainly focusing on export markets to capitalise on Covid led spurt in demand. The Company continued its digital and social media presence throughout the year resulting in market share improvements in key categories. 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.

We currently export our products to geographies/ countries such as Europe, Australia, Singapore, Asia, Africa, Middle East, U.S.A., Mauritius, Canada, Korea, Philippines and Vietnam.

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

6. Transfer to Reserves in terms of Section 134 (3) (J) of the Companies Act, 2013:

During the year your Company has not transferred any amount to General Reserve. However, ₹8,762.78 lakhs has been taken to surplus in the Statement of Profit and Loss.

7. Dividend:

The Company's Dividend Distribution Policy is provided in the **Annexure – "1"** forming part of this report. After considering the Company's profitability, cash flow, overall financial performance and cash flow requirements for future expansion, your Board of Directors has paid an interim dividend of ₹2.00 per equity share of face value of ₹10 each (i.e. 20%) during the year which is in compliance with the Dividend Distribution Policy of the Company. This Policy is also available on the Company's Website www.bikaji.com/policies.

Further, the Board of Directors do not recommend payment of any further dividend for the financial year ended March 31, 2021 and accordingly interim dividend paid during the financial year 2020-21 is treated as full and final dividend for the financial year 2020-21.

8. Consolidated Financial Statements:

Pursuant to Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company and its subsidiaries, prepared in accordance with the relevant Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, forms part of this Annual Report.

9. Articles of Association:

During the year, the Articles of Association of your Company were not amended.

10. Matters Related to Directors and Key Managerial Personnel:

Appointments:

The constitution of the Board of Directors is in accordance with Section 149 of the Companies Act. Board is a balanced Board, comprising Executive and Non-executive Directors. The Non-executive Directors include independent Directors.

Mr. Shiv Ratan Agarwal was re-appointed as Managing Director for a period of five years with effect from May 01, 2020 to April 30, 2025 and the said re-appointment was approved in the meeting of Board of Directors held on April 18, 2020. The said re-appointment and terms thereof including remuneration was approved by the Members of the Company on April 20, 2020. Further, designation of Mr. Shiv Ratan Agarwal was changed from Managing Director to Chairman cum Whole-time Director of the Company w.e.f. September 01, 2021 subject to the approval of the members at the ensuing 26th Annual General Meeting of the Company.

The remuneration (including performance linked incentive) is within the limits and conditions approved by the Members and are decided by the Board of Directors on the recommendations of the Nomination and Remuneration Committee based on merit, key result areas and Company's performance for the year.

Mr. Deepak Agarwal, Ms. Shweta Agarwal and Ms. Sushila Agarwal were appointed as Whole-time Director for a period of 3 years with effect from February 01, 2021. The Revised Remuneration terms were effective from April 01, 2021. However, Ms. Sushila Agarwal has resigned as a Director of the Company with effect from September 01, 2021 and with effect from the same date, the change in designation of Mr. Deepak Agarwal from Whole-time Director to Managing Director of the Company was approved by the Board of Directors subject to the approval of the members at the ensuing 26th Annual General Meeting of the Company.

The brief resume and other information/details of directors re-appointed are given in the Notice of the ensuing 26th Annual General Meeting.

Retire by Rotation:

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Shiv Ratan Agarwal (DIN: 00192929) and Mrs. Shweta Agarwal (DIN: 00619052), are liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered themselves for re-appointment. The Board has recommended their re-election.

Key Managerial Personnel:

Mr. Shiv Ratan Agarwal was re-appointed as Managing Director for a term of Five years and Mr. Deepak Agarwal, Mrs. Sushila Agarwal and Mrs. Shweta Agarwal were re-appointed as Whole-time Directors for a term of 3 years. There were no any other changes in the Key Managerial Personnel during the year.

Independent Directors:

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.

11. Change in the Nature of Business, if any:

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

12. 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:

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statement relates on the date of this Report.

13. Share Capital:

The Authorised Share Capital of the Company is ₹25,00,00,000/- (Rupees Twenty-five crores only) divided into 2,50,00,000 (Two crore fifty lakhs) Equity Shares of ₹10/- each and Issued, Subscribed and Paid-up capital is ₹24,31,33,060/- (Twenty-four crores 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 ₹10/- each. The share capital of the Company remains the same and there is no change during the year.

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

14. Dematerialisation of Shares:

The shares of the Company are available for transfer in the dematerialised form under both the Depository

Systems in India – NSDL and CDSL. The International Securities Identification Number ('ISIN') allotted to the Company's shares under the Depository System is INE00E101015. Hundred percent (100%) of the Promoters shareholding in the Company is held in the dematerialised form.

15. Whistle-Blower Policy/Vigil Mechanism:

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 behaviour, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and allows direct access to the Chairman 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 2020-21.

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.com/policies."

16. Code of Conduct:

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 2020-21. 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.com/policies.

17. 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:

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.

18. Details of Subsidiary/ Joint Ventures/ Associate Companies:

The Company has two Subsidiary Companies named Bikaji Foods (London) Limited and Petunt Food Processors Private Limited. Your Company does not have any associate or joint venture. A statement in AOC-1 containing salient features of the financial statement of the Subsidiary/ Associates/ JV is attached herewith as **Annexure – "2"**. The particulars of the financial performance of the said subsidiaries are provided as part of the consolidated financial statement and hence not repeated herein for the sake of brevity.

The subsidiary company Bikaji Foods (London) Limited has, in past, made an application to the Registrar of Companies, UK for strike off under the UK Companies Act, 2006 since the said company was not operating and there was no plan to commence any business operations under the said company. The said strike off application was made in the month of April, 2021. The application was approved by the Registrar and notice was published in Gazette for striking off the Company on May 04, 2021 and now the final strike off and dissolution notice has been published in gazette on July 13, 2021 and July 20, 2021.

Petunt Food Processors Private Limited ("Petunt") is also a subsidiary of the Company. The Company acquired 51.22% equity stake in Petunt during the financial year keeping in mind its business expansion in south Indian market. Accordingly, Petunt become subsidiary of the Company on February 03, 2021. The said company is located inside the India Food Park in Tumkur, Bangalore (Karnataka) and had manufacturing area of about 60,000 sq. ft. with output capacity of 650 MT/month. Currently Petunt is manufacturing chips and western snacks for the Company as well as other third parties. Further, Petunt is also planning to install Namkeen line which will manufacture the Namkeen products of the Company for catering south Indian market.

Petunt has record good performance during the financial year 2020-21. Its revenue from operations increased by 25% and total losses reduced significantly from ₹583 lakhs previous year to just ₹3 lakhs during the year under review.

19. Deposits:

The Company has not accepted any Deposits from public, shareholders or employees mentioned under Section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the reporting period. Additionally, company

has never accepted deposits from public, shareholders or employees mentioned under Section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 therefore no amount is unclaimed or outstanding for payment as on March 31, 2021.

20. Transfer of Amounts to Investor Education and Protection Fund:

In terms of provisions of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, no amount is pending as on March 31, 2021 of unpaid/unclaimed dividends to be transferred to Investor Education and Protection Fund.

21. Compliance with Secretarial Standards:

Your Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

Details of Board Meetings during the Financial Year

During the year, six meetings of the Board of Directors were held in financial year 2020-21. The details of meetings held and attended by each Director are detailed.

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	18/04/2020	8	8
2	01/06/2020	8	8
3.	18/09/2020	8	6
4.	22/12/2020	8	5
5.	30/12/2020	8	8
6.	26/03/2021	8	6

Attendance at Board Meetings and at Annual General Meeting ('AGM') during the Financial Year

Sr. No.	Director	No. of Board Meetings attended	Attendance at last AGM (31/12/2020)
1.	Deepak Agarwal	6	Yes
2	Shiv Ratan Agarwal	5	Yes
3.	Sushila Agarwal	3	Yes
4.	Shweta Agarwal	6	Yes
5.	Sangeeta Devi Jaisanseriya	3	Yes
6.	Kedar Chand Agarwal	6	No
7.	Sachin Kumar Bhartiya	6	Yes
8.	Vikrant Balbir Sibal	6	Yes

24. Remuneration Policy:

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 salient features of the said policy can be accessed through Company's website from the following web link: [www.bikaji.com /policies](http://www.bikaji.com/policies).

22. Annual Return:

In compliance with the provisions of Section 92 of the Companies Act, 2013, the Annual Return in prescribed Form No. MGT – 7 for the financial year ended March 31, 2021 is available on the website of the Company and the web link of the same is “www.bikaji.com”.

23. Meetings of the Board of Directors:

Board Agenda

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated seven days prior to the Board Meeting except in case of meeting held on shorter notice. Resolutions passed by circulation were confirmed by the Board in subsequent meeting. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Remuneration to Whole-time/ Executive/ Managing Director, KMP and Senior Management Personnel

- a) **Fixed pay:** The Managing Direct, 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 authorised 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 minimum remuneration as approved by shareholders to its Managing Director and Whole-time Director.
- 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, the relevant provisions of the Companies Act, 2013 shall be applicable.

Performance Evaluation of the Board, its Committees and Individual Directors:

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 Committeesand 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 organisation’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.

25. Directors’ responsibility Statement:

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, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, 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 judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company 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; and
- (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.

26. Auditors and Auditors’ Report:

M/s. M Surana & Company, Chartered Accountants (FRN: 015312C), and M/s. MSKA & Associates Chartered Accountants (FRN: 105047W) were appointed as the Joint Auditors of the Company with your approval for conducting the audit, vide the ordinary resolution passed at the 24th Annual General Meeting held on September 30, 2019, to hold office for five-years tenure from the year 2019-20 up to the year 2023-24, at such remuneration as shall be fixed by the Board of Directors of the Company.

Pursuant to Sections 139 and 141 of the Act and relevant Rules prescribed thereunder, the Joint Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

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 Auditor’s Report does not contain any qualification, reservation or adverse remark.

27. Secretarial Auditors and their Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Your Board has appointed M/s. S.K. Joshi & Associates, Company Secretaries as the Secretarial Auditors of your Company for the financial year ended March 31, 2021.

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.

28. Internal Auditors:

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 2020-21. 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.

29. Committees of The Board:

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:**
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.

- o **Composition of Audit Committee**
The constitution of the Audit Committee remains same as last year except the reconstitution happened recently with the appointment of Mr. Siraj Azmat Chaudhry as director on the Board. Accordingly, the Audit Committee was reconstituted by adding Mr. Siraj Azmat Chaudhry as member to this committee, as under:

Name	Designation
Mr. Kedar Chand Agarwal	Independent Director
Mrs. Sangeeta Devi Jaisanseriya	Independent Director
Mr. Siraj Azmat Chaudhry	Independent Director w.e.f. 24/08/2001
Mr. Sachin Kumar Bhartiya	Director
Mr. Vikrant Balbir Sibal	Director

Mr. Kedar Chand Agarwal, Independent Director is the Chairman of Audit Committee. The Company Secretary is Secretary of the Committee.

o **Meetings and Attendance**

During the financial year ended on March 31, 2021, five meetings of the Audit Committee were held and details are as follows:

Sr. No.	Date	Committee Strength	No. of Members Present
1.	18/04/2020	4	4
2.	18/09/2020	4	4
3.	22/12/2020	4	3
4.	30/12/2020	4	4
5.	25/03/2021	4	4

o **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	5	5
Mr. Sachin Kumar Bhartiya	5	5
Mrs. Sangeeta Devi Jaisanseriya	5	4
Mr. Vikrant Balbir Sibal	5	5

o **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.

(e) Compliance with listing and other legal requirements relating to financial statements.
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.

(f) Disclosure of any related party transactions.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

(g) Qualifications in the draft audit report.
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 judgement by management.

(d) Significant adjustments made in the financial statements arising out of audit findings.
5. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

(f) Disclosure of any related party transactions.
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.

(g) Qualifications in the draft audit report.
7. Discussion with internal auditors of any significant findings and follow up there on.

(f) Disclosure of any related party transactions.
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.

(g) Qualifications in the draft audit report.
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.

(f) Disclosure of any related party transactions.
10. Evaluation of internal financial controls and risk management systems.

(g) Qualifications in the draft audit report.

11. Reviewing and monitoring the auditor’s independence and performance and effectiveness of audit process.

recommend to the Board a policy, relating to the Remuneration of the Directors, Key Managerial Personnel and Other Employees.

• **Nomination & Remuneration Committee:**
The Nomination and Remuneration Committee reviews and recommends the payment of salaries, commission and finalises appointment and other employment conditions of Directors, Key Managerial Personnel and other Senior 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.

Terms of Reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and

• **Composition of Nomination & Remuneration Committee**
Nomination and Remuneration Committee was reconstituted during the year comprising the following directors:-

Name	Designation
Mr. Kedar Chand Agarwal	Independent Director
Mrs. Sangeeta Devi Jaisanseriya	Independent Director
Mr. Sachin Kumar Bhartiya	Non-executive Director
Mr. Vikrant Balbir Sibal	Non-executive 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 March 31, 2021, two meeting of the Nomination & Remuneration Committee was held and details are as follows:

Sr. No.	Date	Committee Strength	No. of Members Present
1.	18/04/2020	4	4
2.	30/12/2020	4	4

• **Attendance at Nomination & Remuneration Committee meetings during the Financial Year**

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

• **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.

The role of the CSR Committee of the Board, is *inter alia*, to review, monitor and provide strategic direction to the Company’s CSR and sustainability practices towards fulfilling its triple bottom line objectives. The Committee seeks to guide the Company in crafting unique models to support creation of sustainable livelihoods together with environmental re-generation, and formulates & monitors the CSR Policy. The Committee also reviews the annual CSR Action Plan and the Business Responsibility Report of the Company, and recommends the same to the Board for approval.

• **Composition of Corporate Social Responsibility Committee**
Corporate Social Responsibility Committee was reconstituted during the year comprising the following directors:-

Name	Designation
Mr. Shiv Ratan 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 March 31, 2021, 3 meetings of the Corporate Social Responsibility Committee were held and details are as follows:

Sr. No.	Date	Committee Strength	No. of Members Present
1.	20/04/2020	5	5
2.	30/12/2020	5	5
3.	25/03/2021	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 Ratan Agarwal	3	3
Mr. Kedar Chand Agarwal	3	3
Mr. Deepak Agarwal	3	3
Mr. Sachin Bhartiya	3	3
Mr. Vikrant Balbir Sibal	3	3

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/ programmes/ 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.com/policies

During the Financial Year 2020-21 the Company was required to spend an amount of ₹1.48 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 ₹1.81 crore.

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.

• **Independent Directors meeting**
The statutory role of the Independent Directors of the Board is to review the performance of the Non-independent Directors, including the Chairman of the Company, and the Board, and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

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During the financial year ended March 31, 2021, one meeting of the Independent Directors was held, as follows:

Sr. No.	Date	Strength	No. of Members Present
1.	18/04/2020	2	2

Attendance at Independent Directors Meeting during the financial year

Name of Director	No. of Meetings entitled to attend	No. of Meetings attended
Mr .Kedar Chand Agarwal	1	1
Mrs. Sangeeta Devi Jaisanseriya	1	1

30. Particulars of Loans, Guarantees or Investments Under Section 186:

Particulars of loans, guarantees and investments made under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in Financial Statements read together with notes annexed and forms an integral part of the financial statements and hence not repeated herein for the sake of brevity.

31. Particulars of Contracts or Arrangements with Related Parties:

All Related Party Transactions entered into by your Company during the Financial Year 2020-21 were on arm’s length basis and in the ordinary courses of business. There are 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.

The statement giving details of all Related Party Transactions entered into pursuant to the omnibus approval are placed before the Audit Committee for review and updation on annual basis. Details of related party transactions are provided in the financial statements and hence not repeated herein for the sake of brevity. Related Party disclosures have been disclosed in Note 36 of the notes to the Financial Statements forming integral part of Annual Report.

32. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

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”**

33. 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:

Sr. No.	Particulars	Status of the No. of complaints received and disposed off
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

34. 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 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 its adherence across the organisation. 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.

35. Brand Visibility:

Branding Endeavours 2021

In 2019, we roped in Mr. Amitabh Bachchan as our Brand Ambassador. With him, we planned a 360-degree campaign with the initial concept of introducing Bikaji to the world.

2020 was a challenging year which forced the industry to evolve and challenged the traditional way of Marketing as well as Sales. Bikaji took this as an opportunity to grow their presence in the Digital Domain as well.

E-com Channel Presence

Along with the General & Modern trade presence, we established our presence in almost all of the leading e-commerce platforms such as Amazon, Flipkart, Grofers, Big Basket, JioMart, Uddan, Kirana King, StoreKing etc. Not only we listed our products on these platforms, we also established best presence in these as well. Brand Page, Featured Product, Choice Product, Brand highlighting and other marketing activities were also started in order to boost our presence on these platforms. In one year, some of our products have become bestseller in their respective category(ies).

We have also launched our own website along with the Mobile App in 2020, which was welcomed by our existing loyal customers and the new ones alike,

who got the opportunity to enjoy their favourite Bikaji products at the comfort of their homes.

AB’s Campaign Refresh

In 2019, our focus was branding, telling people who we are with the theme of Amitji Loves Bikaji. That is why we focused on our Key Strength – BHUJIA.

In 2020, we shot a refreshing campaign continuing the same quirky feeling that we followed in last campaign. Although this time, we targeted other products as well like Kuch Kuch, All in One Mixture, Tana Tan Aloo Bhujia, Baat Cheet & Dil Khush Papad, Rasgulla, Gulab Jamun, Soan Papdi, Soya Sticks. Similar to last year, we have launched this campaign in TV as well as Digital medium as well.

In TV, we are covering almost all popular National News & Movies channels. In Digital too, we are covering all popular platforms, like Facebook, Instagram, Twitter, Youtube, Linkedin, etc.

Our Digital Presence

With the help of our previous and current AB’s Campaign, we have grown our presence in the Digital domain multiple times.

Instagram saw the rise in followers from 3K to 10.4K in a year, from 100k to 274k on Facebook, 5k to 31k on Linkedin, to name few.

Similarly, we boosted our Google search presence as well, reaching top positions in many relevant keywords with the help of our new and robust website, our better SEO policies with most of the e-com platforms.

Plan Ahead

With new AB films and branding resources, we are looking forward with wider Brand presence and deeper penetration in known and new markets, both digitally and traditionally.

36. Human Resources and Industrial Relations:

Human Resources Engaged Employees are critical to the success of the Company. As an organisation, the Company strongly believes that Human Resources are the principal drivers of Growth. They push the levers that take futuristic businesses to the next level of excellence and achievement. The Company focuses on providing an appropriate platform and opportunity for an individual to develop and grow in a professional work culture that enables innovation and ensures high performance through structured empowerment. We believe that our 5Ps – People, Policy, Process, Performance and Productivity are our business drivers for Growth & Consumer delight.

We took the opportunity to re-visit our strategies towards hiring, engaging and developing talent by using various digital platforms through collaboration with external partners. Necessary realignment was required in the new normal, hence we are continuously evaluating roles and skills sets required for driving our next growth wave; and building talent pool accordingly.

The total strength of your Company employees at the end of financial year 2020-21 was 2461.

37. Credit Rating:

The details of the credit ratings are follows:

- (a) Credit rating obtained in respect of securities: Bikaji Foods International Limited
- (b) Name of the credit rating agency: Brickwork Ratings India Pvt. Ltd.
 - i. Long-term Rating: BWR AA- (Negative)
 - ii. Short-term Rating: BWR A1+
- (c) Date on which the credit rating was obtained: February 11, 2021
- (d) Revision in the credit rating: Yes (Upgraded)
- (e) Reasons provided by the rating agency for a downward revision: NA

38. Risk Management:

Risk management is integral to your Company's strategy and to the achievement of the Company's long-term goals. Our success as an organisation depends on our ability to identify and leverage the opportunities that market offers us.

Our approach to risk management is designed to provide reasonable, but not absolute, assurance that our assets are safeguarded, the risks facing the business are being assessed and mitigated and all information that may be required to be disclosed is reported to Managing Director and CEO, Chief Financial Officer, the Audit Committee, and the Board. Our assessment of risk considers both short and long-term risks, including how these risks are changing, together with emerging risk areas.

Your Company in COVID-19 outbreak in 2020 not only managed these risks successfully but also converted them into opportunities and emerged stronger towards the end of the first half of the year. While the extent of the pandemic had subsided as the year went by, the emergence of a second wave is threatening to open up new risks, the extent of which remains uncertain, and it is expected to further affect our way of doing business in the coming fiscal.

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.com/policies

39. Particulars of Employees and Related Disclosures:

The total number of employees as on March 31, 2021, stood at 2461

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, Chairman Cum Whole-time Director,

Mr. Deepak Agarwal Managing 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 year.

Mr. Shiv Ratan Agarwal was re-designated as Chairman Cum Whole-time Director, Mr. Deepak Agarwal was re-designated as Managing Director w.e.f. September 01, 2021 Mrs. Sushila Agarwal resigned from the post of Directorship on September 01, 2021. Apart from these there were no any other changes in KMPs.

40. 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.

Your Company's internal control systems are supplemented by an extensive program of internal audit by an independent firm of Chartered Accountants. Internal audits are conducted at regular intervals and a summary of the observations and recommendations of such audit along with management reply are placed before the Audit Committee of the Board.

Your Company's system and process relating to internal controls and procedures for financial reporting provide a reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with applicable Indian Accounting Standards, the Companies Act, 2013 and rules made thereunder and all other applicable regulatory/statutory guidelines, etc.

41. 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 during the pandemic time.

42. Environment and Safety:

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, certifications and ensuring the safety of our employees and the people working at our facility or under our management.

Several states across India are banning use of plastic, and the onus of collecting and responsibly disposing plastic waste generated by their packaging has been put on Companies. Failure to comply with current or future regulations on plastic packaging or failure to meet commitments on packaging and the environment would attract hefty fines. Therefore, the Company has entered into an agreement with Waste Management Company who has the ability to strategise innovative ways in bringing environmental solutions to the Company. It will be responsible to manage Plastic waste on behalf of the Company.

The Company believes water is a critical resource, and hence, work towards minimising its fresh water requirements through initiatives such as rainwater harvesting, use of water efficient fixtures and effluent treatment plant. Water from the effluent treatment plant is recycled within the factory and used in maintaining greenbelts, gardens and landscapes.

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's plant at Karni Industrial Area also has its own waste management systems.

We take responsibility for the health and safety of our employees every single day. Our highest priority especially when faced with new challenges such as the COVID-19 pandemic. A series of initiatives were put in place for the same. We also do everything we possibly can to safeguard them against both accidents and work-related illnesses Health and Safety is one of the key sustainability. BIKAJI has a well-defined Occupational Health and Safety policy and supporting processes to ensure the safety and well-being of our employees. We have made efforts to step up safety standards at our manufacturing facilities.

43. Miscellaneous:

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 or reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

6. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
7. Details relating to provisions of Section 134(3) (ca) of Companies Act, 2013 in respect of particulars of fraud reported by the auditors.

46. Acknowledgement:

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 during the pandemic time.

For & on behalf of the Board of Directors

(Shivratan Agarwal)

Chairman Cum Whole-time Director

DIN: 00192929

Add: C-57, Sadulganj,

Bikaner – 334 001, Rajasthan

(Deepak Agarwal)

Managing Director

DIN: 00192890

Add: C-57, Haldiram House, Sadul Ganj

Bikaner – 334 003, Rajasthan

Place: Bikaner

Date: November 15, 2021

Annexure I

Dividend Distribution Policy

1. Background and applicability

In accordance with Bikaji Foods International Limited (the “Company”) has decided to formulate its Dividend Distribution Policy (“Policy”). Accordingly, the Board of Directors of the Company (the “Board”) has approved this Policy for the Company.

The Policy is not an alternative to the decision of the Board for recommending/declaring dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board. The Board may in extraordinary circumstances, deviate from the parameters listed in this Policy under which case the rationale for the same will be suitably disclosed. The Policy shall apply to the ordinary equity shares issued and outstanding and shall not apply to determination and declaration of dividend on preference shares or any other class of shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the shareholder.

2. Objective

The objective of this Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

3. Types of Dividend

The Companies Act (“Act”) deals with two types of dividend – Interim and Final.

a) Interim Dividend

Interim dividend is the dividend declared by the Board between two Annual General Meetings as and when considered appropriate. The Board shall have the absolute power to declare interim dividend during the financial year, as and when deemed fit.

The Act authorises the Board to declare interim dividend during any financial year out of the Profit’s for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.

Normally, the Board could consider declaring an interim dividend after finalisation of quarterly (or half yearly) financial statements.

b) Final Dividend

Final dividend is recommended for the financial year at the time of approval of the Annual Financial Statements. The Board shall have the power to recommend final dividend to the shareholders for their approval at the Annual General Meeting of the Company

4. Financial Parameters and Internal and external factors that would be considered for declaration of dividend

The Company is committed to deliver sustainable value to its stakeholders.

Taking into consideration the aforementioned factors, the Board shall consider the following parameters for declaration of dividend:

- Distributable surplus available as per the Act and Regulations – The Company’s liquidity position and future cash flow needs/working capital requirements
- Track record of Dividends distributed by the Company
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution.
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Cost and availability of alternative sources of financing
- Cost of Servicing Outstanding debts
- Funds for Meeting Contingent liabilities
- Macroeconomic and business conditions in general
- Prudential requirements for cash conservation
- Dividend pay-out ratios of companies in similar industries
- Economic environment
- Capital restructuring, debt reduction, capitalisation of shares

- Changes in Government policies and regulatory provisions
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

5. Circumstances under which shareholders may or may not expect dividend

The Dividend for any financial year shall normally be paid out of the Company profits for that year, as calculated in line with the applicable laws. The shareholders of the Company may not expect Dividend under the following circumstances: -

- Whenever it undertakes or proposes to undertake an expansion project requiring allocation of capital;
- In case of working capital requirements adversely impacting free cash flow;
- Whenever it undertakes any acquisitions or joint ventures requiring allocation of capital;
- In the event of inadequacy of profits or whenever the Company has incurred losses;
- the Company proposes to utilise surplus cash for buy- back of securities;
- the Company is prohibited to recommend/declare dividend by any regulatory body.

The Board shall consider the factors mentioned under Clause 4 above and before determination of any dividend payout, analyse the prospective opportunities and threats, viability of the option of dividend payout or retention etc. The Board shall not recommend dividend if they are of the opinion that it is financially not prudent to do so.

6. Utilisation of retained earnings

Subject to the provisions of the Act and other applicable laws, retained earnings may be utilised as under:

- Issue of fully paid-up bonus shares;
- Declaration of dividend – Interim or Final;
- Augmenting internal resources;
- Funding for Capex/ expansion plans/ acquisition;
- Long-term strategic plans;
- Repayment of debt;

- Any other permitted use or the criteria as the Board may deem fit from time to time.

7. Procedure

Final dividend is declared at the Annual General Meeting (AGM) of the shareholders on the basis of recommendations of the Board. The Board may, at its discretion, also declare an interim dividend.

8. Parameters to be adopted with regard to various class of shares.

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably reviewed/amended at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

9. Disclosures

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company. The Company shall also make appropriate disclosures as required under the Listing Regulations.

10. Policy review and modifications

The Policy will be reviewed periodically by the Board. The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, the Regulations, etc.

11. Disclaimer

This document does not solicit investments in the Company’s securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company’s equity shares.

Annexure II

Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part “A”: Subsidiaries	
Sr. No.	1
Name of the subsidiary	Bikaji Foods (London) Ltd.
The date since when subsidiary was acquired	27/08/2019
Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	GBP
Share capital	129606
Reserves & surplus	-2735
Total assets	126620
Total liabilities	0
Investments	0
Turnover	0
Profit before taxation	0
Provision for taxation	0
Profit after taxation	0
Proposed dividend	NIL
% of shareholding	90

Subsidiaries which are yet to commence operations

Sr. No.	Name of the subsidiary

Subsidiaries which have been liquidated or sold during the year

Sr. No.	Name of the subsidiary

Part “A”: Subsidiaries

Sr. No.	2
Name of the subsidiary	Petunt Food Processors Private Limited
The date since when subsidiary was acquired	03/02/2021
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	₹
Share capital	73780980
Reserves & surplus	34848330
Total assets	313599090
Total liabilities	274666440
Investments	0
Turnover	171885090
Profit before taxation	-1303300
Provision for taxation	0
Profit after taxation	-1303300
Proposed dividend	0
% of shareholding	51.22

Subsidiaries which are yet to commence operations

Sr. No.	Name of the subsidiary

Subsidiaries which have been liquidated or sold during the year

Sr. No.	Name of the subsidiary

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	N.A.
Name of Associates/ oint Ventures	
1. Latest audited Balance Sheet Date	
2. Date on which the Associate or Joint Venture was associated or acqulred	
3. Shares of Associate/Joint Ventures held by the Company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding %	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Networth attributable to Shareholding as per latestaudited Balance Sheet	
7. Profit/Loss for the year	
i. Considered in Consolidation	
i. Not Considered in Consolidation	

Associates or joint ventures which are yet to commence operations.

Sr. No.	Name of Associates or Joint Ventures

Associates or joint ventures which have been liquidated or sold during the year.

Sr. No.	Name of Associates or Joint Ventures

For **Bikaji Foods International Limited**

Shiv Ratan Agarwal

Chairman Cum Whole-time Director

DIN: 00192929

Deepak Agarwal

Managing Director

DIN: 00192890

Shambhu Dayal Gupta

Chief Financial Officer

PAN: ADFPG0151I

Divya Navani

Company Secretary

Membership No. 026014

Form No. MR-3

SECRETARIAL AUDIT REPORT
For The Financial Year Ended March 31, 2021

[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 BIKAJI FOODS INTERNATIONAL LIMITED (hereinafter called "the Company") for the audit period from April 1, 2020 to March 31, 2021 (" 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, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 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.
- (vi) Other laws applicable specifically to the Company namely:
 - 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 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 meetings and general meetings(SS-1 and SS-2).

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

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 notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agendaare sent at least seven days in advance for the meeting other than those held at shorter notice for which necessary consents have been sought at the meeting, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

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.

PLACE: JAIPUR
DATE: September 1, 2021

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 the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- a. Company have acquired majority shareholding in Petunt Food Processor Private Limited and said company became subsidiary of the Company.
- b. Company strike off and dissolved Bikaji Foods (London) Limited.
- c. Company have made an investment of ₹31.03 Crores in Compulsory Convertible Debentures of Hanuman Agrofood Private Limited and ₹5.50 Crores in Optionally Convertible Debenture of Dadiji Snacks Private Limited and ₹17.07 Crores in Optionally Convertible Debenture Petunt Food Processors Private Limited and ₹7.30 Crores in convertible note of Shop Kirana E Trading Private Limited.

For S.K. JOSHI & ASSOCIATES
Company Secretaries

(SANJAY KUMAR JOSHI)
PARTNER
FCS: 6745; CP.NO: 7342
UDIN : F006745C000868573

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 appropriatenessof financial records and Books of Accounts of the Company.
- (4) Wherever required, we have obtained the Management representation about the compliance of Laws, Rules andRegulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and otherapplicable Laws, Rules, Regulations, Standards is theresponsibility of the Management. Our examination waslimited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assuranceas 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: September 1, 2021

For **S.K. JOSHI & ASSOCIATES**
Company Secretaries

(SANJAY KUMAR JOSHI)
PARTNER
FCS: 6745; CP.NO: 7342
UDIN : F006745C000868573

Annexure IV

Corporate Social Responsibility Activities

(Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014)

1. Brief outline on CSR Policy of the Company:-

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, promoting education, healthcare and preserve the ecosystem that supports the communities and the Company.

2. Composition of CSR Committee:-

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:-

Sr. No.	Name	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee Attended during the year
1	Mr.Shiv Ratan Agarwal	Chairman	3	3
2	Mr. Kedar Chand Agarwal	Member		3
3	Mr. Deepak Agarwal	Member		3
4	Mr. Sachin Kumar Bhartiya	Member		3
5	Mr. Vikrant Balbir Sibal	Member		3

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.

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/ programmes/ activities proposed to be undertaken by the Company

3. Web-link where composition of CSR Committee, CSR policy and CSR projects approved by the board are disclosed on the website of the Company:

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website: <https://www.bikaji.com/pub/media/CSR%20POLICY.pdf>

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

Not Applicable

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	Nil	Nil

6. Average net profit of the Company as per Section 135(5) :- ₹ 73,65,12,245

7a	Two percent of average net profit of the Company as per Section 135 (5)	₹ 147,30,245
7b	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	Nil
7c	Amount required to be set off for the financial year, if any	Nil
7d	Total CSR obligation for the financial year (7a+7b-7c)	₹ 147,30,245

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹) Nil				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
183,25,000	NIL	N.A.	N.A.	NIL	N.A.

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

Sr. No. of the Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the as per Section 135(6) (in ₹)	Mode of Implementation– Direct (Yes/No)	Mode of Implementation –Through Implementing Agency Name	CSR Registration number
Not Applicable											

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

Sr. No. Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project State District		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency Name		CSR Registration number
1.	Healthcare Project	Promoting health care including preventive health care	Yes	Rajasthan	Shri Ganganagar	21,00,000	No	Lilavati Kakria	Charitable Trust	
2.	Rural Development Project	Clean India Mission Programme, Education & Health .	Yes	Rajasthan	Bikaner, Shri Ganganagar	20,00,000	No	Govindam Seva	Society	
3.	Rural Development Project	Education , Health programmes	Yes	Rajasthan	Shri Ganganagar	7,00,000	No	Kartarsar Panth	Parchar Society Charitable Trust	
4	Rural Development Project	Clean India Mission Programme , Education & Health .	Yes	Rajasthan	Bikaner, Shri Ganganagar	31,00,000	No	S. Mohan Singh	Saini	
5	Rural Development Project	Promoting Health Care and Clean India Mission	Yes	Rajasthan	Bikaner	40,00,000	No	Dantour Vikas	Sarvajanik Punyarth Trust	
6	Environment Sustainability Project	Promoting Education, Health care & Environment Sustainability	Yes	Rajasthan	Bikaner	25,00,000	No	Bhanwari Devi	Memorial Trust	
7	Environment Sustainability Project	Environment Sustainability, Eradication Hunger and Poverty, Health Care	Yes	Rajasthan	Shri Ganganagar	16,00,000	No	Khalsa Foundation		
8	Rural Development Project	Clean India Mission Programme, Education & Health .	Yes	Rajasthan	Shri Ganganagar	22,00,000	No	Vishav Gyan Kendra	Charitable Trust	

d) Amount spent in Administrative Overheads : Nil

e) Amount spent on Impact Assessment, if applicable Nil

f) Total amount spent for the financial year (8b+8c+8d+8e): ₹183,25,000

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

Sr. No.	Particular	Amount
(i)	Two percent of average net profit of the Company as per Section 135(5)	₹ 147,30,245
(ii)	Total amount spent for the Financial Year	₹ 183,25,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 35,94,755
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 35,94,755

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any Name of the Fund Amount (in ₹) Date of transfer			Amount remaining to be spent in succeeding financial years (in ₹)
				N.A.			

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project – Completed/ Ongoing
Not Applicable								

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

(Asset-wise Details) :-

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

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

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Nil

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Nil

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

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

(Deepak Agarwal)

Managing Director

(Shiv Ratan Agarwal)

Chairman CSR Committee

Date: November 15, 2021

Place: Bikaner

Annexure V

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:

All business units continued their efforts to improve energy usage efficiencies and increase the share of renewable energy. Various key performance indicators like specific energy consumption (energy consumed per unit of product), energy costs and renewable energy contributions are continuously tracked to monitor alignment with the Company’s overall sustainability goals. The Company has a process to identify and evaluate energy risks and opportunities, taking into account future expansion plans, evolving regulatory frameworks, techno-commercial feasibility and socio-political aspects. Accordingly, phased implementation of energy conservation and renewable energy generation projects are carried out and innovative ways and new technologies are constantly explored to bring about alignment between organisational interests and the larger social purpose.

During the financial year 2020-21 following steps were under taken by the Company which resulted in saving in energy consumption:

1. We have installed 120 TR/HR VAM (waste steam based) chiller system to use waste steam for chilling the water instead electricity during Moong dal production

2. We have insure that our existing CRS system worked on full efficiency and introduced a new in house developed CRS system to achieve optimum efficiency from steam boiler house

3. We have eliminated diesel fuel steam boiler from gulab jamun, by providing them better quality steam with no increased load on steam boiler

4. We have started continues maintenance of all hot and cold lines insulation

5. We have adopted auto light on and off system for road lights to save electrical Energy

6. Scheduled, regular maintenance and cleaning of chiller and A.C. will make better cooling on same energy consumption

7. We have increased the productivity of the utility system by increase the production hours, now we are able to make more kg product with same energy

8. We have fixed electrical energy meters to check and act access energy consumption if any

9. We reduce wet cleaning of floors and started dry cleaning to avoid unnecessary water Wastage

• Use of Electric Induction Kettles are Energy Efficient, Safe and Low Maintenance .It also helps us to reduce manpower (i.e. for Boiler Operation).

• Automatic Besan Transfer System Helps us smooth and Hassel free Operation of Material. Not only it reduces wastages but also it helps unmanned operations.

• Automatic mixers helps in making Similar doughs for Process. It maintain similar Finished Goods product quality. And these Mixtures are energy Efficient too.

• We have Unique Moong Dal Washing System. Which takes very few Man power for Large Productions. Once Dal Storage is Done, complete Operation after Storage is Fully automatic and unmanned. Not only it Reduces Time and Energy of Process, it also Keep Maintain Hygiene & Quality of Product.

• Fully Automatic Transfer System for Besan and other Ingredient & Mixers helps Hassle-free and Time and Energy saving Process.

• Fully Automatic Frying Lines, Operated by HMI’s & PLC’s which Controls complete system by Its SOP’s. Not Only It ensures safety of System but also It Stop Manual Operation.

• We have Installed Fully Automatic Mixing Systems for Mixtures. They are not only Hygienic but they are Efficient also. It saves both time and Energy and Helps us to Increase Production of Products.
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Bikaji Foods International Ltd.
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- All the packing machines have online printing which reduced the manpower and energy.
- Packing machine power divided in half of ups and half of on raw which reduce down time and save energy.
- 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.
- Replacing CFL lighting with LED.
- Replacement of old heavy duty Electric Motors with high energy efficient IE3 Class Motors.
- Introduction of Capacitors, where possible, to improve power factor
- Implementation of Rainwater Harvesting for the Company's plant.
- Use of Coal instead of Diesel
- Sewage Treatment plants have been installed to reduce load on Municipal Corporation. Treated wastewater is used for flushing purposes.
- Daylight harvesting carried out by installation of tuflite sheets in factory.
- Daylight harvesting carried out by providing adequate fenestrations.

The steps taken by the Company for utilising alternate sources of energy:

1. We have installed 1800 KW solar energy plant roof mounted in Bikaner Karni plant
2. Vapour Absorption Method System to use Complete Vapour & generate Refrigeration system for Air Conditioning in Plant

The capital investment on energy conservation equipments:

The capital investment on energy conservation Equipment: 5.76 crores

Thus, we have recognised 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.

We are investing and focusing a lot in using technology to improve sales. It helps in tracking secondary sales, up-to end level, helping organisations to streamline key factors of their channel sales from faster stock replenishment, reduction in inventory carrying costs to better production planning.

By embedding technology such as lead intelligence, marketing automation, and effective use of a CRM, salespeople can waste less time doing data entry, understand more about their leads, and document all of this information so it's shared across the organisation

- (i) The efforts made by the Company towards technology absorption, few are mentioned hereunder:
 1. Continuous Dough Mixture imported for the Dough Feeding
 2. Thermic Fluids Kettles replaced Electric Kettles.
 3. Mixing System of 5TPH for better result and quality
 4. New Chips Plant was ready for production in August 2021, we have installed Machines from Holland which are first in India.
 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.
3. Quality evaluation of finished products and raw materials.
- (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.

Rasgulla Plant

We are planning to take trials of Rasgulla Packing without Manpower (Automatic).

- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:
 1. Reduced maintenance time and cost, improved hygienic condition and consistency in quality.
 2. Entering new market segments and exploring diversification channels.

(C) Foreign Exchange Earnings and Outgo:

Your Company continues to view foreign exchange earnings as a priority. All Businesses in your Company's portfolio are mandated to engage with overseas markets with a view to testing and demonstrating international competitiveness and seeking profitable opportunities for growth.

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

Particulars	2020-21	(In lakhs) 2019-20
a) C.I.F. Value of Imports:		
Capital Goods	19.23	81.02
b) Expenditure in Foreign Currency:		
Foreign Currency used for foreign travelling	30.66	47.38
Purchase of Raw Material		0.00
c) Earning in Foreign Currency		
Export Sale	6618.90	4593.81

Annexure VI

A. Statement showing the names and other particulars of employees drawing remuneration in excess of the limits in terms of the provisions of Section 197(12) of the Act read with Rule 5(2) of the Companies (appointment and remuneration of managerial personnel) Rules, 2014:

Particulars	Shiv Ratan Agarwal	Deepak Agarwal
Age	70 Years	40 Years
Designation	Chairman cum Whole-time Director *	Managing Director**
Nature of Employment	Regular Employment	Regular Employment
Qualifications	Matriculate	MBA
Remuneration Received (In lakhs)	336	336
Nature of Duties	Overall Management of the Company	Management of Company's Operations
Experience	More than 30 years	More than 18 Years
Date of Commencement of Employment	06/10/1995	30/09/2002
Particulars of Previous Employment	Started career with Bikaji only.	Started career with Bikaji only.
Percentage of Equity Shares of the Company held	36.37%	17.27%
Relation with Director or Manager	Mrs. Sushila Devi Agarwal – Wife Mr. Deepak Agarwal – Son Mrs. Shweta Agarwal – Son's wife	Mr. Shiv Ratan Agarwal Agarwal – Father Mrs. Sushila Devi Agarwal – Mother Mrs. Shweta Agarwal – Wife

*Changed designated from Managing Director to Chairman cum Whole-time Director w.e.f. September 02, 2021.

**Changed designated from Whole-time Director to Managing Director w.e.f. September 02, 2021.

Particulars	Shweta Agarwal
Age	40 Years
Designation	Whole-time Director
Nature of Employment	Regular Employment
Qualifications	MA in English Literature
Remuneration Received (In lakhs)	108
Nature of Duties	Management of company's Operations
Experience	More than 15 years
Date of Commencement of Employment	16/11/2006
Particulars of Previous Employment	Started career with Bikaji only
Percentage of Equity Shares of the Company held	
Relation with Director or Manager	Mr. Shiv Ratan Agarwal Agarwal – Father-in-law Mrs. Sushila Devi Agarwal – Mother-in-law Mr. Deepak Agarwal – Husband

* Mrs. Sushila Devi Agarwal resigned from Directorship w.e.f. September 01, 2021.

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 March 31, 2021

(Deepak Agarwal)

Managing Director

Place : Bikaner

Dated: November 15, 2021

Independent Auditors' Report

To the Members of Bikaji Foods International Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS Financial Statements of Bikaji Foods International Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Standalone Ind AS financial statements, including 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 Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 46 to the Standalone Ind AS Financial Statements which states that the Management has made an assessment of the impact of COVID-19 on the Company’s operations, financial performance and position as at and for the year ended March 31, 2021 and has

concluded that there is no impact which is required to be recognised in the Standalone Ind AS Financial Statements. Accordingly, no adjustments have been made to the Standalone Ind AS Financial Statements.

Our opinion is not modified in respect of this matter.

Information Other than the Standalone Ind AS Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Director’s report but does not include the Standalone Ind AS financial statements and our auditors’ report thereon.

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

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes inequity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 Standalone Ind AS financial statements, the Board of Directors is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

We give in “Annexure A” a detailed description of Auditor’s responsibilities for Audit of the Standalone Ind AS Financial Statements.

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“Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 21094518AAAADS4999

Place: Gurugram
Date: November15, 2021

- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 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 Standalone Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
- (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 Standalone Ind AS financial statements – Refer Note 37 to the Standalone 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.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **M Surana & Company**
Chartered Accountants
ICAI Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
UDIN: 21077597AAAKP2371

Place: Bikaner
Date: November15, 2021

Annexure A to the Independent Auditor’s Report

On even date on the Standalone Ind AS Financial Statements of Bikaji Foods International Limited

Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements

As part of an audit in accordance with Standards on Auditing (SAs), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS 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 internal financial controls with reference to Standalone Ind AS 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 Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS 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.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 21094518AAAADS4999

Place: Gurugram
Date: November 15, 2021

For **M Surana & Company**
Chartered Accountants
ICAI Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
UDIN: 21077597AAAKP2371

Place: Bikaner
Date: November 15, 2021

Annexure B to the Independent Auditor’s Report

Of even date on the Standalone Ind AS Financial Statements of Bikaji Foods International Limited for the year ended March 31, 2021

[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditors’ Report]

- i.

(a)

The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, plant and equipment).

(b)

Fixed assets (Property, plant and equipment) have been physically verified by the Management during the year and no material discrepancies were identified on such 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 are held in the name of the Company except eight title deeds which are in the name of Shivdeep Industries Limited (former name of Bikaji Foods International Limited) having a net block of INR 301.23 lakhs.

ii.

The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.

iii.

The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 (“the Act”). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.

iv.

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- v.

In our opinion and according to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed thereunder as on March 31, 2021 and the Company has not accepted any deposits during the year.

vi.

The provisions of sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a)

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b)

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, service tax, sales-tax, duty of customs, duty of excise,value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c)

According to the information and explanation given to us and examination of records of the Company, there are no dues of income-tax, goods and service tax, customs duty, cess and any other statutory dues on account of any dispute, except as below:

Name of the statute	Nature of dues	Amount (INR)	Financial Year to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956 and Rajasthan value Added tax Act, 2003	CST and VAT	70.71 lakhs	2007-08 and 2008-09	High Court, Jodhpur

- viii.

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank. No debentures are issued by the Company.
- ix.

The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company. However, the term loans were taken in previous year.
- x.

During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi.

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii.

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii.

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv.

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv.

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi.

In our opinion, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN:21094518AAAADS4999

Place: Gurugram
Date: November 15, 2021

For **M Surana & Company**
Chartered Accountants
ICAI Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
UDIN: 21077597AAAAP2371

Place: Bikaner
Date: November 15, 2021

Annexure C to the Independent Auditor’s Report

Of even date on the Standalone Ind AS Financial Statements of Bikaji Foods International Limited

[Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditors’ Report]

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Standalone Ind AS financial statements of Bikaji Foods International Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Ind AS 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 (ICAI) (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and 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 Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to Standalone Ind AS financial statements and

their operating effectiveness. Our audit of internal financial controls with reference to Standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to Standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 with reference to Standalone Ind AS financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Ind AS Financial Statements

A Company’s internal financial control with reference to Standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control with reference to Standalone Ind AS 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 Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Ind AS Financial Statements

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

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN:21094518AAAADS4999

Place: Gurugram
Date: November 15, 2021

Opinion

In our opinion, the Company has, in all material respects, internal financial controls with reference to Standalone Ind AS financial statements and such internal financial controls with reference to Standalone Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to Standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **M Surana & Company**
Chartered Accountants
ICAI Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
UDIN: 21077597AAAACP2371

Place: Bikaner
Date: November 15, 2021

Balance Sheet

as at March 31, 2021

		(₹ in Lakhs)	
Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	39,129.07	38,922.45
Capital work-in-progress	4	3,355.61	288.23
Investment property	5	370.84	520.80
Intangible assets	6	189.43	149.33
Right-of-use asset	39	918.48	968.19
Financial assets			
Investments	7	8,702.95	3,650.13
Other financial assets	8	1,251.36	495.73
Other non-current assets	9	2,784.31	1,601.71
Income tax assets (net)	10	301.17	685.42
TOTAL NON-CURRENT ASSETS		57,003.22	47,281.99
CURRENT ASSETS			
Inventories	11	5,619.93	3,648.57
Financial assets			
Loans	12	122.20	601.45
Trade receivables	13	4,677.83	4,171.26
Cash and cash equivalents	14	163.79	440.32
Bank balances other than cash and cash equivalents	15	8,496.18	8,387.12
Other financial assets	16	1,902.23	2,031.33
Other current assets	17	2,299.22	980.36
TOTAL CURRENT ASSETS		23,281.38	20,260.41
TOTAL ASSETS		80,284.60	67,542.40
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18	2,431.33	2,431.33
Other equity	19	57,997.36	50,396.42
TOTAL EQUITY		60,428.69	52,827.75
NON-CURRENT LIABILITIES			
Financial liabilities			
Borrowings	20	1,183.55	1,690.33
Lease liabilities	39	82.72	45.98
Provisions	21	182.95	406.39
Deferred tax liabilities (net)	22	2,931.95	3,315.29
TOTAL NON-CURRENT LIABILITIES		4,381.17	5,457.99
CURRENT LIABILITIES			
Financial liabilities			
Borrowings	20	6,506.29	2,188.64
Lease liabilities	39	45.37	118.79
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		451.48	121.01
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,453.44	1,308.96
Other current financial liabilities	24	2,845.56	4,291.62
Other current liabilities	26	1,042.04	1,119.12
Provisions	21	130.61	108.52
Current tax liabilities (net)	25	999.95	-
TOTAL CURRENT LIABILITIES		15,474.74	9,256.66
TOTAL LIABILITIES		19,855.91	14,714.65
TOTAL EQUITY AND LIABILITIES		80,284.60	67,542.40

Summary of significant accounting policies 2

The accompanying notes forms integral part of the Standalone Financial Statements.

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
Place: Gurugram
Date: November 15, 2021

For **M Surana & Company**
Chartered Accountants
Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
Place: Bikaner
Date: November 15, 2021

For **and on behalf of the Board of Directors of**
Bikaji Foods International Limited
CIN : U15499RJ1995PLC010856

Shiv Ratan Agarwal
Chairman
DIN: 00192929
Place: Bikaner
Date: November 15, 2021

Shambhu Dayal Gupta
Chief Financial Officer
PAN: ADFPG0151L

Place: Bikaner
Date: November 15, 2021

Deepak Agarwal
Managing Director
DIN: 00192890
Place: Bikaner
Date: November 15, 2021

Divya Navani
Company Secretary
Membership No.: 026014

Place: Bikaner
Date: November 15, 2021

Statement of Profit and Loss

for the year ended March 31, 2021

Particulars	Notes	(₹ in Lakhs)	
		Year ended March 31, 2021	Year ended March 31, 2020
REVENUE:			
Revenue from operations	27	1,30,845.66	1,07,455.08
Other income	28	1,086.84	835.08
Total income		1,31,932.50	1,08,290.16
EXPENSES:			
Cost of materials consumed	29	90,799.65	72,070.00
Purchase of stock-in-trade		3,115.53	2,274.24
Changes in inventories of finished goods	30	(336.70)	133.76
Employee benefits expense	31	6,888.84	6,461.35
Depreciation, amortisation and impairment expenses	32	3,292.00	3,419.52
Finance costs	33	292.22	511.42
Other expenses	34	15,893.75	17,174.35
Total expenses		1,19,945.29	1,02,044.64
Profit before tax		11,987.21	6,245.52
TAX EXPENSE:			
Current tax	22	3,097.54	1,554.99
Deferred tax	22	(84.90)	(857.80)
Profit after tax		8,974.57	5,548.33
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net (loss)/gain on equity instrument through other comprehensive income		(1,135.93)	1,324.91
Remeasurement (loss) on defined benefit plans	35	(49.88)	(137.50)
Income Tax benefit/(charge) relating to Items that will not be reclassified to profit or loss	22	298.44	(304.27)
Total other comprehensive (loss)/income for the year (net of tax)		(887.37)	883.14
Total comprehensive income		8,087.20	6,431.47
Earnings per equity share [Equity shares of face value of INR 1 (March 31, 2020: INR 1) each]			
Basic and diluted (adjusted)	34(C)	3.69	2.28

Summary of significant accounting policies 2

The accompanying notes forms integral part of the Standalone Financial Statements.

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
Place: Gurugram
Date: November 15, 2021

For **M Surana & Company**
Chartered Accountants
Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
Place: Bikaner
Date: November 15, 2021

For **and on behalf of the Board of Directors of**
Bikaji Foods International Limited
CIN : U15499RJ1995PLC010856

Shiv Ratan Agarwal
Chairman
DIN: 00192929
Place: Bikaner
Date: November 15, 2021

Deepak Agarwal
Managing Director
DIN: 00192890
Place: Bikaner
Date: November 15, 2021

Shambhu Dayal Gupta
Chief Financial Officer
PAN: ADFPG0151L

Place: Bikaner
Date: November 15, 2021

Divya Navani
Company Secretary
Membership No.: 026014

Place: Bikaner
Date: November 15, 2021

Statement of Changes in Equity

for the year ended March 31, 2021

Particulars	(₹ in Lakhs)								
	Equity share capital	Other Equity				Other Comprehensive Income (OCI)			Total equity
		Securities premium	General reserve	Retained earnings	Total other equity	Equity Instruments through OCI	Others	Total OCI	
Balance as at April 01, 2019	2,431.33	20,437.26	193.09	23,941.84	44,572.19	(2.62)	(15.40)	(18.02)	46,985.50
Profit for the year	-	-	-	5,548.33	5,548.33	-	-	-	5,548.33
Dividend (refer Note 19)	-	-	-	(486.27)	(486.27)	-	-	-	(486.27)
Taxes on dividend (refer Note 19)	-	-	-	(102.95)	(102.95)	-	-	-	(102.95)
Net fair valuation gain on equity instrument through OCI (net of tax)	-	-	-	-	-	985.40	-	985.40	985.40
Remeasurement loss on defined benefit plans (net of tax)	-	-	-	-	-	-	(102.26)	(102.26)	(102.26)
Balance as at March 31, 2020	2,431.33	20,437.26	193.09	28,900.95	49,531.30	982.78	(117.66)	865.12	52,827.75
Profit for the year	-	-	-	8,974.57	8,974.57	-	-	-	8,974.57
Dividend (refer Note 19)	-	-	-	(486.27)	(486.27)	-	-	-	(486.27)
Net fair valuation (loss) on equity instrument through OCI (net of tax)	-	-	-	-	-	(850.02)	-	(850.02)	(850.02)
Remeasurement (loss) on defined benefit plans (net of tax)	-	-	-	-	-	-	(37.34)	(37.34)	(37.34)
Balance as at March 31, 2021	2,431.33	20,437.26	193.09	37,389.25	58,019.60	132.76	(155.00)	(22.24)	60,428.69
Summary of significant accounting policies	2								

The accompanying notes forms integral part of the Standalone Financial Statements.

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

For **M Surana & Company**
Chartered Accountants
Firm Registration No.: 015312C

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Date: November 15, 2021

Divya Navani
Company Secretary
Membership No.: 026014

Place: Bikaner
Date: November 15, 2021

Statement of Cash Flow

for the year ended March 31, 2021

Particular	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	11,987.21	6,245.52
Adjustments for:		
Depreciation, amortisation and impairment expenses	3,292.00	3,419.52
Foreign exchange gain, net	(12.81)	(69.27)
Gain on lease modification	(4.42)	-
Interest income	(694.64)	(748.16)
Liabilities written back to the extent no longer required	(342.48)	(6.65)
Finance costs	292.22	511.42
Fair value adjustment on Investment	113.86	239.00
Provision for diminution in the value of investment in Subsidiary	-	120.96
Provision for doubtful debts/advances	53.40	18.26
Amortised of security deposit	4.22	-
Interest income on security deposit	(3.78)	-
Provision for slow moving inventory	112.96	11.17
Provision for right to recover returned goods	53.18	-
Loss on sale of property, plant and equipments (net)	7.55	61.25
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	14,858.47	9,803.02
Adjustments for:		
(Increase) in trade receivables	(547.16)	(222.49)
(Increase)/decrease in loans	479.25	(601.45)
(Increase) in other current financial assets	181.07	(799.20)
(Increase) in other current assets	(1,318.86)	(201.43)
Decrease/(increase) in inventories	(2,084.33)	172.96
Decrease/(increase) in other non-current financial assets	(195.55)	2.21
(Increase) in other non-current assets	478.25	(804.99)
(Decrease)/increase in trade payables	2,474.95	(1,495.59)
Increase/(decrease) in other current financial liabilities	394.30	(201.69)
Increase/(decrease) other current liabilities	(77.09)	538.49
Increase in provisions	(157.11)	101.21
CASH GENERATED FROM OPERATIONS	14,486.19	6,291.05
Tax paid	(1,902.42)	(1,168.58)
NET CASH FROM OPERATING ACTIVITIES (A)	12,583.77	5,122.47
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipments	(7,115.82)	(3,992.67)
Sale of property, plant and equipments	68.98	56.71
Investment in deposits	(721.11)	165.41
Interest received	694.64	748.16
Sale of Investment in equity instrument	5.48	-
Investment in subsidiary	(118.00)	(120.96)
Investment in debenture of subsidiary	(1,707.07)	-
Investment in other instruments	(4,483.00)	(2,265.00)
NET CASH USED IN INVESTING ACTIVITIES (B)	(13,375.90)	(5,408.35)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	489.99	86.81
Repayments of borrowings	(1,348.68)	(1,522.76)
Dividend paid (including dividend distribution tax)	(486.27)	(589.21)
Principal paid on lease liabilities	(39.21)	(41.38)
Interest paid	(277.26)	(490.90)
Interest on lease liabilities	(14.96)	(20.52)
NET CASH USED IN FINANCING ACTIVITIES (C)	(1,676.39)	(2,577.96)

Statement of Cash flow

for the year ended March 31, 2021

Particular	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(2,468.52)	(2,863.83)
OPENING CASH AND CASH EQUIVALENTS	(3,896.10)	(1,032.27)
CLOSING CASH AND CASH EQUIVALENTS	(6,364.62)	(3,896.10)
Reconciliation of Cash and Cash equivalents with the Balance Sheet		
Cash and bank balances as per Balance Sheet		
Balance with banks		
- On current accounts (Refer note 14)	148.07	428.21
Cash on hand (Refer note 14)	15.68	12.10
Cash credit facility (Refer note 20)	(6,016.29)	(2,188.64)
Book overdraft (Refer note 24)	(512.08)	(2,147.77)
Cash and cash equivalents at the end of the year	(6,364.62)	(3,896.10)
Movement in financial liabilities:		
Non-current and current borrowings		
Opening balance	3,063.77	4,499.72
Repayment of borrowing	(1,348.68)	(1,522.76)
Proceeds from borrowings	489.99	86.81
Closing	2,205.08	3,063.77
Reconciliation of Non-current and current borrowings with the Balance Sheet		
Secured term loans from banks (Refer note 20)	1,183.52	1,690.34
Current maturities of long-term loan (Refer note 24)	520.76	1,351.22
Short term loan against fixed deposits	490.00	-
Interest payable on borrowings (Refer note 18)	10.81	22.21
Total Non-current and current borrowings	2,205.09	3,063.77
Lease liabilities		
Opening balance	164.77	-
Cash movements		
Payment of lease liabilities	(54.17)	(61.90)
Non-cash movements		
Interest expense for the year	14.96	20.52
Lease liabilities written back	(8.82)	-
Profit on Lease modification	(4.42)	-
Recognition of lease liabilities	15.77	206.15
Closing balance of lease liabilities	128.09	164.77
Reconciliation of lease liabilities with the Balance Sheet		
Lease liabilities – Non-current	82.72	45.98
Lease liabilities – Current	45.37	118.79
Total Lease liabilities	128.09	164.77

Summary of significant accounting policies.

2

The accompanying notes forms integral part of the Standalone Financial Statements.

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
Place: Gurugram
Date: November 15, 2021

For **M Surana & Company**
Chartered Accountants
Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
Place: Bikaner
Date: November 15, 2021

For **and on behalf of the Board of Directors of**
Bikaji Foods International Limited
CIN : U15499RJ1995PLC010856

Shiv Ratan Agarwal
Chairman
DIN: 00192929
Place: Bikaner
Date: November 15, 2021

Shambhu Dayal Gupta
Chief Financial Officer
PAN: ADFPG0151L

Place: Bikaner
Date: November 15, 2021

Deepak Agarwal
Managing Director
DIN: 00192890
Place: Bikaner
Date: November 15, 2021

Divya Navani
Company Secretary
Membership No.: 026014

Place: Bikaner
Date: November 15, 2021

Notes

to Standalone Financial Statements for the year ended March 31, 2021

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 and E-188, Bichhwal Industrial Area, Bikaner – 334 006. (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 Standalone Financial Statements of the Company for the year ended March 31, 2021 were approved and authorised for issue in accordance with the resolution of the Company’s Board of Directors on November 13, 2021.

2. Significant Accounting Policies

Significant accounting policies adopted by the Company are as under:

2.1 Basis of preparation of standalone Ind AS financial statements

a) Statement of Compliance

The Standalone Financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, and presentation requirements of Division II of Schedule III to the Act.

b) Basis of Preparation of Standalone Financial Statements

The Standalone 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 para 2.2(S) of accounting policy).

The functional and presentation currency of the Company is Indian Rupee (“₹”) which is the currency of the primary economic environment in which the Company operates.

All amounts disclosed in the Standalone Financial Statements and notes have been rounded off to the nearest “Lakhs”, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0” in the relevant notes to these Standalone Financial Statements.

c) Use of Estimates

The preparation of Standalone Financial Statements in conformity with Ind AS requires the Management to make estimates 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 standalone Ind AS financial statements are based upon the Management’s evaluation of the relevant facts and circumstances as at the date of the standalone Ind AS financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a year basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected. (refer para 2.2(V) of accounting policy).

2.2 Summary of Significant Accounting Policies

A) Current Vs 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 year, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

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 year, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Based on the nature of business and the time between the acquisition of assets for processing and their realisation 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.

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

B) Revenue recognition

a) Sale of goods
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 the 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 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 the best estimate based on accumulated experience.

b) Solar income and sale of renewable energy certificate
Revenue from supply of energy is accounted on the basis of billings to state transmission utility and includes unbilled revenues accrued up to the end of the accounting year.

In respect of its certain power generating units in Rajasthan, basic tariffs are subject to review by respective state regulators, adjustments if any, are made in the year of such adjustment when it can be reliably ascertained. Revenue is booked on certainty of realisability.

Revenue from renewable energy certificate are recognised when its reliability is established. Accordingly, sales is recorded at the time of acceptance of bid in the India Energy Exchange ('IEX'). Such certificates can be traded on IEX and PXIL.

c) Other income
Interest income is recognised 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 is 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 year in which they are incurred.

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.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

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 equipment	5 Years
Vehicles	
- Scooters and motorcycles	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 year.

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 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 derecognised 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 recognised in the statement of profit or loss in the year 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 amortisation.

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

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

Intangible assets	Useful life
Trademarks	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 amortisation year and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year.

G) Inventories
Raw material, packing material and finished goods
Inventories are valued at the lower of cost and net realisable value.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

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 realisable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred 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 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 realisable 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.

H) Segment reporting

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

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) Finance costs

Borrowing cost includes interest, amortisation 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 year of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All the other borrowing costs are expensed in the year 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 year in which the employees render the related service are recognised in respect of employees' services up-to the end of the reporting year 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.

Leave encashment: Accumulated leaves which are expected to be utilised 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.

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

Notes

to Standalone Financial Statements for the year ended March 31, 2021

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 year in which they occur. Remeasurements are not classified to Statement of Profit and Loss in subsequent years. 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 recognises related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises 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.

If 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, contingent liabilities and contingent assets

Provision are recognised 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 recognised as a finance cost.

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.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the standalone Ind AS financial statements.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

M) Foreign currencies transactions and translations

The functional currency of the Company is the Indian Rupee. These Standalone Financial Statements are presented in Indian Rupee.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains and losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

N) Taxes

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

Current 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 realise 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 standalone Ind AS 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 year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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 utilise 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 recognised 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 recognised 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

Notes

to Standalone Financial Statements for the year ended March 31, 2021

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

R) Leases

As a lessee

The Company has adopted Ind AS 116 – “Leases” effective April 01, 2019, using the modified retrospective method. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The impact of the adoption of the standard on the standalone Ind AS financial statements of the Company is shown in note 39 of the standalone Ind AS financial statements.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs

incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the year in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments of short-term leases are recognised as expense on a straight-line basis over the lease term.

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.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

a) Financial assets

(i) Initial recognition and measurement:

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

(ii) Subsequent measurement:

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

- a) at amortised cost; or
- b) at fair value through other comprehensive income (FVTOCI); or
- c) at fair value through profit or loss (FVTPL).

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

Amortised 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 amortised 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 (FVTOCI):

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 (FVTOCI). 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 recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised 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 (FVTPL):

Assets that do not meet the criteria for amortised 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 recognised 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised 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 recognised 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 amortised cost, FVTPL and FVTOCI 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.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

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 year, 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 recognising impairment loss allowance based on 12 months ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months 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) recognised during the year is recognised as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortised 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 derecognised 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 derecognised 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 derecognised.

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 derecognised 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 amortised cost, as appropriate. All financial liabilities are recognised 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 and loss (FVTPL):

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 recognised in the profit or loss.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Derecognition of financial liability:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss 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 recognised amounts and there is an intention to settle on a net basis or realise 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.

T) Investment in subsidiary

Investment in subsidiary is measured at cost less impairment as per Ind AS 27 – 'Separate Financial Statements'.

Impairment of investments:

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted in the statement of profit and loss.

U) 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

V) Significant accounting judgements, estimates and assumptions

The preparation of standalone Ind AS financial statements requires management to make judgements, 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 years.

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 standalone Ind AS 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.

Useful life, method and residual value of property, plant and equipment

Plant and machineries and factory buildings contribute significant portion of the Company's Property, plant and equipment. The Company capitalises 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 standalone Ind AS 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.

Taxes

Deferred tax, subject to the consideration of prudence, is recognised on temporary differences between the taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets are recognised to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realised. The measurement of deferred tax balances requires estimation of the year of transition to the new tax regime basis the financial projections, availability of sufficient taxable income in the future and tax positions adopted by the Company.

Judgements

Assessment of liability as remote, contingencies or liability/provision

In preparing these standalone Ind AS 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 standalone Ind AS financial statements.

W) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards.

MCA issued a notification dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its Standalone Financial Statements. These amendments are applicable to the Company for the financial year starting April 01, 2021.

On June 18, 2021, the Ministry of Corporate Affairs (MCA) has also notified new Company (Indian Accounting Standards) Amendment Rules, 2021 and carried out amendments to the following Indian Accounting Standards.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

a) Ind AS 116 “Leases” – The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the

April 01, 2020. In case, a lessee has not yet approved the Standalone Financial Statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 01, 2019. The Company has opted the practical expedient.

b) Ind AS 109 Financial Instruments – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortised cost, for the

changes in the financial assets that may arise as a result of interest rate benchmark reform along. An additional temporary exception from applying hedge accounting is also added for interest rate benchmark reform.

c) Ind AS 107 Financial Instruments: Recognition, presentation and disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like (i) the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform, (ii) the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.

d) Application of above standards are not expected to have any significant impact on the Company's Standalone Financial Statements. However, the Company has adopted the changes to Ind AS 116 as above for the year ended March 31, 2021 as notified.

X) Rounding off amounts

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

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Particulars	Land (Freehold)	Factory building ^	Other building	Plant & equipment	Furniture & fixtures	Vehicles ^	Office equipments	Computers & peripherals	Total
Gross block at cost									
Balance at April 01, 2019	201.83	13,894.45	186.95	28,699.45	1,014.44	1,205.44	249.17	271.50	45,723.23
Additions	-	318.95	-	3,280.97	278.11	152.57	36.32	9.73	4,076.65
Disposals/adjustments	-	-	-	(44.32)	-	(112.86)	-	-	(157.18)
Balance at March 31, 2020	201.83	14,213.40	186.95	31,936.10	1,292.55	1,245.15	285.49	281.23	49,642.70
Additions	120.85	331.21	-	2,734.93	41.55	45.15	15.67	41.68	3,331.04
Transfer in from Investment property ^^	-	-	149.96	-	-	-	-	-	149.96
Disposals/adjustments	-	-	-	(91.16)	-	(27.79)	-	-	(118.95)
Balance at March 31, 2021	322.68	14,544.61	336.91	34,579.87	1,334.10	1,262.51	301.16	322.91	53,004.75
Accumulated depreciation and impairment									
Balance at April 01, 2019	-	1,134.59	36.61	5,317.07	223.90	476.31	102.50	217.89	7,508.87
Depreciation charge for the year	-	494.05	7.16	2,064.61	177.44	149.53	24.64	36.17	2,953.60
Impairment charge for the year #	-	-	-	297.00	-	-	-	-	297.00
Disposals/adjustments	-	-	-	(2.82)	-	(36.40)	-	-	(39.22)
Balance at March 31, 2020	-	1,628.64	43.77	7,675.86	401.34	589.44	127.14	254.06	10,720.25
Depreciation charge for the year	-	501.97	9.85	2,194.99	200.93	130.06	24.96	22.61	3,085.37
Impairment charge for the year #	-	-	-	112.49	-	-	-	-	112.49
Disposals/adjustments	-	-	-	(29.93)	-	(12.50)	-	-	(42.43)
Balance at March 31, 2021	-	2,130.61	53.62	9,953.41	602.27	707.00	152.10	276.67	13,875.68
Net block									
As at March 31, 2021	322.68	12,414.00	283.29	24,626.46	731.83	555.51	149.06	46.24	39,129.07
As at March 31, 2020	201.83	12,584.76	143.18	24,260.24	891.21	655.71	158.35	27.17	38,922.45

Notes:

Solar energy generation plants having gross book value of INR 773.56 lakhs (net carrying value as on March 31, 2021 is INR 75.00 lakhs, post impairment), have been impaired by INR 112.49 lakhs during the year (Previous year: INR 297.00 lakhs) (Refer note 45).

^ Refer note 20 for information related to property, plant and equipment pledged as security by the Company.

^^ The Company has reclassified certain Investment Property (i.e. flats) as owner occupied during the year pursuant to change in use by the Company (Refer note 5).

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 4: Capital work-in-progress

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Opening balance	288.23	1,313.07
Add: Additions during the year	6,355.15	3,218.00
Less: Capitalised during the year (Refer Note 3, 5 and 6)	3,287.77	4,242.84
Closing balance #	3,355.61	288.23

Capital work-in-progress as at March 31, 2021 majorly comprises expenditure for new production facilities/lines.

Note 5: Investment property

Particulars	(₹ in Lakhs)		
	Other building	Land (Freehold)	Total
Gross block at cost			
Balance at April 01, 2019	160.89	130.09	290.98
Additions	-	240.75	240.75
Disposals/adjustments			-
Balance at March 31, 2020	160.89	370.84	531.73
Additions	-	-	-
Transfer to Property plant & equipment ^^	(160.89)	-	(160.89)
Disposals/adjustments	-	-	-
Balance at March 31, 2021	-	370.84	370.84
Accumulated depreciation			
Balance at April 01, 2019	8.24	-	8.24
Charge for the year	2.69	-	2.69
Disposals/adjustments	-	-	-
Balance at March 31, 2020	10.93	-	10.93
Charge for the year	-	-	-
Transfer to Property plant & equipment ^^	(10.93)		(10.93)
Disposals/adjustments	-	-	-
Balance at March 31, 2021	-	-	-
Net block			
As at March 31, 2021	-	370.84	370.84
As at March 31, 2020	149.96	370.84	520.80

Footnote: (a) Information regarding income and expenditure of investment property.

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Rental income from investment properties	-	-
Profit arising from investment properties before depreciation and indirect expenses	-	-
Less: Depreciation	-	2.69
Loss arising from investment properties before indirect expenses	-	2.69

Footnote: (b) Fair value

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Fair value	3,028.52	3,189.42

The fair value of investment property has been determined by external, independent property valuer, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The Company obtained independent valuation for its investment properties and fair value measurement has been categorised as level 3 inputs. The fair value has been arrived using market prevailing rates applicable to same location. Increase in market rate of property in same location would result in increase in fair value of investment property and vies versa.

^^ Company has reclassified certain Investment Property as owner occupied during the year pursuant to change in use by the Company at net carrying value. (Refer note 3).

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 6: Intangible assets

Particulars	(₹ in Lakhs)		
	Trade marks	Computer software	Total
Gross block at cost			
Balance at April 01, 2019	62.19	218.61	280.80
Additions	-	3.00	3.00
Disposals/ adjustments	-	-	-
Balance at March 31, 2020	62.19	221.61	283.80
Additions	-	77.58	77.58
Balance at March 31, 2021	62.19	299.19	361.38
Accumulated amortisation			
Balance at April 01, 2019	22.93	87.78	110.71
Charge for the year	5.73	18.03	23.76
Balance at March 31, 2020	28.66	105.81	134.47
Charge for the year	-	37.48	37.48
Balance at March 31, 2021	28.66	143.29	171.95
Net block			
As at March 31, 2021	33.53	155.90	189.43
As at March 31, 2020	33.53	115.80	149.33

Note 7: Financial assets – Investments

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Investment at cost		
Subsidiaries		
Equity shares (unquoted and measured at cost)		
1,29,506 equity shares (Previous year: 1,29,506 equity shares) of GBP 1 each fully paid-up in Bikaji Foods (London) Limited on liquidation	91.85	120.96
Less: Provision for diminution in the value of investment (Refer note 44)	(91.85)	(120.96)
	-	-
37,79,100 equity shares (Previous year: Nil) having face value of INR 10 each fully paid-up in Petunt Foods Processors Private Limited *	118.00	-
Add: deemed equity contribution #	317.00	-
	435.00	
Total investment at cost	435.00	-
Investments at fair value through OCI (FVTOCI)		
Quoted equity shares		
Nil equity shares (Previous year: 14,220 shares) of INR 2 each of Gokul Refoils and Solvent Limited	-	1.19
Nil equity shares (Previous year: 14,220 shares) of INR 2 each of Gokul Agro Resources Limited	-	1.20
Compulsorily Convertible Preference Shares (CCPS)		
28,13,050 CCPS (Previous year: 28,13,050 shares) of INR 10 each in Hanuman Agro Foods Private Limited	461.34	1,561.24
Total FVTOCI investments	461.34	1,563.63
Investments at fair value through profit and loss (FVTPL)		
Subsidiaries		
1,04,90,000 0.001% Optionally convertible debentures (OCD Series A) (Previous year: NIL) of INR 10 each in Petunt foods Processors Private Limited *	752.14	-
Less: Provision for diminution in the value of investment (Refer note 41)	(0.96)	-
65,80,700 Optionally convertible debentures with variable coupon rates (OCD Series B) (Previous year: NIL) of INR 10 each in Petunt Foods Processors Private Limited **	637.94	-
Add: Gain on investment at fair value through profit & loss (Refer note 41)	0.72	-

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 7: Financial assets – Investments (contd.)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Others		
Unquoted		
Investment in Mutual-Fund	101.37	-
Investment in equity shares	5.00	5.00
Investment in Compulsory Convertible Preference Shares (CCPS)	16.40	55.50
Investment in Compulsory Convertible Debentures (CCD)	5,114.00	2,026.00
Investment in Optional Convertible Debentures (OCD)	450.00	-
Investment in convertible note	730.00	-
Total FVTPL investments	7,806.61	2,086.50
Total investments	8,702.95	3,650.13
Aggregate book value of quoted investments	-	2.40
Aggregate market value of quoted investments	-	2.40
Aggregate book value of unquoted investments	8,702.95	3,647.73
Aggregate amount of impairment in value of investments (Refer note 33)	(91.85)	(120.96)

* During the year ended March 31, 2021, the Company invested INR 118 lakhs (March 31, 2019: Nil) in Petunt Food Processors Private Limited and holds 51.22% stake in the entity as at the balance sheet date.

The Company invested in OCD Series A and Series B issued by Petunt Food Processors Private Limited . Investment is recognised at fair value which represents the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument with a similar credit rating. This amount represent fair valuation gain on initial recognition presented as investment by company.

Note 8: Other non-current financial assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Carried at amortised cost		
Security deposits	305.27	109.73
Bank deposits with remaining maturity period of more than 12 months	946.09	366.09
Balances with Bank held as margin money [#]	-	19.91
Total	1,251.36	495.73

Under lien by bank against the bank guarantee and letter of credit

Note 9: Other non-current assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Capital advances		
Considered good	2,517.85	1,241.26
Considered doubtful	27.26	27.26
Less: Allowance for doubtful advance	(27.26)	(27.26)
Other than Capital advances		
Prepaid expenses	72.66	137.29
Balance with government authorities	193.80	223.16
Total	2,784.31	1,601.71

Include amount of INR 193.80 (March 31, 2020: 193.80) toward Cenvat recoverable. The Company has filed writ petition before Jodhpur High Court for transitioning CENVAT credit in respect to capital goods purchase during April 01, 2016 to June 30, 2017 in pre-GST period. Certain goods manufactured by the Company were hitherto exempted from the levy of central excise duty but has become taxable 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. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 10: Income tax assets (net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance Income tax (net of provision for tax of INR 6,676.97 lakhs) (March 31, 2020: 6,676.97 lakhs))	301.17	685.42
Total	301.17	685.42

Note 11: Inventories [^]

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Raw materials	1,962.25	1,293.17
Packing materials	2,564.00	1,704.34
Finished goods [#]	872.98	536.28
Stores and spares	220.70	114.78
Total	5,619.93	3,648.57

During the year ended March 31, 2021, INR 112.96 lakhs (Previous year: INR 11.17 lakhs) was recognised as an expense for writing down the value to net realisable value. These have been expensed in “Statement of profit and loss” in “Other Expenses”.

[^] Refer note 20 for information related to inventories hypothecated by the Company against cash credit facility.

[#] Finished goods include stock in transit - INR 276.49 lakhs (Previous year: Nil).

Note 12: Loans

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
Loans Receivables considered good – Unsecured [#]	122.20	601.45
Total	122.20	601.45

[#] These loans are repayable on demand and are provided at interest rate of 11% p.a.

Note 13: Trade receivables [^]

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Trade receivables – unsecured	4,780.55	4,220.58
Less: Allowance for expected credit losses	(102.72)	(49.32)
Total	4,677.83	4,171.26
Breakup of trade receivables:		
- Related parties [#]	45.27	59.78
- Others	4,632.56	4,111.48
Total	4,677.83	4,171.26

[^] Refer note 20 for information related to trade receivables hypothecated by the Company against cash credit facility.

[#] Trade receivables includes receivables from private companies in which director of the Company is a director. Refer note 36.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 14: Cash and cash equivalents

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- In current accounts	148.11	428.22
Cash on hand	15.68	12.10
Total	163.79	440.32

Note 15: Bank balances other than cash and cash equivalents

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Bank deposits with original maturity period of more than 3 month and less than 12 months*	7,745.18	8,238.07
Balance with Bank held as Margin Money #	751.00	149.05
Total	8,496.18	8,387.12

Include deposits under lien by bank against bank guarantees and letters of credit

* Include deposits under lien against overdraft facility, of INR 220.79 Lakhs (Previous year: Nil) Refer Note 20.

Note 16: Other current financial assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Security deposits	12.25	49.88
Bank deposits with original maturity period of more than 12 months and residual maturity less than 12 Month *	1,424.71	1,341.01
Balance with Bank held as Margin Money #	45.00	76.74
Interest accrued on bank deposits and others	420.27	563.70
Total	1,902.23	2,031.33

Under lien by bank against the bank guarantee and letter of credit.

* Under lien by Bank against over draft facility of INR 327 .23 Refer note 20.

Note 17: Other current assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advances to vendors	1,628.59	492.89
Prepaid expenses	110.61	60.49
Insurance claim receivable #	-	147.83
Balance with government authorities^	282.34	74.35
Government grant (exports incentive) receivable	113.11	38.59
Right to recover returned goods (Refer note 26)	-	4.58
Unamortised share issue expenses*	91.50	90.00
Employees advances	73.07	71.63
Total	2,299.22	980.36

Insurance claim receivable is in respect of loss due to fire, damaging the property, plant and equipment and inventory. Fire occurred on July 09, 2018 at the Company, Karni plant, resulting in loss amounting to INR 172.55 lakhs. These assets were secured through insurance. The Company has filed a claim in the previous financial year and received the claim amounting to INR 147.83 lakhs in current financial year. The balance of INR 24.72 lakhs has been recognised as loss in FY 2019-2020 due to fire in the Statement of Profit and Loss.

^There are no unfulfilled conditions attached to these grants (Refer note 27).

*The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transactions that otherwise would have been avoided. Since, Company has not received proceed from issue of share capital, the Company has accounted transaction costs under the head "other current assets". Once the proceeds from issue of share is received, transaction costs will be adjusted with the Security Premium under Other Equity.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 18: Equity share capital

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Authorised share capital		
25,000,000 equity shares (Previous year: 25,000,000) of INR 10 each*	2,500.00	2,500.00
Total	2,500.00	2,500.00
Issued, subscribed and fully paid-up share capital		
24,313,306 equity shares (Previous year: 24,313,306) of INR 10 each*	2,431.33	2,431.33
Total	2,431.33	2,431.33

*Refer note 34(c).

(a) Reconciliation of the number of equity shares given below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Balance at the beginning of the year	243.13	2,431.33	243.13	2,431.33
Balance at the end of the year	243.13	2,431.33	243.13	2,431.33

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

Equity Shares: The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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. 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:

Name of shareholders	Number of shares (in lakhs)	% of Holding as at March 31, 2021	(₹ in Lakhs)	
			Number of shares (in lakhs)	% of Holding as at March 31, 2020
Shiv Ratan Agarwal	88.43	36.37%	88.43	36.37%
Shiv Ratan Agarwal HUF	61.20	25.17%	61.20	25.17%
Deepak Agarwal	41.98	17.27%	41.98	17.27%
IIFL Special Opportunities Fund	20.00	8.22%	20.00	8.22%
India 2020, Maharaja Limited	18.17	7.47%	18.17	7.47%

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

- (d) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.
- (e) No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting date.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 19: Other equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Securities premium reserve		
Opening balance	20,437.26	20,437.26
Closing Balance (A)	20,437.26	20,437.26
General reserve		
Opening balance	193.09	193.09
Closing Balance (B)	193.09	193.09
Retained earnings		
Opening balance	28,900.95	23,941.84
Add: Profit during the year	8,974.57	5,548.33
Total (i)	37,875.52	29,490.17
Less appropriation:		
Dividend paid @ INR 2 per share (Previous year: @ INR 2 per share) (Refer footnote)	(486.27)	(486.27)
Dividend distribution tax	-	(102.95)
Total appropriation (ii)	(486.27)	(589.22)
Balance at March 31, 2021 (i)- (ii) = (C)	37,389.25	28,900.95
Other comprehensive income (OCI)		
Opening balance	865.12	(18.02)
Add: Movement in OCI (net) during the year	(887.36)	883.14
Closing balance (D)	(22.24)	865.12
Total (A) + (B) + (C) + (D)	57,997.36	50,396.42

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 provisions of the Act.

General reserve: General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings: Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

Dividend: The Board of Directors of the Company has paid a dividend of INR 2 per share (Previous year: INR 2 per share) amounting to INR 486.27 lakhs for the year ended March 31, 2020 for each share with face value of INR 10 each. The distribution has been in proportion to the number of equity shares held by the shareholders. From April 01, 2021, the domestic Company is not required to pay dividend distribution tax on any amount declared, distributed or paid as dividend. Dividends paid by the Company to its shareholders were subjected to withholding tax as applicable.

Note 20: Borrowing

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Non-current borrowing		
Secured		
Term loan		
- From bank	1,130.85	1,624.27
- From others	52.70	66.06
	1,183.55	1,690.33
Current borrowing		
Secured		
Loans repayable on demand from bank		
Cash credit	4,016.29	2,188.64

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 20: Borrowing (contd.)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Other term loans		
Short-term loan against fixed deposits from bank	490.00	-
Unsecured		
Loans repayable on demand from bank		
Working capital demand loan	1,000.00	-
Packing credit limit	1,000.00	
	6,506.29	2,188.64
Total	7,689.84	3,878.97

(A) Borrowings include:

- Term loan (non-current)**
 - Term loans from Bank**
Term loan from State Bank of India (“SBI”) amounting to INR 1,630.85 lakhs (including current INR 500.00 lakhs and non-current INR 1,130.85 lakhs) outstanding as on March 31, 2021 is secured by first charge by way of equitable mortgage of immovable industrial property i.e. land and 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 and machinery at RIICO Industrial Area, Karni (Extension), Bikaner. Interest is charged in the range of 7.40% to 8.60%.
 - Vehicle Loan**
Vehicle loan of INR 73.46 lakhs (including current INR 20.75 lakhs and non-current INR 52.71 lakhs) relate to vehicle purchased under financing arrangements with financial institution are secured by way of hypothecation of the specified assets. Interest is charged at 9.85%.
- Short-term loan against fixed deposits from bank**
Loan against fixed deposits from SBI amounting to INR 490 lakhs (classified in current borrowing) outstanding as on March 31, 2021 which is repayable on demand. Interest rate is charged at 5.90%.
- Cash credit**
Working capital loan is obtained from SBI. Interest is charged at 7.40%.
Cash credit from SBI is secured by hypothecation of stock of raw material, packing material and book debts. These are repayable on demand.
- Guarantees by Directors**
Above mentioned term loan and cash credit loans from SBI are further guaranteed of certain directors/ promoters of the Company (Refer note 35).
- Working Capital Demand Loan & Packing Credit Limit**
Working Capital Demand Loan and pre-shipment or post shipment export limit are unsecured at 4.75% ,which are repayable on demand

(B) Terms of repayment

Particulars	No. of installments outstanding	Installment amount	Repayment
Short-term loan against fixed deposits	1.00	490.00	Commensurate with maturity of underlying deposits under lien
Term loans from bank	13.00	125.00	Quarterly
Vehicle loan*	20.00	1.73	Monthly and INR 50 lakhs as single payment thereafter

*In case of above vehicle loan, installments are equalised monthly installments and include interest.

(C) Loan covenants

The Company has complied all the financial covenants prescribed in terms of borrowings.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 21: Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
(₹ in Lakhs)		
Non-current provisions		
Provision for employee benefits		
- Gratuity	182.95	406.39
Total	182.95	406.39
Current provisions		
Provision for employee benefits		
- Gratuity	115.61	93.52
Others		
- Provision for sales tax liability *	15.00	15.00
Total	130.61	108.52
Total	313.56	514.91

* Movement of sales tax liability

Particulars	As at March 31, 2021	As at March 31, 2020
(₹ in Lakhs)		
Opening balance	15.00	15.00
Closing balance	15.00	15.00

Note 22: Deferred tax liability (net)

In compliance of Ind AS 12 "Income Tax" the Company has recognised 'the deferred tax liability' major components of deferred tax assets and liabilities on account of timing differences are as follows:

Reconciliation of Deferred tax liability (net):

Particulars	As at March 31, 2021	As at March 31, 2020
(₹ in Lakhs)		
Balance at the beginning of the year	3,315.29	3,868.82
Tax charge/(benefit) during the year recognised in the Statement of Profit and Loss	(84.90)	(857.80)
Tax (benefit)/charge recognised in other comprehensive income	(298.44)	304.27
	2,931.95	3,315.29

The movement in deferred tax assets and liabilities during the year ended March 31, 2021 and March 31, 2020:

Movement during the year ended March 31, 2021	As at March 31, 2020	Recognised in Profit and loss account	Recognised in other comprehensive income	As at March 31, 2021
(₹ in Lakhs)				
Deferred tax (asset)/liability in relation to:				
Property, plant and equipment	3,167.66	126.95	-	3,294.61
Items allowed on payment basis	34.79	(253.74)	-	(218.95)
Fair value adjustments of Investments	242.44	(21.33)	(285.89)	(64.78)
Remeasurement (loss) on defined benefit plans	(129.60)	63.22	(12.55)	(78.93)
Net deferred tax asset/liability	3,315.29	(84.90)	(298.44)	2,931.95

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 22: Deferred tax liability (net) (contd.)

Movement during the year ended March 31, 2020	As at March 31, 2019	Recognised in Profit and loss account	Recognised in other comprehensive income	As at March 31, 2020
(₹ in Lakhs)				
Deferred tax (asset)/liability in relation to:				
Property, plant and equipment	4,058.87	(891.21)	-	3,167.66
Items allowed on payment basis	(179.23)	214.02	-	34.79
Fair value adjustments of Investments	(0.16)	(180.61)	423.21	242.44
Remeasurement (loss) on defined benefit plans	(10.66)	-	(118.94)	(129.60)
Net deferred tax asset/liability	3,868.82	(857.80)	304.27	3,315.29

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(₹ in Lakhs)		
(a) Income tax expenses recognised in the Statement of Profit and Loss		
Current tax		
Current tax on profit for the year	3,097.54	1,554.99
Total current tax expense (A)	3,097.54	1,554.99
Deferred tax		
Deferred tax charge/(benefit)	(84.90)	(857.80)
Total deferred tax credit (B)	(84.90)	(857.80)
Income tax expense reported in the Statement of Profit and Loss (A) + (B)	3,012.64	697.19
(b) OCI Section – Income tax related to items recognised in OCI during in the year:		
Tax (benefit)/ charge recognised in other comprehensive income	(298.44)	304.27
Income tax expense charged to OCI	(298.44)	304.27
(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
Profit before income tax expense	11,987.21	6,245.51
Income tax rate	25.17%	25.17%
Amount of tax at Company's tax rate (A)	3,016.94	1,571.87
Adjustment		
Non-deductible expenses	(17.10)	825.29
Total adjustment	(17.10)	825.29
Income tax rate	25.17%	25.17%
Tax impact of adjustment (B)	(4.30)	207.72
Impact of change in tax rate (C)*	-	(1,082.40)
Income tax expense recognised in the Statement of Profit and Loss (A)+(B)+(C)	3,012.64	697.19

* Pursuant to the Taxation Laws (Amendment) Act, 2019 issued during year ended March 31, 2020 effective from April 01, 2019. The Company has an option to pay tax income tax at 22% plus applicable surcharge and cess ('new tax regime'). Based on the Company's assessment of the expected transition to the new tax regime, the Company remeasured the deferred tax liabilities and recognised resultant deferred tax benefit of INR 1,082.40 lakhs in previous financial year.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 23: Trade payables

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises (refer footnote)	451.48	121.01
Total outstanding dues of creditors other than micro enterprises and small enterprises [#]	3,453.44	1,308.96
Total	3,904.92	1,429.97

The Company’s exposure to currency and liquidity risks related to trade payables is disclosed in note 42.

Footnote: Details of amounts outstanding to Micro and Small Enterprises as defined under the MSMED Act, 2006:

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. The Micro and Small Enterprises have been identified by Management from the available information, which has been relied upon by the auditors. On the basis of the information and records available with the Management, following are outstanding dues to the Micro and small enterprises:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each financial year	451.48	121.01
Principal amount due to micro and small enterprises		
Interest due on above	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each financial year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each financial year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

Note 24: Other current financial liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term borrowings (secured) (Refer note 20)	520.76	1,351.22
Accrued employees liabilities	906.21	533.63
Book overdraft [#]	512.08	2,147.77
Creditors for capital goods	744.92	107.71
Trade deposits from customers	150.78	129.08
Interest payable on borrowings	10.81	22.21
Total	2,845.56	4,291.62

[#] The Company has issued cheques in excess of the bank balance as at March 31, 2021. These cheques have been presented for clearance subsequent to year end.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 25: Current tax liabilities (net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Income tax provision [net of advance tax INR 2,097.58 lakhs (March 31,2020: Nil)]	999.95	-
	999.95	-

Note 26: Other current liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Statutory dues	459.25	131.37
Advance received from customers	518.94	982.19
Accounting for refund liabilities [#]	63.85	5.56
Total	1,042.04	1,119.12

[#] The Company has recognised a refund liability for sale of goods on which Company does not expect to receive consideration. The costs to recover the products are cost to the Company because the customers usually return the product which are not in saleable condition.

Note 27: Revenue from operations

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Sale – food products		
Finished goods	1,27,361.87	1,04,767.68
Traded goods	3,224.89	2,450.33
Other operating revenue		
Scrap sales	145.79	105.68
Government grants		
Export benefits*	113.11	131.39
Total	1,30,845.66	1,07,455.08

*Export benefits are government grants and include following:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Merchandise Exports from India Scheme (MEIS)	104.21	131.39
Remission of Duties and Taxes on Exported Products (RoDTEP)	8.90	-
Total	113.11	131.39

There are no unfulfilled conditions or contingencies attached to these.

Reconciliation of revenue recognised with contract price for sale of foods products:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Sale – food products	1,31,850.68	1,08,147.12
Adjustments for refund liabilities	(62.87)	(4.90)
Discount and rebates	(1,201.04)	(924.21)
Revenue from contract with customers	1,30,586.77	1,07,218.01

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 28: Other income

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Interest income on		
Bank deposits	624.65	710.33
On loans	54.90	35.60
Others	15.10	2.22
Other non-operating income		
Liabilities written back to the extent no longer required	342.48	6.65
Excess provision written back (Refer note 44)	29.11	-
Net Gain on financial assets at fair value through profit & loss (Refer note no. 7)	1.37	-
Gain on lease modification (Refer note 39)	4.42	-
Foreign exchange fluctuation gain (net)	14.81	69.27
Gain on sale of renewable energy certificate	-	11.01
Total	1,086.84	835.08

Note 29: Cost of materials consumed

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Raw material		
Inventory at the beginning of the year	1,293.17	1,085.95
Add: Purchases during the year	76,635.94	59,526.94
	77,929.11	60,612.89
Less: Inventory at the end of the year	1,962.25	1,293.17
Cost of raw material consumed (A)	75,966.86	59,319.72
Packing material (Primary)		
Inventory at the beginning of the year	1,704.34	2,001.80
Add: Purchases during the year	15,692.45	12,452.82
	17,396.79	14,454.62
Less: Inventory at the end of the year	2,564.00	1,704.34
Cost of packing material consumed (B)	14,832.79	12,750.28
Total (A)+(B)	90,799.65	72,070.00

Note 30: Changes in inventories of finished goods

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Inventory at the beginning of the year	536.28	670.04
Less: Inventory at the end of the year	872.98	536.28
Changes in inventories of finished goods	(336.70)	133.76

Note 31: Employee benefits expense

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Salaries, wages, bonus & other allowance	6,099.43	5,843.63
Contribution to provident and other funds (Refer note 35(a))	359.28	313.29
Gratuity expense (Refer note 35(b))	233.97	162.75
Workmen and staff welfare expenses	196.16	141.68
Total	6,888.84	6,461.35

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 32: Depreciation, amortisation and impairment expenses

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Depreciation of property, plant and equipments (Refer note 3)	3,085.37	2,953.60
Depreciation of investment property (Refer note 5)	-	2.69
Amortisation of intangible assets (Refer note 6)	37.48	23.76
Amortisation of right-of-use assets (Refer note 39)	56.66	142.47
Impairment of property, plant & equipment (Refer note 45)	112.49	297.00
Total	3,292.00	3,419.52

Note 33: Finance costs

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Interest cost on		
- Borrowings (Refer note 20)	276.81	490.81
- Statutory dues	0.45	0.09
- lease liabilities (Refer note 39)	14.96	20.52
Total	292.22	511.42

Note 34: Other expenses

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Power and fuel	3,552.48	3,433.85
Job work charges	1,191.66	1,257.70
Store and spares consumed	567.87	600.92
Brokerage and commission	92.80	81.45
Laboratory expenses	26.98	21.84
Repair and maintenance		
Building	296.47	132.01
Plant and machinery	326.59	285.70
Others	14.59	20.43
Advertisement expenses	3,063.78	3,678.22
Sales promotion expenses	649.78	1,156.76
Freight and forwarding charges	3,827.96	4,242.18
Rent	52.77	85.70
Rates and taxes	199.01	227.34
Insurance expenses	99.90	79.80
Legal and professional charges	254.15	221.45
License/membership and trade mark expenses	22.60	65.00
Payment to auditors [Refer note 34(a)]	38.00	37.00
Travelling expenses	345.99	351.97
Charity and donation	61.90	6.23
CSR expenses [Refer note 34(b)]	183.25	181.50
Loss on sales of property, plant and equipments	7.55	61.25
Bank charges	33.80	38.16
Bad debts/advances written off	4.60	18.71
Provision for doubtful debts/advances (Refer note 12)	53.40	18.26
Fair value adjustment on Investment (Refer note 7)	115.23	359.96

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 34: Other expenses (contd.)

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Provision for slow moving inventory	112.96	11.17
Loss due to fire (Refer note 17)	-	24.72
Misc. Expenses	697.68	475.07
Total	15,893.75	17,174.35

Note 34 (a): Payment to auditors

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
- As auditor		
Statutory audit fees	30.00	30.00
Tax audit fees	2.00	2.00
- In other capacity		
Certification fees	3.00	3.00
Reimbursement of expenses	3.00	2.00
Total	38.00	37.00

Note 34 (b): Details of corporate social responsibility as per Section 135 (5) of act and rules made thereunder:

As per provision of Section 135 of the Companies Act, 2013 read with Companies Amendment Act, 2019, the Company has to spent at least 2% of the average profits of the preceding three financial years towards CSR activities. Accordingly, a CSR committee has been formed for carrying out the CSR activities as per Schedule VII of the Companies Act, 2013.

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII	147.30	148.16
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	183.25	181.50
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-

Nature of CSR activities undertaken during the current and previous year:

A significant portion of CSR expenditure was incurred in a goal to fight poverty, malnutrition, improve girl child education, provide education to the poor, promote Clean India Mission in order to inhabitate a clean and hygienic environment. During the year INR 183.25 lakhs (Previous year: INR 181.50 lakhs) was donated to the cause to various Trusts. Other significant expenditure was incurred in respect of amounts donated to trusts for setting up of medical facilities to fight COVID-19.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 34: Other expenses (contd.)

Note 34 (c): Earnings per share

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Net profit after tax	8,974.57	5,548.33
Weighted average number of equity share (at reporting date face value of INR 10 per share) (Refer footnote i)	243.13	243.13
Weighted average number of equity share (at adjusted face value of INR 1 per share) (Refer footnote i)	2,431.33	2,431.33
Basic and diluted earnings per share	3.69	2.28
Face value per equity share (adjusted) (Refer footnote i)	1.00	1.00

Footnote i: In connection with preparing for its IPO (Refer note 48), the Company effected a ten-for-one stock split of the Equity share of the Company. The stock split was approved subsequent to reporting date, on October 22, 2021. The face value and authorised Equity shares were also adjusted as a result of the stock split. All earnings per share related amounts in the financial statements and notes thereto have been retroactively adjusted for all periods presented to give effect to this stock split.

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 (adjusted) outstanding during the year.

Note 34 (d) Components of other comprehensive income (OCI)

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
(Loss)/Gain on FVTOCI Investment, net	(1,135.93)	1,324.91
Re-measurement (loss) on defined benefit plan	(49.88)	(137.50)
Income Tax benefit/(charge) relating to Items that will not be reclassified to profit or loss	298.44	(304.27)
Total	(887.37)	883.14

Note 35: Employee benefits obligations

(a) Defined contribution plans

i. Provident fund and 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	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Included in contribution to provident and other funds (Refer note 31)		
Employees’ state insurance plan	101.34	105.42
Provident fund	257.94	207.87

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 35: Employee benefits obligations (contd.)

(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 policy taken with Life Insurance Corporation of India. 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 INR 20 lakhs (unlimited for certain employees). The disclosures as required pursuant to the Ind AS 19 is as under:

(i) Net employee benefit expenses recognised in the Statement of Profit and Loss

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Service cost	199.43	141.72
Net interest cost	34.54	21.03
Past service cost*	(339.76)	-
Total defined benefit cost included in profit and loss	(105.79)	162.75
Classified as:		
Other income	339.76	-
Employee benefit expense	233.97	162.75

*Past service has accrued due to change in upper cap of Gratuity limit from unlimited to INR 20 lakhs during the year for certain employees.

(ii) Current/ non-current bifurcation

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current	182.95	93.52
Non-current	115.61	406.39
Liability recognised in the Balance Sheet	298.56	499.91

(iii) Net employee benefit expenses recognised in other comprehensive income

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Total amount recognised in other comprehensive income (OCI)	49.88	137.50

(iv) Key financial assumptions used at the end of the year

Particulars	As at	
	March 31, 2021	March 31, 2020
Discount rate	6.82%	6.61%
Salary escalation rate	10.00%	8.00%
Expected return on plan assets	6.61%	6.82%

(v) Actual return on plan asset

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Interest income on plan assets	21.42	18.20
Remeasurements on plan assets	(1.09)	(1.39)
Actual return on plan assets	20.33	16.81

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 35: Employee benefits obligations (contd.)

(vi) Analysis of amounts recognised in other comprehensive (income)/ loss at the end of the year

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Amount recognised in OCI, beginning of the year	163.71	26.21
Remeasurements due to:	-	-
Effect of change in financial assumptions	58.12	67.67
Effect of change in demographic assumptions	32.36	(21.78)
Effect of experience adjustments	(41.70)	90.23
Return on plan assets (excluding interest)	1.09	1.39
Total remeasurements recognised in OCI	49.88	137.51
Amount recognised in OCI, at end of the year	213.59	163.72

(vii) Change in defined benefit obligation during the year

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Defined benefit obligation, beginning of the year	823.99	507.50
Service cost	199.43	141.73
Interest cost	55.96	39.23
Actuarial losses		
a) Effect of change in financial assumptions	58.12	67.67
b) Effect of change in demographic assumptions	32.36	(21.78)
c) Experience (gain)/losses	(41.70)	90.23
Benefits paid from fund	(4.74)	(0.59)
Past service cost	(339.76)	-
Defined benefit obligation, end of the year	783.66	823.99

(viii) Change in fair value of plan assets during the year

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Fair value of plan assets, beginning of the year	324.06	246.30
Interest income	21.42	18.20
Contributions	145.45	61.54
Actuarial (losses)	(1.09)	(1.39)
Benefits paid	(4.74)	(0.59)
Fair value of plan assets, end of the year	485.10	324.06

(ix) Reconciliation of Balance Sheet (net) amount

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Balance sheet liability, net, as at beginning of the year	499.92	261.21
Total charge recognised in profit and loss (net)	(105.79)	162.75
Total remeasurements recognised in OCI	49.88	137.50
Contribution during the year	(145.45)	(61.54)
Balance Sheet liability, net, as at end of the year	298.56	499.92

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

Particulars	As at	
	March 31, 2021	March 31, 2020
Insurer managed fund	100.00%	100.00%

Investment fund are managed by Life Insurance Corporation of India (LIC) is further invested in equity and debts markets in pre-determined ratio to balance market risk, interest rate risk, credit risk and concentration risk.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 35: Employee benefits obligations (contd.)

(xi) Demographic assumptions used to determine the defined benefit

Particulars	As at March 31, 2021	As at March 31, 2020
Withdrawal rate	23.00%	23.00%
Mortality rate	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate
Retirement age	60 Years	60 Years

(xii) Expected maturities of defined benefit obligation

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Within 1 year	119.48	159.16
Between 1 and 2 year	112.63	141.39
Between 2 and 3 year	113.94	127.48
Between 3 and 4 year	108.24	117.83
Between 4 and 5 year	95.36	104.87
Beyond 5 years	330.88	305.82

(xiii) Employers best estimate of contribution to defined benefit plan (gratuity) for next reporting period is INR 484.97 lakhs (March 31, 2020: INR 699.34 lakhs).

(xiv) The weighted average duration of defined benefit obligation is 10.13 years (March 31, 2020: 9.03 years).

(xv) Sensitivity analysis

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Defined benefit obligation (discount rate + 100 basis points)	(35.88)	(35.34)
Defined benefit obligation (discount rate - 100 basis points)	39.87	43.25
Defined benefit obligation (salary escalation rate + 100 basis points)	42.52	41.02
Defined benefit obligation (salary escalation rate - 100 basis points)	(38.74)	(35.62)

Description of risk exposures

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

- i) **Salary increases:** Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- ii) **Investment risk:** If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- iii) **Discount rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.
- iv) **Mortality and disability:** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- v) **Withdrawals:** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Sensitivity in respect of expected return on plan assets, mortality and disability rates and withdrawal rates are immaterial.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 36: Related party disclosures

The list of related parties as identified by the Management is as under:

Relationship	Name of related party
Subsidiaries	Petunt Food Processors Private Limited
	Bikaji Foods (London) Limited (Refer note 44)
Key managerial personnel (KMP)	Shiv Ratan Agarwal (Managing Director)
	Deepak Agarwal (Director)
	Sushila Devi Agarwal (Director)
	Shweta Agarwal (Director)
	Shambhu Dayal Gupta (Chief Financial Officer)
Enterprises under common control	Divya Navani (Company Secretary)
	Mastkin Foods Private Limited
	Basant Vihar Hotels Private Limited
	Bikaji Mega Food Park Private Limited
	Hanuman Agro Foods Private Limited

(a) Key managerial personnel compensation

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Short-term employee benefits	896.37	777.16
Total compensation	896.37	777.16

Excluding provision for Post-employment benefits as a separate actuarial valuation is not available.

(b) Transactions with related parties

The following transactions occurred with related parties:

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Sales and purchases of goods and services		
Sale of goods to entity controlled by key managerial personnel:		
Mastkin Foods Private Limited	84.25	111.49
Sale of goods to Subsidiary		
Petunt Food Processors Private Limited	17.12	-
Services taken from entity controlled by key managerial personnel:		
Basant Vihar Hotels Private Limited	128.21	167.31
Dividend		
Key managerial personnel (KMP)	268.07	270.01
Investments		
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss of Petunt Food Processors Private Limited	1,707.07	-
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss of Hanuman Agro Foods Private Limited	3,103.00	2,265.00
Investment in equity instrument of Bikaji Foods (London) Limited (at amortised cost and unquoted)	-	120.96
Rent paid to key managerial personnel		
Shiv Ratan Agarwal	9.36	9.36
Sushila Devi Agarwal	9.84	9.84
Deepak Agarwal	7.20	7.20
Reimbursement of expenses paid on behalf of directors		
Shiv Ratan Agarwal	-	0.54
Reimbursement of expenses paid by directors on behalf of Company		
Deepak Agarwal	-	100.90

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 36: Related party disclosures (contd.)

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

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

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Mastkin Foods Private Limited	30.10	59.77
Petunt Food Processors Private Limited	15.17	-
Trade payables		
Basant Vihar Hotels Private Limited	14.99	20.14
Investments at fair value through FVTPL / FVTOCI (Refer note 7)		
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI of Hanuman Agro Foods Private Limited	477.74	1,616.75
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss of Hanuman Agro Foods Private Limited	5,114.00	2,026.00
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss of Petunt Food Processors Private Limited	1,390.07	-

Notes:

- (a) Outstanding balances at the year end are unsecured and interest free. For the year ended March 31, 2021, 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.
- (b) No amount has been provided as doubtful debts or advances/ written off or written back in the year in respect of debts due from/ to above related parties.
- (c) Key managerial personnel has given personnel guarantees to lender for borrowings. Refer Note 20.

Note 37: Contingent liabilities and commitments

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
(A) Contingent liabilities		
In respect of sales tax (Refer note a)	71.87	101.87
In respect of stamp duty charges (Refer note b)	36.22	36.22
In respect other legal matters (Refer note c)	17.20	17.60
(B) Commitment		
(i) Capital commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,890.97	1,944.90
(ii) Other commitment		
The Company has imported capital goods under the Export Promotion Capital Goods Scheme (EPCG) of the Government of India, at concessional rates of duty on an undertaking to fulfil quantified exports	244.55	366.83

- (a) 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 RVAT / CST at the rate of 12.50% on the sale of branded namkeen as against 4% charged by the Company under sale of ‘Unbranded Namkeen’. The High Court granted stay on the notice relating to financial year 2006-07, 2007-08 and 2008-09. During the financial year 2018-19, Company received notice raising Total tax and interest demand of INR 68.03

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 37: Contingent liabilities and commitments (contd.)

lakhs and INR 85.18 lakhs for financial year 2007–08 and 2008-09 respectively. Out of the Total demand the Company has deposited INR 51.34 lakhs. During the year, Company has made additional payment of interest liability of INR 30.00 lakhs. Further, the amnesty scheme under the RVAT providing for waiver of interest and penalty has been notified wide notification no. F. 12(29) FD/Tax/2021-269 dated February 02, 2021 and Company has filled application under RVAT for waiver of remaining interest liability which has been approved by the government subsequent to year end. Accordingly, the said cases are closed expect financial year 2006-07. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.

- (b) 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 INR 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 issued a notice demanding of INR 36.22 lakhs on January 09, 2017 on Company. The High Court of Jodhpur stayed the aforesaid order dated March 22, 2017 by holding the agreement pertaining to the purchase of industrial plots at Karni Industrial Area as a contingent agreement. The aforesaid plots were eventually vested with Hanuman Agro Foods Private Limited. Case is pending for hearing. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.
- (c) Represents the best possible estimate by the Management, basis available information, about the outcome of various claims against the Company by different parties under Consumer Protection Act and Food Safety and Standard Act. As the possible outflow of resources is dependent upon outcome of various legal processes. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.

Others:

- (a) 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. Further, the Company has voluntarily complied with the provision of the Act with effect from June 2011 by virtue of notification number G.S.R. 1190 (E) dated December 30, 2016 issued by the Ministry of Labour and Employment. Currently, case is pending for hearing. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.
- (b) Company had sold goods (namkeen) to M/s. Matri Stores, Assam at concessional rate of tax against Form-C amounting to INR 296.38 lakhs during the year 2011-12. CTO had made a observation vide order dated September 11, 2012 and amended order dated October 25, 2012 that Form C was not issued by authorised officer, therefore the impugned sale was not eligible for concessional rate of tax and issued demand of INR 91.33 lakhs including interest and penalty. Company then preferred an appeal before the appellate authority, CTO, Bikaner. Appellate authority sustained the demand of tax and interest but deleted the penalty of INR 47.57 lakhs. Being aggrieved and dissatisfied by the order Company again preferred an appeal before Rajasthan Tax Board, Ajmer. The Board rejected the tax and interest demand also on the basis that Form C issued was not bogus and false. Commercial tax officer, Jaipur has filed a Revision petition before High Court on September 05, 2018. During the year, Company has received the protest amount of INR 22.00 lakhs deposited against this case. Case is pending for hearing. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 38: Segment reporting

The Company primarily operates in the food product 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 indicators 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

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
India	1,24,226.76	1,02,861.27
Outside India	6,618.90	4,593.81
Total	1,30,845.66	1,07,455.08

b) Segment revenue with major customers

The Company has only one customer individually accounting for more than 10% of its revenue from operations. During the year, 10.82% (Previous year: 11.25%) of the Company’s revenue from operation was generated from this one customer.

Note 39: Leases

The Company has taken land, shops, flats and godowns on leases. These lease arrangements range for a period between 11 months to 5 years except for land where lease period is up to 99 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. Information about the leases for which the Company is a lessee is presented below:

(i) Right-of-use asset

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Balance at April 01, 2020	968.19	1,110.66
Addition	29.50	-
Deletion	(22.55)	-
Amortisation for the year	(56.66)	(142.47)
Balance at March 31, 2021	918.48	968.19

(ii) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movement during the year:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Balance at April 01, 2020	164.77	206.15
Addition	29.49	-
Deletion	(22.55)	-
Accretion of interest	14.96	20.52
Payments	(54.17)	(61.90)
Gain on lease modification (Refer note 39)	(4.42)	-
Balance at March 31, 2021	128.08	164.77

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 39: Leases (contd.)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current	45.37	118.79
Non-current	82.72	45.98
Total	128.09	164.77

Below are the amounts recognised by the Company in Statement of Profit and Loss

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Interest expense on lease liabilities	14.96	20.52
Depreciation expense for right-of-use assets	56.66	142.47
Expense relating to short-term leases	52.77	85.70
Total	124.39	248.69

Below are the amounts recognised by the Company in Statement of Cash Flows:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Total cash outflow for leases	54.17	61.90

Contractual maturities of lease liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Not later than 1 year	45.37	118.79
Later than 1 year but not later than 5 years	82.72	45.98
More than 5 years	-	-

Extension options:

Lease contain extension options exercisable by the Company before the end of the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only on mutual agreement. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassess whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Discount rate:

The Company has applied the weighted average incremental approach to determine the incremental borrowing rate as applicable at the time of execution of the lease agreement.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 40: Fair values

The management assessed that carrying value of cash and cash equivalents, trade receivables, other bank balances, loans with short-term maturity, other current financial assets, borrowings, trade payable, lease liabilities and other current financial liabilities approximates their fair value amounts largely due to short-term maturities of these instruments. Further, in case of bank deposits with maturity of more that twelve months from reporting date, fair value and carrying value are not expected to vary significantly as there has been minimal interest rate changes since these deposits were created with banks. Security deposits classified as non-current financial assets which are given for perpetuity and shall be refundable on surrendering of electricity connection only, which is highly unlikely and hence fair value of the same cannot be determined in absence of definite period of such deposits. Comparison of the carrying value and fair value of the Company’s financial instruments are as follows:

Fair value instruments by category

Particulars	Carrying value		Fair value	
	As at	As at	As at	As at
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial assets carried at amortised cost				
Security deposits	317.51	159.60	317.51	159.60
Loans	122.20	601.45	122.20	601.45
Trade receivables	4,677.83	4,171.26	4,677.83	4,171.26
Cash and cash equivalents	163.79	440.32	163.79	440.32
Other bank balances	11,332.27	10,734.67	11,332.27	10,734.67
Financial assets measured at fair value				
Investment in equity instrument fair value through OCI (FVTOCI)	435.00	2.40	435.00	2.40
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	461.34	1,616.74	461.34	1,616.74
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI) profit and loss (FVTPL)	16.40			
Investment In Mutual-Fund fair value through profit and loss (FVTPL)	101.37	-	101.37	-
Investment in equity instrument fair value through profit and loss (FVTPL)	5.00	5.00	5.00	5.00
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss (FVTPL)	5,114.00	2,026.00	5,114.00	2,026.00
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss (FVTPL) (fully paid-up)	1,839.84	-	1,839.84	-
Convertible note	730.00	-	730.00	-
Total of financial assets	25,316.55	19,757.44	25,300.15	19,757.44
Financial liabilities carried at amortised cost				
Borrowings				
- Short-term	7,037.86	3,562.07	7,037.86	3,562.07
- Long-term	1,183.55	1,690.33	1,183.55	1,690.33
Lease liabilities	128.08	164.77	128.08	164.77
Trade payables	3,904.92	1,429.97	3,904.92	1,429.97
Trade deposits from customers	150.78	129.08	150.78	129.08
Other current financial liabilities	2,163.20	2,789.11	2,163.20	2,789.11
Total financial liabilities	14,568.39	9,765.33	14,568.39	9,765.33

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 41: 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: Hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.
- Level 3: Unobservable inputs for the asset or liability.

Quantitative disclosures fair value measurement hierarchy for financial assets and liabilities as at March 31, 2021:

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Financial assets carried at amortised cost			
Security deposits	-	-	317.51
Loans	-	-	122.20
Trade receivables	-	-	4,677.83
Cash and cash equivalents	-	-	163.79
Other bank balances	-	-	11,332.27
Bank balance other than above	-	-	-
Financial assets measured at fair value			
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	-	-	461.34
Investment In Mutual-Fund fair value through profit and loss (FVTPL)	101.37	-	-
Investment in equity instrument fair value through profit and loss (FVTPL)	-	-	5.00
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss (FVTPL)	-	-	5,114.00
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss (FVTPL) (fully paid-up)			1,839.84
Convertible note	-	-	730.00
Total of financial assets	101.37	-	25,198.78
Financial liabilities carried at amortised cost			
Borrowings			
- Short-term	-	-	7,037.86
- Long-term	-	-	1,183.55
Lease liabilities	-	-	128.08
Trade payables	-	-	3,904.92
Trade deposits from customers	-	-	150.78
Other current financial liabilities	-	-	2,163.20
Total financial liabilities	-	-	14,568.39

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 41: Fair values hierarchy (contd.)

Quantitative disclosures fair value measurement hierarchy for financial assets and liabilities as at March 31, 2020

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Financial assets carried at amortised cost			
Security deposits	-	-	159.60
Loans	-	-	601.45
Trade receivables	-	-	4,171.26
Cash and cash equivalents	-	-	440.32
Other bank balances	-	-	10,734.67
Bank balance other than above	-	-	-
Financial assets measured at fair value			
Investment in equity instrument fair value through OCI (FVTOCI)	2.40	-	-
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	-	-	1,616.74
Investment in equity instrument fair value through profit and loss (FVTPL)	-	-	5.00
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss (FVTPL)	-	-	2,026.00
Total of financial assets	2.40	-	19,755.04
Financial liabilities carried at amortised cost			
Borrowings			
- Short-term	-	-	3,562.07
- Long-term	-	-	1,690.33
Lease liabilities	-	-	164.77
Trade payables	-	-	1,429.97
Trade deposits from customers	-	-	129.08
Other current financial liabilities	-	-	2,789.11
Total financial liabilities	-	-	9,765.33

Assets for which fair values are disclosed as at March 31, 2021 (Refer note 5):

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Investment properties	-	-	3,028.52
Total	-	-	3,028.52

Assets for which fair values are disclosed as at March 31, 2020 (Refer note 5):

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Investment properties	-	-	3,189.42
Total	-	-	3,189.42

Quantitative disclosures of fair value measurement hierarchy as at March 31, 2021 and March 31, 2020:

The Company has quoted shares, CCPS, mutual funds, unquoted equity shares, CCD, OCD and convertible notes fair valued at year ends.

Quoted shares and mutual funds have been valued as per market rates, NAV available for these instruments, respectively and accordingly designated as Level 1 valued instruments. CCPS, CCD and OCD have been valued using unobservable inputs and are designated as Level 3 valued instruments. Unquoted equity shares and convertible notes are not fair valued at year ends as the Management expect any fair value adjustments in value of these instruments to be immaterial to the financial statements and accordingly disclosed their cost as fair value.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 41: Fair values hierarchy (contd.)

The following table shows a breakdown of the total gains (losses) recognised in respect of Level 3 fair values:

Particulars	Year ended	
	March 31, 2021	March 31, 2020
Gain included in ‘other income’		
Change in fair value (realised)		
Change in fair value (unrealised)	1.37	-
	1.37	-
Loss included in ‘other expenses’		
Change in fair value (realised)		
Change in fair value (unrealised)	115.23	359.96
	115.23	359.96
Gain included in ‘other comprehensive income’		
Change in fair value (realised)		
Change in fair value (unrealised)	-	1,324.91
	-	1,324.91
Loss included in ‘other comprehensive income’		
Change in fair value (realised)		
Change in fair value (unrealised)	1,135.93	-
	1,135.93	-
Total fair valuation gain/(loss)	(1,249.79)	964.95

The Company uses the Discounted Cash Flow valuation technique which involves determination of present value of expected receipt/payment discounted using appropriate discounting rates prevailing in market. Further, in instruments containing options (to purchase or redeem for realisation), the fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on unobservable market parameters. The valuation models used by the Company reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, volatility etc. These models do contain a high level of subjectivity as the valuation techniques used require significant judgement and inputs thereto are unobservable.

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
OCD	Discounted cash flows and option pricing model. The valuation model considers the present value of the net cash flows expected to be generated by the Company. The cash flow projections include specific estimates for 6 years. The expected net cash flows are discounted using a risk adjusted discount rate. Terminal value (earnings post 6 th years till perpetuity) has been arrived using the Gordon Growth method. Computation of Option value of OCD as per Black-Scholes-Merton model.	Key Inputs to Business Model: - Free cash flows: projected cash flows Risk adjusted market interest rate: 8.5% (March 31, 2020: NA)	An increase in free cash flows increases the valuation on option, and vice versa. An increase in risk free rate increases the valuation, and vice versa. An increase in volatility of stock increase the valuation, and vice versa.
CCD	Discounted cash flows: The valuation model considers the present value of the debenture face value (at the time of conversion, as per terms of issue) expected to be generated by the Company. The cash flow projections include specific estimates for 0.58 years (March 31, 2020: 1.17 years). The expected net cash flows are discounted using a risk adjusted discount rate.	- Risk adjusted market interest rate: 8.5% (March 31, 2020: 10.00%)	As increase in risk adjusted market interest rate reduces the value of these instruments.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 41: Fair values hierarchy (contd.)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
CCPS	Net Assets Value method: Determination of share valuation by using value of net assets method requires all assets and liabilities (including off-balance sheet, intangible and contingent liability) to be reflected at the book value/ replacement cost basis and to be netted off and net value arrived is the indicated as value of the equity. In given case, Book value representing the appropriate worth of business under the prevailing conditions and facts attached to it.	- Value of leasehold land - Risk adjusted market interest rate: 8.5% (March 31, 2020: 10.00%)	As increase in value of leasehold land increases the value of these instruments. As increase in risk adjusted market interest rate reduces the value of these instruments.

Sensitivity analysis of significant unobservable input used for Level 3 measurements:

Sensitivity to fair value as at March 31, 2021:

	(₹ in Lakhs)			
	Increase %	Decrease %	Increase amount	Decrease amount
Free cash flows	+2%	-2%	2.00	(1.00)
Volatility of stock	+2%	-2%	13.00	(13.00)
Value of leased land	+1%	-1%	34.96	(34.96)
Discount rate used for CCD (also included in valuation of CCPS)	+1%	-1%	(5.83)	5.83
Discount rate used for OCD				

Sensitivity to fair value as at March 31, 2020:

	(₹ in Lakhs)			
	Increase %	Decrease %	Increase amount	Decrease amount
Value of leased land	+1%	-1%	37.87	(40.78)
Discount rate used for CCD (also included in valuation of CCPS)	+1%	-1%	(34.96)	34.96

Note 42: Financial risk management

The Company’s principal financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company’s operations. The Company’s principal financial assets include loans, trade and other receivables and term deposits that derive directly from its operations. The Company also hold investments measured at cost, fair value through profit and loss (FVTPL) and fair value through other comprehensive income (FVTOCI).

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 Standalone 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: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include loans, borrowings, term deposits, and investments.

(i) Foreign currency risk

The Company has limited international transactions and thus its exposure to foreign exchange risk arising from its operating activities (revenue and purchases denominated in foreign currency) is low. 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.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 42: Financial risk management (contd.)

Foreign currency risk exposure:

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Financial assets		
Trade receivables		
- USD	8.54	7.13
Total	8.54	7.13

Foreign currency sensitivity analysis

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 USD to INR %	(₹ in Lakhs) Effect on profit or loss	
		As at March 31, 2021	As at March 31, 2020
USD	2.00	12.54	9.86
	2.00	(12.54)	(9.86)

(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 changes. Below is total outstanding borrowing:

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Variable rate borrowings	8,148.11	5,165.75
Fixed rate borrowings	73.30	86.65
Total borrowings	8,221.41	5,252.40

Interest rate sensitivity analysis

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

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Interest rates increase by 0.5%	40.74	25.83
Interest rates decrease by 0.5%	(40.74)	(25.83)

(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.

(i) 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.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 42: Financial risk management (contd.)

An impairment analysis is performed at each reporting date on consolidated basis for similar category of customer. 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.

Movement in expected credit loss on trade receivables during the year:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Balance at April 01, 2020	49.32	31.06
Add: Additions	53.40	18.26
Balance at March 31, 2021	102.72	49.32

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(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.

Maturities of financial liabilities

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

Particulars	(₹ in Lakhs)			
	As at March 31, 2021			
	Less than 1 year	1-5 years	More than 5 year	Total
(A) Non-derivative:				
Borrowings including interest accrued	6,037.86	1,183.55	-	7,221.41
Lease liabilities	45.37	82.72	-	128.09
Trade payables	3,904.92	-	-	3,904.92
Trade deposits from customers	150.78	-	-	150.78
Other financial liabilities	2,163.20	-	-	2,163.20
Total non-derivative financial liabilities	12,302.13	1,266.27	-	13,568.40
(B) Derivative:				
Total derivative financial liabilities	-	-	-	-
Total (A+B)	12,302.13	1,266.27	-	13,568.40

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 42: Financial risk management (contd.)

Particulars	(₹ in Lakhs)			
	As at March 31, 2020			
	Less than 1 year	More than 1 year	More than 5 year	Total
(A) Non-derivative:				
Borrowings including interest accrued	3,562.07	1,690.33	-	5,252.40
Lease liabilities	118.79	45.98	-	164.77
Trade payables	1,429.97	-	-	1,429.97
Trade deposits from customers	129.08	-	-	129.08
Other financial liabilities	2,789.11	-	-	2,789.11
Total non-derivative financial liabilities	8,029.02	1,736.31	-	9,765.33
(B) Derivative:				
Total derivative financial liabilities	-	-	-	-
Total (A+B)	8,029.02	1,736.31	-	9,765.33

Note 43: Capital management policies and procedures

(a) Risk management

Our principal source of liquidity are cash and bank balances (net of borrowings from banks) and cash flow that we generate from operations.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure, the Company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves, and debt includes non-current borrowings, current borrowings and certain components of other financial liabilities less Cash in hand and with banks in current account or in deposit accounts. The Company monitors capital based on the following gearing ratio:

Particulars	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Equity	2,431.33	2,431.33
Other Equity	57,997.36	50,396.42
Total equity (i)	60,428.69	52,827.75
Total borrowings	8,221.41	5,252.40
Less: Cash and bank balances (including deposits with banks)	11,496.06	11,174.99
Total debt (ii)	(3,274.65)	(5,922.59)
Overall financing (iii) = (i) + (ii)	57,154.04	46,905.16
Gearing ratio (ii)/(iii)	-5.73%	-12.63%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021.

(b) Dividend distribution

Particulars	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Dividend paid @ INR 2 per equity share of INR 10 face value (Previous year: @ INR 2 equity share of INR 10 face value)	486.27	486.27
Dividend distribution tax (Refer note 19)	-	102.95

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 44: Impairment of Investment in Subsidiary

Bikaji Foods (London) Ltd. (the “Subsidiary”) was incorporated as a Private Limited Company with the Registrar of Companies for England and Wales vide certificate of registration issued by the said office on August 27, 2019. The Company was incorporated with the purpose of exploring the opportunity of food business in United Kingdom (UK). Subsequent to reporting date, closure proceeding of the subsidiary was initiated by the Management and accordingly name of the Company was been applied for striking off with relevant authorise in the UK, which has been approved on July 20, 2021.

Note 45: Impairment of Solar Plant

The Company has solar energy generation plants located at Kolayat and Gajner, Rajasthan. These plants were setup in 2013 and 2014, respectively. The lot of solar plant owner has filed a Writ Petition against Department of Energy (Rajasthan), Rajasthan Electricity Regulatory Commission, Jodhpur Vidyut Vitran Nigam Limited and Rajasthan Urja Vikas Nigam Limited, for dispute related to power purchase agreement (“PPA”). In the absence of certainty of realisability of revenue from electricity distribution company, the Company has not recognised revenue from solar plants. Further, the dispute on PPA has led the Company to assess the recoverability/ carrying value of the solar plants in its books. Management, based on the assessment of projected cash generation, life of asset, progress of said court case and further contractual terms of PPA has recognised impairment of INR 112.49 lakhs (Previous year: INR 297 lakhs) in the net carrying value of such assets during the year.

Note: 46 Impact of COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus (“COVID-19”) and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Company’s operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Company’s operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and it’s resultant impact on the operations of the Company. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

The management has made an assessment of the impact of COVID-19 on the Company’s operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that no there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Note 47: Social Security Code

The Code on Social Security 2020 (‘the Code’) relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the Standalone Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes

to Standalone Financial Statements for the year ended March 31, 2021

Note 48: Initial Public Offering (IPO)

Subsequent to the reporting date, The Board of Directors of the Company in their board meeting dated September 02, 2021, have approved IPO committee for raising capital through an Initial Public Offering/Offer for sale. As part of the proposed offering, the Company plans to file Draft Red Herring Prospectus (DRHP) with the Securities Exchange Board of India (SEBI) shortly. Prepayments in relation to the proposed IPO amounting to INR 91.50 lakhs as on March 31, 2021 is disclosure under “Other current assets”. Portion of these expenses are recoverable from shareholders in proportionate to shares that will be offered to the public.

Note 49: Employee Stock Options Plan (ESOP)

Subsequent to the reporting date, the Company has approved Employee Stock Options Plan, 2021 (‘Scheme’). Under this plan 50 lakhs equity shares of INR 1 each has been reserved for issue to employees as per terms of the Scheme.

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
Place: Gurugram
Date: November 15, 2021

For **M Surana & Company**
Chartered Accountants
Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
Place: Bikaner
Date: November 15, 2021

For **and on behalf of the Board of Directors of**
Bikaji Foods International Limited
CIN : U15499RJ1995PLC010856

Shiv Ratan Agarwal
Chairman
DIN: 00192929
Place: Bikaner
Date: November 15, 2021

Shambhu Dayal Gupta
Chief Financial Officer
PAN: ADFPG0151L
Place: Bikaner
Date: November 15, 2021

Deepak Agarwal
Managing Director
DIN: 00192890
Place: Bikaner
Date: November 15, 2021

Divya Navani
Company Secretary
Membership No.: 026014
Place: Bikaner
Date: November 15, 2021

Independent Auditor’s Report

To the Members of Bikaji Foods International Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Bikaji Foods International Limited (hereinafter referred to as the “Holding Company”) and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on financial statements of subsidiary, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group, as at March 31, 2021, of consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India (“ICAI”), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 45 to the Consolidated Financial Statements which states that the Management has made an assessment of the impact of COVID-19 on the Group’s operations, financial performance and position as at and for the year ended March 31, 2021 and has conducted that there is no impact which is required to be recognised in the Consolidated Financial Statements. Accordingly, no adjustments have been made to the Consolidated Financial Statements.

Our opinion is not modified in respect of this matter(s).

Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon
The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the Director’s report but does not include the Consolidated Financial Statements and our auditor’s report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
The Holding Company’s Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and

prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

We give in “Annexure A” a detailed description of Auditor’s responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

a) The Financial Statements of Indian subsidiary, whose Financial Statements reflect total assets of ₹3,142.56 lakhs as at March 31, 2021, total revenues of ₹1,734.27 lakhs and net cash flows amounting to ₹76.23 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements is audited by other auditor whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

b) We did not audit the Management accounts of an overseas wholly-owned subsidiary company, whose financial information reflect total assets of ₹118.08 lakhs as at March 31, 2021, total revenue of ₹NIL and net negative cash flow amounting to ₹29.11 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. Our opinion in so far as it related amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to this subsidiary is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statement is not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial information provided by the Management.

Report on Other Legal and Regulatory Requirements
1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding

	Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies, from being appointed as a director in terms of Section 164 (2) of the Act.		on the consolidated financial position of the Group – Refer Note 37 to the Consolidated Financial Statements.
f)	With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.	ii.	The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
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 Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:	iii.	There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.
	i. The Consolidated Financial Statements disclose the impact of pending litigations	2.	As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.
For MSKA & Associates Chartered Accountants ICAI Firm Registration No.: 105047W Amit Mitra Partner Membership No.: 094518 UDIN: 21094518AAAADT9684 Place: Gurugram Date: November15, 2021		For M Surana & Company Chartered Accountants ICAI Firm Registration No.: 015312C Manish Surana Partner Membership No.: 077597 UDIN: 21077597AAAKQ3276 Place: Bikaner Date: November15, 2021	

Annexure A to the Independent Auditor’s Report

On even date on the Consolidated Financial Statements of Bikaji Foods International Limited

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with Standards on Auditing (SAs), we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 group has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For **MSKA & Associates**
 Chartered Accountants
 ICAI Firm Registration No.: 105047W

Amit Mitra
 Partner
 Membership No.: 094518
 UDIN: 21094518AAAADT9684

Place: Gurugram
 Date:November15, 2021

For **M Surana & Company**
 Chartered Accountants
 ICAI Firm Registration No.: 015312C

Manish Surana
 Partner
 Membership No.: 077597
 UDIN: 21077597AAAKQ3276

Place: Bikaner
 Date: November15, 2021

Annexure B to the Independent Auditor’s Report

Of even date on the Consolidated Financial Statements of Bikaji Foods International Limited

[Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditors’ Report of even date to the Members of Bikaji Foods International Limited on the Consolidated Financial Statements for the year ended March 31, 2021]

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the Consolidated Financial Statements of the Group as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to Consolidated Financial Statements of Bikaji Foods International Limited (hereinafter referred to as “the Holding Company”) and its subsidiary company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary company, which are company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies 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 ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding company, its subsidiary Company, which are companies incorporated in India, 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”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal

financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained subject to Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding company.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 21094518AAAADT9684

Place: Gurugram
Date: November15, 2021

Company and its subsidiary companies have, in all material respects, internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2021, based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to subsidiary Company, which are Company incorporated in India is based on the corresponding report of the other auditor of such subsidiary’s company incorporated in India.

For **M Surana & Company**
Chartered Accountants
ICAI Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
UDIN: 21077597AAAQKQ3276

Place: Bikaner
Date: November15, 2021

Consolidated Balance Sheet

as at March 31, 2021

		(₹ in Lakhs)	
Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipments	3	40,711.51	39,040.30
Capital work-in-progress	4	3,607.71	288.23
Investment property	5	370.84	520.80
Intangible assets	6	190.17	149.33
Right-of-use asset	39	985.38	968.19
Financial assets			
Investment	7	6,879.74	3,650.14
Other financial assets	8	1,704.50	495.73
Other non-current assets	9	3,371.43	1,601.70
Income tax assets (net)	10	314.21	688.28
TOTAL NON-CURRENT ASSETS		58,135.49	47,402.70
CURRENT ASSETS			
Inventories	11	5,676.81	3,648.57
Financial assets			
Loans	12	122.20	601.45
Trade receivables	13	4,730.88	4,171.26
Cash and cash equivalents	14	175.90	440.55
Bank balances other than cash and cash equivalents	15	8,564.76	8,387.12
Other financial assets	16	1,909.61	2,031.33
Other current assets	17	2,398.29	980.35
TOTAL CURRENT ASSETS		23,578.45	20,260.63
TOTAL ASSETS		81,713.94	67,663.33
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18	2,431.33	2,431.33
Other equity	19	58,134.64	50,484.78
Total equity attributable to shareholders of the Company		60,565.97	52,916.11
Non-controlling interest		183.94	0.09
TOTAL EQUITY		60,749.91	52,916.20
NON-CURRENT LIABILITIES			
Financial liabilities			
Borrowings	20	1,420.56	1,690.33
Lease liabilities	39	82.72	45.98
Provisions	21	192.03	406.39
Deferred tax liabilities (net)	22	2,932.39	3,347.83
Other Non-current liabilities		125.44	-
TOTAL NON-CURRENT LIABILITIES		4,753.14	5,490.53
CURRENT LIABILITIES			
Financial liabilities			
Borrowings	20	6,521.15	2,188.64
Lease liabilities	39	45.36	118.79
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		510.55	121.01
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,735.41	1,308.90
Other financial liabilities	24	3,138.80	4,291.62
Other current liabilities	26	1,120.37	1,119.12
Provisions	21	142.11	108.52
Current tax liabilities (net)	25	997.14	-
TOTAL CURRENT LIABILITIES		16,210.89	9,256.60
TOTAL LIABILITIES		20,964.03	14,747.13
TOTAL EQUITY AND LIABILITIES		81,713.94	67,663.33

Summary of significant accounting policies.

2

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

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
Place: Gurugram
Date: November 15, 2021

For **M Surana & Company**
Chartered Accountants
Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
Place: Bikaner
Date: November 15, 2021

For **and on behalf of the Board of Directors of**
Bikaji Foods International Limited
CIN : U15499RJ1995PLC010856

Shiv Ratan Agarwal
Chairman
DIN: 00192929
Place: Bikaner
Date: November 15, 2021

Shambhu Dayal Gupta
Chief Financial Officer
PAN: ADFPG0151L

Place: Bikaner
Date: November 15, 2021

Deepak Agarwal
Managing Director
DIN: 00192890
Place: Bikaner
Date: November 15, 2021

Divya Navani
Company Secretary
Membership No.: 026014

Place: Bikaner
Date: November 15, 2021

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

Particulars	Notes	(₹ in Lakhs)	
		Year ended March 31, 2021	Year ended March 31, 2020
REVENUE:			
Revenue from operations	27	1,31,074.91	1,07,455.08
Other income	28	1,146.23	835.07
Total income		1,32,221.14	1,08,290.15
EXPENSES:			
Cost of materials consumed	29	90,925.70	72,083.67
Purchase of stock-in-trade		3,115.52	2,274.24
Changes in inventories of finished goods	30	(351.70)	133.76
Employee benefits expense	31	6,961.92	6,461.35
Depreciation, amortisation and impairment expenses	32	3,311.97	3,419.52
Finance costs	33	299.49	511.42
Other expenses	34	15,947.02	17,042.17
Total expenses		1,20,209.92	1,01,926.13
Profit before tax		12,011.22	6,364.02
TAX EXPENSE:			
Current tax	22	3,097.53	1,552.14
Deferred tax	22	(119.77)	(825.14)
Profit after tax		9,033.46	5,637.02
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net (loss)/gain on equity instrument through other comprehensive income	7	(1,134.29)	1,324.91
Remeasurement (loss) on defined benefit plans	35	(49.88)	(137.50)
Income tax benefit/(charge) relating to Items that will not be reclassified to profit or loss	22	298.05	(304.28)
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations		9.42	(0.47)
Income tax (charge)/benefit relating to Items that will not be reclassified to profit or loss	22	(2.37)	0.12
Total other comprehensive (loss)/income for the year (net of tax)		(879.07)	882.78
Total comprehensive income		8,154.39	6,519.80
Profit after tax is attributable to			
Owners of the holding Company		9,020.60	5,637.02
Non-controlling interest		12.86	0.00
Other comprehensive income is attributable to			
Owners of the holding Company		(879.07)	882.78
Non-controlling interest		-	0.00
Total comprehensive income is attributable to			
Owners of the holding Company		8,141.53	6,519.80
Non-controlling interest		12.86	0.00
Earnings per equity share [Equity shares of face vlaue of INR 1 (March 31, 2020: INR 1) each]			
Basic and diluted	34(C)	3.71	2.32

Summary of significant accounting policies.

2

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

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
Place: Gurugram
Date: November 15, 2021

For **M Surana & Company**
Chartered Accountants
Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
Place: Bikaner
Date: November 15, 2021

For **and on behalf of the Board of Directors of**
Bikaji Foods International Limited
CIN : U15499RJ1995PLC010856

Shiv Ratan Agarwal
Chairman
DIN: 00192929
Place: Bikaner
Date: November 15, 2021

Shambhu Dayal Gupta
Chief Financial Officer
PAN: ADFPG0151L

Place: Bikaner
Date: November 15, 2021

Deepak Agarwal
Managing Director
DIN: 00192890
Place: Bikaner
Date: November 15, 2021

Divya Navani
Company Secretary
Membership No.: 026014

Place: Bikaner
Date: November 15, 2021

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

Particulars	(₹ in Lakhs)						
	Equity share capital	Other Equity			Other Comprehensive Income		Total equity attributable to share holders of the holding Company
		Securities premium	General reserve	Capital reserve	Retained earnings	Total other equity	Items of other comprehensive income
							Foreign Currency Translation Reserve
Balance as at April 01, 2019	2,431.33	20,437.26	193.09	-	23,941.84	44,572.19	-
Profit for the year	-	-	-	-	5,637.04	5,637.04	-
Dividend	-	-	-	-	(486.27)	(486.27)	-
Taxes on dividend	-	-	-	-	(102.95)	(102.95)	-
Net gain/(loss) on equity instrument through other comprehensive income "net of tax"	-	-	-	-	-	-	-
Remeasurement gain/(loss) on defined benefit plans "net of tax"	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations "net of tax"	-	-	-	-	-	-	-
Balance as at March 31, 2020	2,431.33	20,437.26	193.09	-	28,989.66	49,620.01	52,916.10
Profit for the year	-	-	-	-	9,020.60	9,020.60	-
Add: Acquired through acquisition	-	-	-	-	-	-	-
Less: write offs	-	-	-	-	-	-	-
Non-reciprocal capital contribution made to non wholly-owned subsidiary	-	-	-	-	(154.63)	(154.63)	-
Dividend # (refer Note 19)	-	-	-	-	(486.27)	(486.27)	-
Net gain/ (loss) on equity instrument through other comprehensive income "net of tax"	-	-	-	-	-	-	-
Remeasurement gain/(loss) on defined benefit plans "net of tax"	-	-	-	-	-	-	-
Foreign Currency translation income for the year "net of tax"	-	-	-	-	-	-	-
Addition in capital reserve	-	-	-	-	149.24	149.24	-
Balance as at March 31, 2021	2,431.33	20,437.26	193.09	149.24	37,369.36	58,148.95	60,565.95

Summary of significant accounting policies.

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

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra

Partner
Membership No.: 094518
Place: Gurugram
Date: November 15, 2021

For **and on behalf of the Board of Directors of**
Bikaji Foods International Limited
CIN : U15499RJ1995PLC010856

Shiv Ratan Agarwal

Chairman
DIN: 00192929
Place: Bikaner
Date: November 15, 2021

Deepak Agarwal

Managing Director
DIN: 00192890
Place: Bikaner
Date: November 15, 2021

Divya Navani

Company Secretary
Membership No.: 026014
Place: Bikaner
Date: November 15, 2021

2

Consolidated Statement of Cash flow

for the year ended March 31, 2021

Particular	As at	As at
	March 31, 2021	March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	12,011.22	6,364.02
Adjustments for:		
Depreciation, amortisation and impairment expenses	3,311.97	3,419.52
Foreign exchange gain, net	(14.81)	(69.27)
Gain on Lease Modification	(4.42)	-
Interest income	(697.82)	(748.14)
Liabilities written back to the extent no longer required	(421.44)	(6.65)
Amortisation of deferred grant income	(2.56)	-
Finance costs	295.27	511.42
Fair value adjustment on Investment	113.63	239.00
Provision for doubtful debts/advances	52.47	18.26
Amortisation of Security Deposit	4.22	-
Interest income on Security Deposit	(3.78)	-
Provision for slow moving inventory	112.96	11.17
Provision for right to recover returned goods	53.18	-
Loss on sale of property, plant and equipments (net)	7.55	61.25
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	14,817.64	9,800.58
Adjustments for:		
(Increase) in trade receivables	(512.12)	(222.49)
(Increase)/decrease in loans	479.25	(601.45)
(Increase) in other current financial assets	105.68	(799.19)
(Increase) in other current assets	(1,012.85)	(201.42)
Decrease/(increase) in inventories	(2,127.58)	172.96
Decrease/(increase) in other non-current financial assets	(196.82)	348.39
(Increase) in other non-current assets	(269.33)	(804.98)
(Decrease)/increase in trade payables	2,668.60	(1,495.61)
Increase/(decrease) in other current financial liabilities	376.87	(201.69)
Increase/(decrease) other current liabilities	(157.56)	538.09
Increase in provisions	(251.24)	101.21
CASH GENERATED FROM OPERATIONS	13,920.54	6,634.40
Tax paid	(1,726.30)	(1,168.58)
NET CASH FROM OPERATING ACTIVITIES (A)	12,194.24	5,465.82
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipments	(7,443.06)	(4,110.54)
Investment in deposits	(1,197.98)	(180.77)
Consideration paid (net of cash acquired) on business combination (Refer Note 46)	328.06	-
Sale of Investment	5.48	-
Sale of property, plant and equipments	68.98	56.71
Interest received	834.70	748.14
Investment in Other Instruments	(4,483.00)	(2,265.00)
NET CASH USED IN INVESTING ACTIVITIES (B)	(11,886.82)	(5,751.46)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	489.93	86.80
Repayments of borrowings	(2,345.10)	(1,522.76)
Grant received	198.85	-
Dividend paid (including dividend distribution tax)	(486.27)	(589.21)
Principal paid on lease liabilities	(295.51)	(41.38)
Interest paid	(291.71)	(490.90)
Interest paid on lease liabilities	(14.96)	(20.52)
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES (C)	(2,744.77)	(2,577.97)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(2,437.35)	(2,863.61)
OPENING CASH AND CASH EQUIVALENTS	(3,895.88)	(1,032.27)
EXCHANGE DIFFERENCE ON TRANSLATION OF FOREIGN OPERATIONS	9.42	-
CLOSING CASH AND CASH EQUIVALENTS	(6,323.81)	(3,895.88)

Consolidated Statement of Cash flow

for the year ended March 31, 2021

Particular	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and Bank Balances as per Balance Sheet		
Balance with banks		
- On current accounts (Refer note 14)	159.81	428.43
In grant escrow account (Refer note 15)	43.58	-
Cash on hand (Refer note 14)	16.06	12.10
Cash credit facility (Refer note 20)	(6,031.18)	(2,188.64)
Book overdraft (Refer note 24)	(512.08)	(2,147.77)
Other current financial		
Balance as per statement of cash flow	(6,323.81)	(3,895.88)
Movement in financial liabilities:		
Non-current and Current borrowings		
Opening balance	3,063.76	4,499.72
Additions through business acquisitions (Refer note 46)	1,386.24	-
Repayment of borrowing	(2,345.10)	(1,522.76)
Proceeds from borrowings	489.93	86.80
Closing	2,594.83	3,063.76
Reconciliation of Non-current and current borrowings with the Balance Sheet		
Secured term loans from banks (Refer note 18)	1,420.57	1,690.33
Current maturities of long-term loan (Refer note 24)	673.52	1,351.22
Short term loan against fixed deposits	490.00	-
Interest payable on borrowings (Refer note 18)	10.81	22.21
Total Non-current and current borrowings	2,594.90	3,063.76
Movement in lease liabilities		
Opening Balance	164.77	206.15
Cash movements		
Payment of lease liabilities	(310.47)	(61.90)
Non-cash movements		
Recognition of lease liabilities	97.21	-
Additions through business acquisitions (Refer note 46)	1,469.83	-
Interest expense for the year	14.96	20.52
Deletions of lease liabilities	(1,303.81)	-
Gain on lease modification	(4.42)	-
Closing Balance of lease liabilities	128.07	164.77
Reconciliation of lease liabilities with the Balance Sheet		
Lease liabilities – Non-current	82.72	45.98
Lease liabilities – Current	45.36	118.79
Total Lease liabilities	128.08	164.77

Summary of significant accounting policies.

2

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

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

For **M Surana & Company**
Chartered Accountants
Firm Registration No.: 015312C

Amit Mitra
Partner
Membership No.: 094518
Place: Gurugram
Date: November 15, 2021

Manish Surana
Partner
Membership No.: 077597
Place: Bikaner
Date: November 15, 2021

For **and on behalf of the Board of Directors of**
Bikaji Foods International Limited
CIN : U15499RJ1995PLC010856

Shiv Ratan Agarwal
Chairman
DIN: 00192929
Place: Bikaner
Date: November 15, 2021

Shambhu Dayal Gupta
Chief Financial Officer
PAN: ADFPG0151L

Place: Bikaner
Date: November 15, 2021

Deepak Agarwal
Managing Director
DIN: 00192890
Place: Bikaner
Date: November 15, 2021

Divya Navani
Company Secretary
Membership No.: 026014

Place: Bikaner
Date: November 15, 2021

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

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 and E-188, Bichhwal Industrial Area, Bikaner – 334 006. (Rajasthan). The Company was incorporated in year 1995 under the provisions of the Companies Act, 1956, then applicable in India.

These consolidated financial statements comprise the Company and its subsidiaries referred to collectively as the ‘Group’. The Group is primarily involved in manufacturing, purchase and sale of snacks food.

The consolidated financial statements of the Company for the year ended March 31, 2021 were approved and authorised for issue in accordance with the resolution of the Company’s Board of Directors on November 15, 2021.

2. Significant Accounting Policies

Significant accounting policies adopted by the Company are as under:

2.1 Basis of preparation of Consolidated Ind AS financial statements

a) Statement of Compliance

The Consolidated Financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, and presentation requirements of Division II of Schedule III to the Act.

b) Basis of Preparation of Consolidated Financial Statements

The Consolidated 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 para 2.2(S) of accounting policy).

The functional and presentation currency of the Company is Indian Rupee (“₹”) which is the currency of the primary economic environment in which the Company operates.

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest “Lakhs”, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0” in the relevant notes to these Consolidated Financial Statements.

c) Basis of Consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated Ind AS financial statements present the results of the Bikaji Foods International Limited and its subsidiary as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

NCI are measured at their proportionate share of the acquiree’s net identifiable assets on the date of acquisition.

d) Use of Estimates and judgements

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the Management to make estimates 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 Consolidated Ind AS financial statements are based upon the Management’s evaluation of the relevant facts and circumstances as at the date of the Consolidated Ind AS financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a year basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected. (refer para 2.2(V) of accounting policy).

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

2.2 Summary of Significant Accounting Policies

A) Current Vs 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 year, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

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 year, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

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 realisation 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.

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

B) Revenue recognition

a) Sale of goods

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 the 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 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 the best estimate based on accumulated experience.

b) Solar income and sale of renewable energy certificate

Revenue from supply of energy is accounted on the basis of billings to state transmission utility and includes unbilled revenues accrued up to the end of the accounting year.

In respect of its certain power generating units in Rajasthan, basic tariffs are subject to review by respective state regulators, adjustments if any, are made in the year of such adjustment when it can be reliably ascertained. Revenue is booked on certainty of realisability.

Revenue from renewable energy certificate are recognised when its reliability is established. Accordingly, sales is recorded at the time of acceptance of bid in the India Energy Exchange ('IEX'). Such certificates can be traded on IEX and PXIL.

c) Other income

Interest income is recognised 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 is stated at historical cost less depreciation. Historical cost

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

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 year in which they are incurred.

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 equipment	5 Years
Vehicles	
- Scooters and motorcycles	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 ₹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 year.

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 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

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised 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 recognised in the statement of profit or loss in the year of derecognition.

Reclassification from investment property
When the use of a property changes from investment property to owner-occupied, the property is reclassified as Property, plant and equipment at its carrying amount on the date of classification.

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 amortisation.

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

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

Intangible assets	Useful life
Trademarks	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 amortisation year and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year.

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 realisable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred 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 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 realisable 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.

H) Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

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) Finance costs
Borrowing cost includes interest, amortisation 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 year of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All the other borrowing costs are expensed in the year 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 year in which the employees render the related service are recognised in respect of employees' services up-to the end of the reporting year and are measured at the amount expected to be paid when the liabilities

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Leave encashment: Accumulated leaves which are expected to be utilised 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.

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 year in which they occur. Remeasurements are not classified to Statement of Profit and Loss in subsequent years. 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 recognises related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The

Company recognises 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.

If 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

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

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, contingent liabilities and contingent assets

Provision are recognised 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 recognised as a finance cost.

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.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the Consolidated Ind AS financial statements.

M) Foreign currencies transactions and translations

The functional currency of the Company is the Indian Rupee. These Consolidated Financial Statements are presented in Indian Rupee.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains and losses resulting from such translations

are included in net profit in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

N) Taxes

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

Current 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 realise 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 Consolidated Ind AS 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 year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

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

R) Leases

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The impact of the adoption of the standard on the Consolidated Ind AS financial statements of the Company is shown in note 39 of the Consolidated Ind AS financial statements.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised

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to Consolidated Financial Statements for the year ended March 31, 2021

by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the year in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments of short-term leases are recognised as expense on a straight-line basis over the lease term.

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:

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is

referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

(ii) Subsequent measurement:

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

- a) at amortised cost; or
- b) at fair value through other comprehensive income (FVTOCI); or
- c) at fair value through profit or loss (FVTPL).

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

Amortised 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 amortised 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 (FVTOCI):

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 (FVTOCI). 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 recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised 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 (FVTPL):

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

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All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised 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 recognised 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 amortised cost, FVTPL and FVTOCI 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.

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 year, 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 recognising impairment loss allowance based on 12 months 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 months 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) recognised during the year is recognised as income/ expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortised 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 derecognised 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 derecognised only if substantially all risks and rewards of ownership of the financial asset are transferred. Where the entity has

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not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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 derecognised 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 amortised cost, as appropriate. All financial liabilities are recognised 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 and loss (FVTPL):

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 recognised in the profit or loss.

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Derecognition of financial liability:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms

of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss 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 recognised amounts and there is an intention to settle on a net basis or realise 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.

T) Investment in subsidiary

Investment in subsidiary is measured at cost less impairment as per Ind AS 27 – 'Separate Financial Statements'.

Impairment of investments:

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted in the statement of profit and loss.

U) 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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All assets and liabilities for which fair value is measured or disclosed in the Consolidated Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

V) Significant accounting judgements, estimates and assumptions

The preparation of Consolidated Ind AS financial statements requires management to make judgements, 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 years.

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 Consolidated Ind AS 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.

Useful life, method and residual value of property, plant and equipment

Plant and machineries and factory buildings contribute significant portion of the Company's Property, plant and equipment. The Company capitalises 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 Consolidated Ind AS 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.

Taxes

Deferred tax, subject to the consideration of prudence, is recognised on temporary differences between the taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets are recognised to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realised. The measurement of deferred tax balances requires estimation of the year of transition to the new tax regime basis the financial projections, availability of sufficient taxable income in the future and tax positions adopted by the Company.

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Judgements
Assessment of liability as remote, contingencies or liability/provision
In preparing these Consolidated Ind AS 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 Consolidated Ind AS financial statements.

W) Recent accounting pronouncements
Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards.

MCA issued a notification dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its Consolidated Financial Statements. These amendments are applicable to the Company for the financial year starting April 01, 2021.

On June 18, 2021, the Ministry of Corporate Affairs (MCA) has also notified new Company (Indian Accounting Standards) Amendment Rules, 2021 and carried out amendments to the following Indian Accounting Standards.

- a) Ind AS 116 “Leases” – The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the April 01, 2020. In case, a lessee has not yet approved the Consolidated Financial Statements for issue before the issuance of this amendment, then the same may be applied for annual reporting

- periods beginning on or after the April 01, 2019. The Company has opted the practical expedient.
- b) Ind AS 109 Financial Instruments – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortised cost, for the changes in the financial assets that may arise as a result of interest rate benchmark reform along. An additional temporary exception from applying hedge accounting is also added for interest rate benchmark reform.
- c) Ind AS 107 Financial Instruments: Recognition, presentation and disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like (i) the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform, (ii) the entity’s progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.
- d) Application of above standards are not expected to have any significant impact on the Company’s Consolidated Financial Statements. However, the Company has adopted the changes to Ind AS 116 as above for the year ended March 31, 2021 as notified.

- X) Rounding off amounts**
All amounts disclosed in Consolidated Ind AS financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III, unless otherwise stated.
- Y) Cash Flow Statement**
Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

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Particulars	Land (Freehold)	Factory building ^	Other building	Plant & equipment ^	Furniture & fixtures	Vehicles ^	Office equipment	Computers & peripherals	Total
Gross block at cost									
Balance at April 01, 2019	201.83	13,894.45	186.95	28,699.45	1,014.44	1,205.44	249.17	271.50	45,723.23
Additions	-	318.95	-	3,398.82	278.11	152.57	36.32	9.73	4,194.50
Disposals/adjustments	-	-	-	(44.32)	-	(112.86)	-	-	(157.18)
Balance at March 31, 2020	201.83	14,213.40	186.95	32,053.95	1,292.55	1,245.15	285.49	281.23	49,760.55
Additions through business acquisitions (Refer note 46)	-	130.65	-	1,522.56	6.05	-	6.80	7.97	1,674.03
Additions	120.85	332.13	-	2,750.42	41.55	45.15	15.81	42.07	3,347.98
Transfer from investment property (Refer note 5) ^^	-	-	149.96	-	-	-	-	-	149.96
Disposals/adjustments	-	-	-	(91.68)	-	(27.79)	-	-	(119.47)
Balance at March 31, 2021	322.68	14,676.18	336.91	36,235.25	1,340.15	1,262.51	308.10	331.27	54,813.05
Accumulated depreciation and impairment									
Balance at April 01, 2019	-	1,134.59	36.61	5,317.07	223.90	476.31	102.50	217.89	7,508.87
Depreciation charge for the year	-	494.05	7.16	2,064.61	177.44	149.53	24.64	36.18	2,953.61
Impairment charge for the year #	-	-	-	297.00	-	-	-	-	297.00
Disposals/adjustments	-	-	-	(2.82)	-	(36.40)	-	-	(39.22)
Balance at March 31, 2020	-	1,628.64	43.77	7,675.86	401.34	589.44	127.14	254.07	10,720.26
Additions through business acquisitions (Refer note 46)	-	7.94	-	190.54	1.11	-	2.40	4.79	206.78
Depreciation charge for the year	-	502.70	9.85	2,212.69	201.03	130.06	25.13	22.99	3,104.45
Impairment charge for the year #	-	-	-	112.49	-	-	-	-	112.49
Disposals/adjustments	-	-	-	(29.95)	-	(12.50)	-	-	(42.45)
Balance at March 31, 2021	-	2,139.28	53.62	10,161.63	603.48	707.00	154.67	281.85	14,101.53
Net block									
As at March 31, 2021	322.68	12,536.90	283.29	26,073.62	736.67	555.51	153.43	49.42	40,711.51
As at March 31, 2020	201.83	12,584.76	143.18	24,378.09	891.21	655.71	158.35	27.16	39,040.29

Notes:
Solar energy generation plants having gross book value of INR 773.56 lakhs (net carrying value as on March 31, 2021 is INR 75.00 lakhs, post impairment), have been impaired by INR 112.49 lakhs during the year (Previous year: INR 297.00 lakhs) (Refer note 45).
^ Refer note 20 for information related to property, plant and equipment pledged as security by the Group.
^^ The Group has reclassified certain Investment Property as owner occupied during the year pursuant to change in use by the Group. (Refer note 5).

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Note 4: Capital work-in-progress

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Opening balance	288.23	1,313.07
Acquired through business combination (Refer note 46)	38.30	-
Add: Additions during the year	8,261.36	3,218.00
Less: Capitalised during the year	(4,980.18)	(4,242.84)
Closing balance	3,607.71	288.23

Capital work-in-progress as at March 31, 2021 majorly comprises expenditure for new production facilities/ lines.

Note 5: Investment property

Particulars	(₹ in Lakhs)		
	Building	Land (Freehold)	Total
Gross block at cost			
Balance as at April 01, 2019	160.89	130.09	290.98
Additions	-	240.75	240.75
Balance as at March 31, 2020	160.89	370.84	531.73
Additions	-	-	-
Transfer to Property plant & equipment	(160.89)	-	(160.89)
Balance as at March 31, 2021	-	370.84	370.84
Accumulated depreciation			
Balance as at April 01, 2019	8.24	-	8.24
Charge for the year	2.69	-	2.69
Balance as at March 31, 2020	10.93	-	10.93
Charge for the year	-	-	-
Transfer to Property plant & equipment	(10.93)	-	(10.93)
Balance as at March 31, 2021	-	-	-
Net block			
As on March 31, 2021	-	370.84	370.84
As on March 31, 2020	149.96	370.84	520.80

Footnote: (a) Information regarding income and expenditure of investment property

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Rental income from investment properties	-	-
Profit arising from investment properties before depreciation and indirect expenses	-	-
Less: Depreciation	-	(2.69)
Loss arising from investment properties before indirect expenses	-	(2.69)

Footnote: (b) Fair value

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Fair value	3,028.52	3,189.42

The fair value of investment property has been determined by external, independent property valuer, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The Group obtained independent valuation for its investment properties and fair value measurement has been categorised as level 3 inputs. The fair value has been arrived using market prevailing rates applicable to same location. Increase in market rate of property in same location would result in increase in fair value of investment property and vice versa.

^^ The Group has reclassified certain Investment Property as ower occupied during the year pursuant to change in use by the Group. (Refer note 3).

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Note 6: Intangible assets

Particulars	(₹ in Lakhs)		
	Trade marks	Computer software	Total
Gross block at cost			
Balance at April 01, 2019	62.19	218.61	280.80
Additions	-	3.00	3.00
Balance at March 31, 2020	62.19	221.61	283.80
Additions through business acquisitions (Refer note 46)	-	1.41	1.41
Additions	-	77.58	77.58
Balance at March 31, 2021	62.19	300.60	362.79
Accumulated amortisation			
Balance at April 01, 2019	22.93	87.78	110.71
Charge for the year	5.73	18.03	23.76
Balance at March 31, 2020	28.66	105.81	134.47
Additions through business acquisitions (Refer note 46)	-	0.59	0.59
Charge for the year	-	37.56	37.56
Balance at March 31, 2021	28.66	143.96	172.62
Net block			
As at March 31, 2021	33.53	156.64	190.17
As at March 31, 2020	33.53	115.80	149.33

Note 7: Financial assets – Non-current investments

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Investments at fair value through OCI (FVTOCI)		
Quoted		
Equity shares		
Nil equity shares (Previous year: 14,220 shares) of INR 2 each of Gokul Refoils and Solvent Limited	-	1.19
Nil equity shares (Previous year: 14,220 shares) of INR 2 each of Gokul Agro Resources Limited	-	1.20
Unquoted		
28,13,050 CCPS (Previous year: 28,13,050 shares) of INR 10 each in Hanuman Agro Foods Private Limited	462.97	1,561.24
Total FVTOCI investments	462.97	1,563.63
Investments at fair value through profit and loss (FVTPL)		
Unquoted		
Investment In Mutual-Fund	101.37	-
Investment in equity shares	5.00	5.00
Investment in Compulsory Convertible Preference Shares (CCPS)	16.40	55.50
Investment in Compulsory Convertible Debentures (CCD)	5,114.00	2,026.00
Investment in Optional Convertible Debentures (OCD)	450.00	-
Investment in convertible note	730.00	-
Total FVTPL investments	6,416.77	2,086.50
Total investments	6,879.74	3,650.13
Aggregate book value of quoted investments	-	2.40
Aggregate market value of quoted investments	-	2.40
Aggregate book value of unquoted investments	6,879.74	3,647.73
Aggregate amount of impairment in value of investments (Refer note 34)	(1,344.23)	(359.96)
Aggregate amount of gain in value of investments (Refer note 34)	1.37	-

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Note 8: Other non-current financial assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Carried at amortised cost		
Security deposits	306.54	109.73
Bank deposits with original maturity period of more than 12 months [#] ^{**}	1,397.96	366.09
Balances with Bank held as margin money [#]	-	19.91
Total	1,704.50	495.73

[#] Under lien by bank against the bank gurantee and letter of credit

Note 9: Other non-current assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Capital advances		
Considered good	2,741.66	1,241.26
Considered doubtful	27.26	27.26
Less: Allowance for doubtful advance	(27.26)	(27.26)
Other than capital advances		
Prepaid expenses	72.66	137.29
Balance with government authorities	557.11	223.16
Total	3,371.43	1,601.71

[#] Include amount of INR 193.80 (March 31, 2020: 193.80) toward Cenvat recoverable. The Group has filed writ petition before Jodhpur High Court for transitioning CENVAT credit in respect to capital goods purchase during April 01, 2016 to June 30, 2017 in pre-GST period. Certain goods manufactured by the Group were hitherto exempted from the levy of central excise duty but has become taxable 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. Based on the management assessment, there is a possiblity that the case may be decided in favour of the Group.

Note 10: Income tax assets (net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance Income tax (net of provision for tax of INR 6,676.97 lakhs) (March 31, 2020: 6,676.97 lakhs))	314.21	688.28
Total	314.21	688.28

Note 11: Inventories [^]

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Raw materials	1,974.72	1,293.17
Packing materials	2,574.38	1,704.34
Finished goods [#]	887.98	536.28
Stores and spares	239.73	114.78
Total	5,676.81	3,648.57

During the year ended March 31, 2021, INR 112.96 lakhs (Previous year: INR 11.17 lakhs) was recognised as an expense for writing down the value to net realisable value. These have been expensed in “Statement of profit and loss” in “Other Expenses”.

[^] Refer note 20 for information related to inventories hypothecated by the Company against cash credit facility.

[#] Finished goods include stock in transit – INR 276.49 lakhs (Previous year: Nil).

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Note 12: Loans

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Loan Receivables considered good – Unsecured [#]	122.20	601.45
Total	122.20	601.45

[#] These loans are repayable on demand and are provided at interest rate of 11% p.a.

Note 13: Trade receivables [^]

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Trade receivables – Unsecured	4,842.60	4,220.58
Less: Allowance for expected credit losses	(111.72)	(49.32)
Total	4,730.88	4,171.26
Breakup of trade receivables:		
- Related parties [#]	30.10	59.77
- Others	4,700.78	4,111.49
Total	4,730.88	4,171.26

[^] Refer note 20 for information related to trade receivables hypothecated by the Group against cash credit facility.

[#] Trade receivables includes receivables from private companies in which director of the Group is a director. Refer note 36.

Note 14: Cash and cash equivalents

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- In current accounts	159.84	428.45
Cash on hand	16.06	12.10
Total	175.90	440.55

Note 15: Bank balances other than cash and cash equivalents

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Bank deposits with original maturity period of more than 3 month and less than 12 months [*]	7,770.18	8,238.07
Balance with Bank held as Margin Money [#]	751.00	149.05
In grant escrow account [^]	43.58	-
Total	8,564.76	8,387.12

[#] Include deposits under lien by bank against bank guarantees and letters of credit.

^{*} Include deposits under lien against overdraft facility, of INR 220.79 Lakhs (Previous year: Nil) Refer Note 20.

[^] represents earmarked balances i.e. Escrow account Government grant which can be utilised for payment of eligible vendors of Property, Plant and Equipment.

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 16: Other current financial assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Security deposits	13.08	49.88
Bank deposits with original maturity period of more than 12 months and residual maturity less than 12-month *	1,424.71	1,341.01
Balance with Bank held as Margin Money [#]	45.00	76.74
Interest accrued on bank deposits and others	426.82	563.70
Total	1,909.61	2,031.33

[#] Under lien by bank against the bank guarantee and letter of credit

* Under lien by Bank against over draft facility of INR 327 .23 Refer note 20

Note 17: Other current assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advances to vendors	1,629.93	492.89
Prepaid expenses	119.94	60.49
Insurance claim receivable [#]	-	147.83
Balance with government authorities [^]	370.26	74.35
Government grant (exports incentive) receivable	113.11	38.59
Right to recover returned goods (Refer note 26)	-	4.58
Unamortised share issue expenses *	91.50	90.00
Employees advances	73.55	71.63
Total	2,398.29	980.36

[#] Insurance claim receivable is in respect of loss due to fire, damaging the property, plant and equipment and inventory. Fire occurred on July 09, 2018 at the Company, Karni plant, resulting in loss amounting to INR 172.55 lakhs. These assets were secured through insurance. The Company has filed a claim in the previous financial year and received the claim amounting to INR 147.83 lakhs in current financial year. The balance of INR 24.72 lakhs has been recognised as loss in FY 2019-2020 due to fire in the Statement of Profit and Loss.

[^]There are no unfulfilled conditions attached to these grants (Refer note 27).

*The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transactions that otherwise would have been avoided. Since, Company has not received proceed from issue of share capital, the Company has accounted transaction costs under the head "other current assets". Once the proceeds from issue of share is received, transaction costs will be adjusted with the Security Premium under Other Equity.

Note 18: Equity share capital

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Authorised share capital		
25,000,000 equity shares (Previous year: 25,000,000) of INR 10 each*	2,500.00	2,500.00
Total	2,500.00	2,500.00
Issued, subscribed and fully paid-up share capital		
24,313,306 equity shares (Previous year: 24,313,306) of INR 10 each*	2,431.33	2,431.33
Total	2,431.33	2,431.33

*Refer note 34(c).

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 18: Equity share capital (contd.)

(a) Reconciliation of the number of equity shares given below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Balance at April 01, 2020	243.13	2,431.33	243.13	2,431.33
Balance at March 31, 2021	243.13	2,431.33	243.13	2,431.33

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

Equity Shares: The Group has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding. 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 Group are as under:

Name of shareholders	Number of shares (in lakhs)	% of Holding as at March 31, 2021	(₹ in Lakhs)	
			Number of shares (in lakhs)	% of Holding as at March 31, 2020
Shiv Ratan Agarwal	88.43	36.37%	88.43	36.37%
Shiv Ratan Agarwal HUF	61.20	25.17%	61.20	25.17%
Deepak Agarwal	41.98	17.27%	41.98	17.27%
IIFL Special Opportunities Fund	20.00	8.22%	20.00	8.22%
India 2020, Maharaja Limited	18.17	7.47%	18.17	7.47%

As per records of the Group, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

- (d) No class of shares have been issued as bonus shares or for consideration other than cash by the Group during the period of five years immediately preceding the current year end.
- (e) No class of shares have been bought back by the Group during the period of five years immediately preceding the reporting date.

Note 19: Other equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Securities premium reserve		
Opening Balance	20,437.26	20,437.26
Closing Balance (A)	20,437.26	20,437.26
General reserve		
Opening Balance	193.09	193.09
Closing Balance (B)	193.09	193.09
Capital reserve		
Opening Balance	-	-
Added during the year	149.24	-
Closing Balance (C)	149.24	-
Retained earnings		
Opening Balance	28,989.64	23,941.84
Add: Profit during the year	9,020.60	5,637.02
Total (i)	38,010.24	29,578.86

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 19: Other equity (contd.)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Less appropriation:		
Dividend paid at INR 2 per share (Previous year: INR 2 per share) (refer footnote)	(486.27)	(486.27)
Dividend distribution tax	-	(102.95)
Non reciprocal capital contribution made to non wholly-owned subsidiary	(154.63)	
Total appropriation (ii)	(640.90)	(589.22)
Closing Balance (i) - (ii) = (D)	37,369.34	28,989.64
Other comprehensive income (OCI)		
Opening Balance	864.42	(18.37)
Add/(Less): Movement in OCI (net) during the year	(886.12)	882.79
Closing Balance (E)	(21.70)	864.42
Foreign Currency Translation Reserve (F)		
Opening Balance	0.35	-
Add/(Less): Movement in OCI (net) during the year	7.05	0.35
Closing Balance (F)	7.40	0.35
Total (A) + (B) + (C) + (D) + (E) + (F)	58,134.64	50,484.76

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 provisions of the Act.

General reserve: General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital reserve: The capital reserve represents the excess of the Group’s interest in the acquiree’s identifiable assets, liabilities and contingent liabilities over the purchase consideration.

Retained earnings: Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

Dividend: The Board of Directors of the Company has paid a dividend of INR 2 per share (Previous year: INR 2 per share) amounting to INR 486.27 lakhs for the year ended March 31, 2020 for each share with face value of INR 10 each. The distribution has been in proportion to the number of equity shares held by the shareholders. From April 01, 2021, the domestic Company is not required to pay dividend distribution tax on any amount declared, distributed or paid as dividend. Dividends paid by the Company to its shareholders were subjected to withholding tax as applicable.

Foreign Currency Translation Reserve: This represents amount of foreign currency translations on the foreign operations of the Group.

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 20: Borrowing

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Secured		
Non-current borrowing		
Secured		
Term loan		
- From Bank	1,367.85	1,624.27
- From others	52.71	66.06
	1,420.56	1,690.33
Current borrowing		
Secured		
Loans repayable on demand from bank		
Cash credit	4,031.15	2,188.64
Other term loans		
Short term loan against fixed deposits	490.00	-
Unsecured		
Loans repayable on demand from bank		
Working Capital Demand Loan	1,000.00	-
Packing Credit Limit	1,000.00	-
	6,521.15	2,188.64
Total	7,941.71	3,878.97

(A) Borrowings include:

1. Term loans from bank

A. Term loans from SBI

(A) Term loan from State Bank of India (‘SBI’) amounting to INR 1,630.85 lakhs (including current INR 500.00 lakhs and non-current INR 1,130.85 lakhs) outstanding as on March 31, 2021 is secured by first charge by way of equitable mortgage of immovable industrial property i.e. land and 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 and machinery at RIICO Industrial Area, Karni (Extension), Bikaner. Interest is charged in the range of 7.40% to 8.60%.

(B) Term loan include loan from Yes Bank and State Bank of India of Rs. 32,500.00 and Rs. 2,177.78, respectively and cash credit represent loan from State Bank of India Rs. 1,485.83.

Loans from Yes Bank is secured by way of:

- Lien marked to the fixed deposits to the extent of 110% of sanction loan amount of Rs. 80,000.00 and
- Exclusive charge on all movable assets of the Company.

Loans from State Bank of India is secured by way of:

- Primary security: Hypothecation over stocks, receivables and plant and machinery and
- Collateral security: Fixed deposit of Rs. 2,500.00.

Out of the above loans:

- term loan from Yes Bank bears interest rate of fixed deposits rate +1.50% and is repayable in 16 equal installmets starting at end of first year and completing at end of fifth year.
- team loan from State Bank of India contain Fund based working capital limits term loan and demand loan. Demand loan are repayable in 18 equal monthly installments starting from seventh month, unless demanded earlier by bank and bear interest rate of 7.40%. Term loans are repayable in 18 equal monthly installments starting from thirteenth month and bear interest rate of 8.65%. Cash credit loans carry interest rate of 9.85%.

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 20: Borrowing (contd.)

B. Vehicle Loan

Vehicle loan of INR 73.46 lakhs (including current INR 20.75 lakhs and non-current INR 52.71 lakhs) relate to vehicle purchased under financing arrangements with financial institution are secured by way of hypothecation of the specified assets. Interest is charged at 9.85%.

2. Short-term loan against fixed deposits

Loan against fixed deposits from SBI amounting to INR 490 lakhs (classified in current borrowing) outstanding as on March 31, 2021 which is repayable on demand. Interest rate is charged at 5.90%.

3. Cash Credit

Working capital loan is obtained from SBI. Interest is charged at 7.40% respectively.

Cash credit from SBI is secured by hypothecation of stock of raw material, packing material and book debts. These are repayable on demand.

4. Guarantees by Directors

Above mentioned term loan and cash credit loans from SBI are further guaranteed of certain directors/promoters of the Company (Refer note 35).

5. Working Capital Demand Loan & Packing Credit Limit

Working Capital Demand Loan and pre-shipment or post shipment export limit are unsecured at 4.75% ,which are repayable on demand

(B) Terms of repayment

Particulars	No. of installments outstanding	Installment amount	Repayment
Short-term loan against fixed deposits	1.00	490.00	Commensurate with maturity of underlying deposits under lien
Term loans from SBI	13.00	125.00	Quarterly
Vehicle Loan*	20.00	1.73	Monthly and INR 50 lakhs as signle payment thereafter

*In case of above vehicle loan, installments are Equalised Monthly Installments and include interest.

(C) Loan covenants

The Company has complied all the financial covenants prescribed in terms of borrowings.

Note 21: Provisions

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Non-current provisions		
Provision for employee benefits		
- Gratuity	192.03	406.39
Total	192.03	406.39
Current provisions		
Provision for employee benefits		
- Gratuity	115.61	93.52
- Compensated absences	11.50	-
Others		
- Provision for sales tax liability *	15.00	15.00
Total	142.11	108.52
Total	334.14	514.91

*Movement of sales tax liability

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Opening Balance	15.00	15.00
Closing Balance	15.00	15.00

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 22: Deferred tax liability (net)

In compliance of Ind AS 12 “Income Tax “ the Company has recognised ‘the deferred tax liability’ major components of deferred tax assets and liabilities on account of timing differences are as follows:

Reconciliation of Deferred tax liability (net):

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Opening Balance	3,347.84	3,868.82
Tax expense during the year recognised in the statement of profit and loss	(119.77)	(825.14)
Tax expense/(income) during the year recognised in other comprehensive income	(295.68)	304.16
Closing Balance	2,932.39	3,347.84

The movement in deferred tax assets and liabilities during the year ended March 31, 2021 and March 31, 2020:

Movement during the year ended March 31	March 31, 2020	Recognised in Profit and loss account	Recognised in other comprehensive income	(₹ in Lakhs) March 31, 2021
Deferred tax (asset)/liability in relation to :				
Property, plant and equipments	3,169.87	124.73	-	3,294.60
Items allowed on payment basis	65.11	(286.40)	2.37	(218.91)
Fair value adjustments on investments	242.44	(21.33)	(285.50)	(64.39)
Remeasurement loss on defined benefit plan	(129.58)	63.23	(12.55)	(78.91)
Net deferred tax asset/liability	3,347.84	(119.77)	(295.68)	2,932.39

Movement during the year ended March 31, 2020	March 31, 2019	Recognised in Profit and loss account	Recognised in other comprehensive income	(₹ in Lakhs) March 31, 2020
Deferred tax (asset)/liability in relation to :				
Property, plant and equipments	4,058.87	(889.00)	-	3,169.87
Items allowed on payment basis	(179.23)	244.46	(0.12)	65.11
Fair value adjustments on investments	(0.17)	(180.61)	423.22	242.44
Remeasurement loss on defined benefit plan	(10.64)	-	(118.94)	(129.58)
Net deferred tax asset/liability	3,868.83	(825.15)	304.16	3,347.84

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

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
(a) Income tax expenses recognised in the statement of profit and loss		
Current tax		
Current tax on profit for the year	3,097.53	1,552.14
Total current tax expense (A)	3,097.53	1,552.14
Deferred tax		
Deferred tax charge/(benefit)	(119.77)	(825.14)
Total deferred tax credit (B)	(119.77)	(825.14)
Income tax expense reported in the statement of profit and loss (A) + (B)	2,977.76	727.00
(b) OCI Section – Income tax related to items recognised in OCI during in the year:		
Net gain/(loss) on remeasurements of defined benefit plans	298.05	(304.28)
Income tax expense charged to OCI	298.05	(304.28)
(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
Profit before income tax expense	12,011.22	6,364.02
Income tax rate	25.17%	25.17%
Amount of tax at Company's tax rate (A)	3,022.98	1,601.70

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 22: Deferred tax liability (net) (contd.)

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
Adjustment		
Non-deductible tax expenses	(179.68)	825.29
Total adjustment	(179.68)	825.29
Income tax rate	25.17%	25.17%
Tax impact of adjustment (B)	(45.22)	207.71
Tax impact of change in tax rate (C)	-	(1,082.40)
Income tax expense recognised in the statement of profit and loss (A)+(B)+(C)	2,977.76	727.00

Pursuant to the Taxation Laws (Amendment) Act, 2019 issued during the year ended March 31, 2020 and effective from April 01, 2019, the Group has an option to pay tax income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. Based on the Company's assessment of the expected year of transition to the new tax regime, the Company remeasured the deferred tax liabilities and recognised resultant deferred tax benefit of INR 1,082.40 lakhs.

Note 23: Trade payables

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises (refer footnote)	510.55	121.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,735.41	1,308.90
Total	4,245.96	1,429.91

The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 42.

Footnote: Details of amounts outstanding to Micro and Small Enterprises as defined under the MSMED Act, 2006:

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. The Micro and Small Enterprises have been identified by Management from the available information, which has been relied upon by the auditors. On the basis of the information and records available with the Management, following are outstanding dues to the Micro and Small Enterprises:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each financial year – included in trade payable	510.55	121.01
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each financial year – included in creditors for capital goods	105.77	-
Principal amount due to micro and small enterprises		
Interest due on above	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each financial year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each financial year	0.07	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	0.22	-

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 24: Other current financial liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term borrowings (secured) (Refer note 20)	673.52	1,351.22
Accrued employees liabilities	937.07	533.63
Book overdraft #	512.08	2,147.77
Creditors for capital goods	854.54	107.71
Trade deposits from customers	150.78	129.08
Interest payable on borrowings	10.81	22.21
Total	3,138.80	4,291.62

The Group has issued cheques in excess of the bank balance as on March 31. These cheques have been presented for clearance subsequent to year end.

Note 25: Current tax liabilities (net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Income tax provision [net of advance tax INR 2,097.58 lakhs (March 31, 2020: Nil)]	997.14	-
	997.14	-

Note 26: Other current liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Statutory dues	464.06	131.37
Advance received from customers	519.00	982.19
Accounting for refund liabilities #	63.85	5.56
Unspent grant liability*	43.58	-
Deferred grant income	27.26	-
Interest accrued but not due on borrowings	2.62	-
Total	1,120.37	1,119.12

The Group has recognised a refund liability for sale of goods on which Group does not expect to receive consideration. The costs to recover the products are cost to the Group because the customers usually return the product which are not in saleable condition.

* Represent amount of government grant received in advance of fulfillment of recognition conditions.

Note 26.1: Other Non-current liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Deferred grant income	125.44	-
Total	125.44	-

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 27: Revenue from operations

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Sale – Food products		
Finished goods	1,27,466.07	1,04,767.68
Traded goods	3,224.89	2,450.33
Sale of service	124.68	-
Other operating revenue		
Scrap sales	145.79	105.68
Consultancy income	0.37	-
Export benefits*	113.11	131.39
TOTAL	1,31,074.91	1,07,455.08

* Export benefits are government grants and include following:

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Merchandise Exports from India Scheme (MEIS)	104.21	131.39
Remission of Duties and Taxes on Exported Products (RoDTEP)	8.90	-
Total	113.11	131.39

There are no unfulfilled conditions or contingencies attached to these.

Reconciliation of revenue recognised with contract price for sale of foods products:

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Sale – Food products	1,28,729.98	1,05,696.79
Adjustments for refund liabilities	(62.87)	(4.90)
Discount and rebates	(1,201.04)	(924.21)
Revenue from contract with customers	1,27,466.07	1,04,767.68

Note 28: Other income

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Interest income		
- Bank deposits	630.91	710.32
- On loans	54.90	35.60
- Income tax refund	0.70	-
- Others	15.10	2.22
Other non-operating income		
Liabilities written back to the extent no longer required	375.47	6.65
Operating lease liabilities written back on modification	45.97	-
Amortisation of deferred grant income	2.56	-
Gain on disposal of property, plant and equipment	0.02	-
Net Gain on financial assets at fair value through profit & loss (Refer note no. 7)	1.37	-
Gain on lease modification	4.42	-
Foreign exchange fluctuation gain (net)	14.81	69.27
Gain on sale of renewable energy certificate	-	11.01
TOTAL	1,146.23	835.07

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 29: Cost of materials consumed

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Raw material		
Inventory at the beginning of the year	1,293.17	1,085.95
Add: Acquired through business combination	0.02	-
Add: Purchases during the year	76,769.27	59,540.61
	78,062.46	60,626.56
Less: Inventory at the end of the year	1,972.12	1,293.17
Cost of raw material consumed (A)	76,090.34	59,333.39
Packing material		
Inventory at the beginning of the year	1,704.34	2,001.80
Add: Acquired through business combination	8.81	-
Add: Purchases during the year	15,728.00	12,452.82
	17,441.15	14,454.62
Less: Inventory at the end of the year	2,605.79	1,704.34
Cost of packing material consumed (B)	14,835.36	12,750.28
TOTAL (A)+(B)	90,925.70	72,083.67

Note 30: Changes in inventories of finished goods and stock-in-trade

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Inventory at the beginning of the year	536.28	670.04
Less: Inventory at the end of the year	887.98	536.28
Changes in inventories of finished goods	(351.70)	133.76

Note 31: Employee benefits expense

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Salaries, wages, bonus and other allowances	6,165.72	5,843.63
Contribution to provident and other funds [Refer note 35 (a)]	360.98	313.29
Gratuity expense [Refer note 35 (b)]	233.97	162.75
Workmen and staff welfare expenses	201.25	141.68
TOTAL	6,961.92	6,461.35

Note 32: Depreciation, amortisation and impairment expenses

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Depreciation of property, plant and equipments (Refer note 3)	3,104.45	3,043.58
Depreciation of investment property (Refer note 5)	-	2.69
Amortisation of intangible assets (Refer note 6)	37.56	23.76
Amortisation of right-of-use assets (Refer note 39)	57.47	52.49
Impairment of property, plant and equipments (Refer note 44)	112.49	297.00
TOTAL	3,311.97	3,419.52

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 33: Finance costs

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Interest cost on		
- Borrowings (Refer note 20)	283.43	490.81
- Statutory dues	1.10	0.09
- Lease liabilities (Refer note 39)	14.96	20.52
TOTAL	299.49	511.42

Note 34: Other expenses

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Power and fuel	3,571.81	3,433.85
Job work charges	1,191.66	1,257.70
Consumption store and spares	558.93	600.92
Brokerage and commission	92.80	81.45
Laboratory expenses	26.98	21.84
Repair and maintenance		
Building	296.47	132.01
Plant and machinery	326.72	285.70
Others	19.71	20.43
Advertisement expenses	3,063.78	3,678.22
Sales promotion expenses	649.78	1,156.76
Freight and forwarding charges	3,832.19	4,242.18
Rent	58.41	85.70
Rates and taxes	199.09	227.34
Insurance expenses	99.95	79.80
Legal and professional charges	272.73	221.45
License/membership and trade mark expenses	22.60	65.00
Payment to auditors [Refer note 34 (a)]	38.27	37.00
Travelling expenses	345.99	351.97
Charity and donation	61.90	6.23
CSR expenses [Refer note 34 (b)]	183.25	181.50
Loss on sales of property, plant and equipments	7.55	61.25
Bank charges	34.01	38.16
Bad debts/advances written off	4.60	18.71
Provision for doubtful debts/advances (Refer note 12)	52.47	18.26
Fair value adjustment on Investment (Refer note 7)	115.00	239.00
Provision for slow moving inventory	112.96	-
Loss due to fire (Refer note 16)	-	24.72
Others	707.41	475.02
TOTAL	15,947.02	17,042.17

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 34: Other expenses (contd.)

Note 34 (a): Payment to auditors

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
- As auditor		
Statutory audit fees	30.22	30.00
Tax audit fees	2.03	2.00
- In other capacity		
Certification fees	3.02	3.00
Reimbursement of expenses	3.00	2.00
TOTAL	38.27	37.00

Note 34 (b): Details of corporate social responsibility as per Section 135 (5) of act and rules made thereunder:

As per provision of Section 135 of the Companies Act, 2013 read with Companies Amendment Act, 2019, the Company has to spent at least 2% of the average profits of the preceding three financial years towards CSR. Accordingly, a CSR committee has been formed for carrying out the CSR activities as per Schedule VII of the Companies Act, 2013.

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII	147.30	148.16
Amount spent during the year on		
(i) Construction/ acquisition of an asset	-	-
(ii) On purpose other than (i) above	183.25	181.50
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
TOTAL	183.25	181.50

Nature of CSR activities undertaken during the current and previous year:

A significant portion of CSR expenditure was incurred in a goal to fight poverty, malnutrition, improve girl child education, provide education to the poor, promote Clean India Mission in order to inhabitate a clean and hygenic environment. During the year INR 183.25 lakhs (Previous year: INR 181.50 lakhs) was donated to the cause to various Trusts. Other significant expenditure was incurred in respect of amounts donated to trusts for setting up of medical facilities to fight COVID-19. Donations were made to trusts and charities for the same.

Note 34 (c): Earnings per share

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Net profit after tax attributable to shareholders of the Company	9,020.60	5,637.02
Weighted average number of equity share (at reporting date face value of INR 10 per share) (Refer footnote i)	243.13	243.13
Weighted average number of equity share (at adjusted face value of INR 1 per share) (Refer footnote i)	2,431.33	2,431.33
Basic and diluted earnings per share	3.71	2.32
Face value per equity share	1.00	1.00

Footnote i: In connection with preparing for its IPO (Refer note 48), the Company effected a ten-for-one stock split of the Equity share of the Company. The stock split was approved subsequent to reporting date, on October 22, 2021. The face value and authorised shares of Equity shares were also adjusted as a result of the stock split. All earnings per share related amounts in the financial statements and notes thereto have been retroactively adjusted for all periods presented to give effect to this stock split.

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 34: Other expenses (contd.)

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.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Note 34 (d) Components of other comprehensive income (OCI)

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Net (loss)/gain on equity instrument through other comprehensive income	(1,134.29)	1,324.91
Remeasurement (loss) on defined benefit plans	(49.88)	(137.50)
Exchange difference on translation of foreign operations	9.42	(0.47)
Tax effect	295.68	(304.16)
TOTAL	(879.07)	882.78

Note 35: Employee benefits obligations

(a) Defined contribution plans

i. Provident fund and 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	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Included in contribution to provident and other funds (Refer note 31)		
Employees' state insurance plan	122.14	105.34
Provident fund	238.84	207.87

(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 policy taken with Life Insurance Corporation of India. 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 INR 20 lakhs (unlimited for certain employees). The disclosures as required pursuant to the Ind AS 19 is as under:

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

Particulars	During the year ended March 31, 2021	(₹ in Lakhs) During the year ended March 31, 2020
Service cost	199.43	141.73
Net interest cost	34.54	21.03
Total defined benefit cost included in profit and loss	233.97	162.76

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 35: Employee benefits obligations (contd.)

(ii) Current/non-current bifurcation

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Current	115.61	93.52
Non-current	192.03	406.39
Net liability recognised in the balance sheet	307.64	499.91

(iii) Net employee benefit expenses recognised in other comprehensive income

Particulars	During the year ended March 31, 2021	(₹ in Lakhs) During the year ended March 31, 2020
Total amount recognised in other comprehensive income (OCI)	49.88	137.50

(iv) Key financial assumptions used at the end of the year

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	6.82% - 7.07%	6.61%
Salary escalation rate	10.00%	8.00%
Expected return on plan assets	6.61%	6.82%

(v) Actual return on plan asset

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Interest income on plan assets	21.42	18.20
Remeasurements on plan assets	(1.09)	(1.39)
Actual return on plan assets	20.33	16.81

(vi) Analysis of amounts recognised in other comprehensive (income)/loss at the end of the year

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Amount recognised in OCI, beginning of the year	163.72	26.21
Remeasurements due to:	-	-
Effect of change in financial assumptions	58.12	67.67
Effect of change in demographic assumptions	32.36	(21.78)
Effect of experience adjustments	(41.70)	90.23
Return on plan assets (excluding interest)	1.09	1.39
Total remeasurements recognised in OCI	49.87	137.51
Additions through business acquisitions	5.02	-
Amount recognised in OCI, end of the year	218.61	163.72

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 35: Employee benefits obligations (contd.)

(vii) Change in defined benefit obligation during the year

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Defined benefit obligation, beginning of the year	823.99	507.50
Additions through business acquisitions	9.09	-
Service cost	199.43	141.73
Interest cost	55.96	39.23
Actuarial losses		
a) Effect of change in financial assumptions	58.12	67.67
b) Effect of change in demographic assumptions	32.36	(21.78)
c) Experience (gain)/losses	(41.70)	90.23
Benefits paid from fund	(4.74)	(0.59)
Past service cost	(339.76)	-
Defined benefit obligation, end of the year	792.75	823.99

(viii) Change in fair value of plan assets during the year

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Fair value of plan assets, beginning of the year	324.06	246.30
Interest income	21.42	18.20
Contributions	145.45	61.54
Actuarial (losses)	(1.09)	(1.39)
Benefits paid from fund	(4.74)	(0.59)
Fair value of plan assets, end of the year	485.10	324.06

(ix) Reconciliation of Balance Sheet (net) amount

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Balance sheet liability, beginning of the year	499.92	261.21
Total charge recognised in profit and loss (net)	(105.79)	162.75
Total remeasurements recognised in OCI	49.88	137.50
Contribution during the year	(145.45)	(61.54)
Additions through business acquisitions	9.09	-
Balance sheet liability (Net), end of the year	307.65	499.92

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

Particulars	As at March 31, 2021	As at March 31, 2020
Insurer managed fund through approved trust	100.00%	100.00%

Investment fund are managed by Life Insurance Corporation of India (LIC) is further invested in equity and debts markets in pre-determined ratio to balance market risk, interest rate risk, credit risk and concentration risk.

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 35: Employee benefits obligations (contd.)

(xi) Demographic assumptions used to determine the defined benefit

Particulars	As at March 31, 2021	As at March 31, 2020
Withdrawal rate	5% - 23%	23.00%
Mortality rate	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate
Retirement age	60 Years	60 Years

(xii) Expected maturities of defined benefit obligation

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Within 1 year	119.49	159.16
Between 1 and 2 year	112.73	141.39
Between 2 and 3 year	114.16	127.48
Between 3 and 4 year	108.55	117.83
Between 4 and 5 year	95.87	104.87
Beyond 5 years	333.87	305.82

(xiii) Employers best estimate of contribution to defined benefit plan (gratuity) for next reporting period is INR 484.97 lakhs (March 31, 2020: INR 699.34 lakhs).

(xiv) The weighted average duration of defined benefit obligation is 10.13 years (March 31, 2020: 9.03 years).

(xv) Sensitivity analysis

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
Defined benefit obligation (discount rate + 100 basis points)	(37.13)	(35.34)
Defined benefit obligation (discount rate - 100 basis points)	41.15	43.25
Defined benefit obligation (salary escalation rate + 100 basis points)	43.41	41.02
Defined benefit obligation (salary escalation rate - 100 basis points)	(39.58)	(35.62)

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 and 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 and disability:** Actual deaths and 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.

Sensitivity in respect of expected return on plan assets, mortality and disability rates and withdrawal rates are immaterial.

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 36: Related party disclosures

The list of related parties as identified by the Management is as under:

Relationship	Name of related party
Key managerial personnel (KMP)	Shiv Ratan Agarwal (Managing Director)
	Deepak Agarwal (Director)
	Sushila Devi Agarwal (Director)
	Shweta Agarwal (Director)
	Shambhu Dayal Gupta (Chief Financial Officer)
	Divya Navani (Company Secretary)
Enterprises under common control	Mastkin Foods Private Limited
	Basant Vihar Hotels Private Limited
	Bikaji Mega Food Park Private Limited
	Hanuman Agro Foods Private Limited

(a) Key managerial personnel compensation

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Short-term benefits	896.37	777.16
Total compensation	896.37	777.16

Excluding provision for Post-employment benefits as a separate actuarial valuation is not available.

(b) Transactions with related parties

The following transactions occurred with related parties:

Particulars	During the year ended March 31, 2021	(₹ in Lakhs) During the year ended March 31, 2020
Sales and purchases of goods and services		
Sale of goods to entity controlled by key managerial personnel:		
Mastkin Foods Private Limited	84.25	111.49
Services taken from entity controlled by key managerial personnel:		
Basant Vihar Hotels Private Limited	128.21	167.31
Other transactions		
Dividend		
Key managerial personnel (KMP)	268.07	270.01
Investments		
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss of Hanuman Agro Foods Private Limited	3,103.00	2,265.00
Rent paid to key managerial personnel		
Shiv Ratan Agarwal	9.36	9.36
Sushila Devi Agarwal	9.84	9.84
Deepak Agarwal	7.20	7.20
Reimbursement of expenses paid on behalf of directors		
Shiv Ratan Agarwal	-	0.54
Reimbursement of expenses paid by directors on behalf of Company		
Deepak Agarwal	-	100.90

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 36: Related party disclosures (contd.)

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

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

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Trade receivables		
Mastkin Foods Private Limited	30.10	59.77
Trade payables		
Basant Vihar Hotels Private Limited	14.99	20.14
Investments at fair value through FVTPL / FVTOCI (Refer note 7)		
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI of Hanuman Agro Foods Private Limited	479.38	1,616.74
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss of Hanuman Agro Foods Private Limited	5,114.00	2,026.00

Notes:

- (a) Outstanding balances at the year end are unsecured and interest free. For the year ended March 31, 2021, 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.
- (b) No amount has been provided as doubtful debts or advances/ written off or written back in the year in respect of debts due from/ to above related parties.
- (c) Key managerial personnel has given personnel guarantees to lender for borrowings. Refer Note 20.

Note 37: Contingent liabilities and commitments

Particulars	As at March 31, 2021	(₹ in Lakhs) As at March 31, 2020
(A) Contingent liabilities		
In respect of sales tax (Refer note a)	71.87	101.87
In respect of stamp duty charges (Refer note b)	36.22	36.22
In respect other legal matters (Refer note c)	17.20	17.60
(B) Commitment		
(i) Capital commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,887.42	1,944.90
(ii) Other commitment		
The Company has imported capital goods under the Export Promotion Capital Goods Scheme (EPCG) of the Government of India, at concessional rates of duty on an undertaking to fulfil quantified exports	244.55	366.83

- (a) 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 RVAT / CST at the rate of 12.50% on the sale of branded namkeen as against 4% charged by the Company under sale of ‘Unbranded Namkeen’. The High Court granted stay on the notice relating to financial year 2006-07, 2007-08 and 2008-09. During the financial year 2018-19, Company received notice raising Total tax and interest demand of INR 68.03 lakhs and INR 85.18 lakhs for financial year 2007-08 and 2008-09 respectively. Out of the Total demand the Company has deposited INR 51.34 lakhs. During the year, Company has made additional payment of interest liability of INR 30.00 lakhs. Further, the amnesty scheme under the RVAT providing for waiver of interest and penalty has been notified wide notification no. F. 12(29) FD/Tax/2021-269 dated February 02, 2021 and Company has filled application under RVAT for waiver of remaining interest liability which has been approved by the government subsequent to year end.

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 37: Contingent liabilities and commitments (contd.)

- Accordingly, the said cases are closed expect financial year 2006-07. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.
- (b) 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 INR 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 issued a notice demanding of INR 36.22 lakhs on January 09, 2017 on Company. The High Court of Jodhpur stayed the aforesaid order dated March 22, 2017 by holding the agreement pertaining to the purchase of industrial plots at Karni Industrial Area as a contingent agreement. The aforesaid plots were eventually vested with Hanuman Agro Foods Private Limited. Case is pending for hearing. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.
- (c) Represents the best possible estimate by the Management, basis available information, about the outcome of various claims against the Company by different parties under Consumer Protection Act and Food Safety and Standard Act. As the possible outflow of resources is dependent upon outcome of various legal processes. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.

Others:

- (a) 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. Further, the Company has voluntarily complied with the provision of the Act with effect from June 2011 by virtue of notification number G.S.R. 1190 (E) dated December 30, 2016 issued by the Ministry of Labour and Employment. Currently, case is pending for hearing.
- (b) Company had sold goods (namkeen) to M/s Matri Stores, Assam at concessional rate of tax against Form-C amounting to INR 296.38 lakhs during the year 2011-12. CTO had made a observation vide order dated September 11, 2012 and amended order dated October 25, 2012 that Form C was not issued by authorised officer, therefore the impugned sale was not eligible for concessional rate of tax and issued demand of INR 91.33 lakhs including interest and penalty. Company then preferred an appeal before the appellate authority, CTO, Bikaner. Appellate authority sustained the demand of tax and interest but deleted the penalty of INR 47.57 lakhs. Being aggrieved and dissatisfied by the order Company again preferred an appeal before Rajasthan Tax Board, Ajmer. The Board rejected the tax and interest demand also on the basis that Form C issued was not bogus and false. Commercial tax officer, Jaipur has filed a Revision petition before High Court on September 05, 2018. During the year, Company has received the protest amount of INR 22.00 lakhs deposited aganist this case. Case is pending for hearing.

Note 38: Segment reporting

The Company primarily operates in the food products 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 indicators 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

Particulars	During the year ended March 31, 2021	(₹ in Lakhs) During the year ended March 31, 2020
India	1,24,456.01	1,04,301.67
Outside India	6,618.90	3,153.41
TOTAL	1,31,074.91	1,07,455.08

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 38: Segment reporting (contd.)

b) Segment revenue with major customers

The Group has only one customer individually accounting for more than 10% of its revenue from operations. During the year, 10.80% (Previous year: 11.25%) of the Group's revenue from operation was generated from this one customer.

Note 39: Leases

The Company has taken shops, flats and godowns on operating leases. These lease arrangements range for a period between 11 months to 5 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. Information about the leases for which the Company is a lessee is presented below:

(i) Right-of-use asset

Particulars	During the year ended March 31, 2021	(₹ in Lakhs) During the year ended March 31, 2020
Opening balance as on	968.19	1,110.66
Additions through business acquisitions (Refer note 46)	1,235.28	-
Addition during the year	97.21	-
Deletion during the year	(1,257.84)	-
Amortisation through business acquisitions (Refer note 46)	-	-
Amortisation for the year	(57.46)	(142.47)
Closing balance as on	985.38	968.19

(ii) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movement during the year:

Particulars	During the year ended March 31, 2021	(₹ in Lakhs) During the year ended March 31, 2020
Opening balance as on	164.77	206.15
Additions through business acquisitions (Refer note 46)	1,469.83	-
Addition	97.21	-
Deletion	(1,303.81)	-
Accretion of interest	14.96	20.52
Payments	(310.47)	(61.90)
Gain on lease modification	(4.42)	-
Closing balance as on	128.07	164.77

Particulars	Year ended March 31, 2021	(₹ in Lakhs) Year ended March 31, 2020
Current	45.36	118.79
Non-current	82.72	45.98
Total	128.08	164.77

Below are the amounts recognised by the Company in statement of profit and loss

Particulars	During the year ended March 31, 2021	(₹ in Lakhs) During the year ended March 31, 2020
Interest expense on lease liabilities	14.96	20.52
Amortisation expense for right-of-use assets	57.47	52.49
Expense relating to short-term leases	58.41	108.50
Total	130.84	181.51

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 39: Leases (contd.)

Below are the amounts recognised by the Company in statement of cash flows:

Particulars	(₹ in Lakhs)	
	During the year ended March 31, 2021	During the year ended March 31, 2020
Total cash outflow for leases	(310.47)	(61.90)

Contractual maturities of lease liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Not later than 1 year	45.36	118.79
Later than 1 year but not later than 5 years	82.72	45.98
More than 5 years	-	-

Extension options:

Lease contain extension options exercisable by the Company before the end of the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only on mutual agreement. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassess whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Discount rate:

The Company has applied the weighted average incremental approach to determine the incremental borrowing rate as applicable at the time of execution of the lease agreement.

Note 40: Fair values

The management assessed that carrying value of cash and cash equivalents, trade receivables, other bank balances, loans with short-term maturity, other current financial assets, borrowings, trade payable, lease liabilities and other current financial liabilities approximates their fair value amounts largely due to short-term maturities of these instruments. Further, in case of bank deposits with maturity of more that twelve months from reporting date, fair value and carrying valuae are not expected to vary significantly as there has been minimal interest rate changes since these deposits were created with banks. Majority of security deposits classified as non-current financial assets are for perpetuity and shall be refundable on surrendering of electricity connection only, which is highly unlikely and hence fair value of the same cannot be determined in absence of definite period of such deposits. Comparison of the carrying value and fair value of the Company’s financial instruments are as follows:

Fair value instruments by category

Particulars	Carrying value		Fair value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial assets carried at amortised cost				
Security deposits	319.61	159.60	319.61	159.60
Loans	122.20	601.45	122.20	601.45
Trade receivables	4,730.88	4,171.26	4,730.88	4,171.26
Cash and cash equivalents	175.90	440.55	175.90	440.55
Other bank balances	11,859.26	10,754.58	11,859.26	10,754.58
Financial assets measured at fair value				
Investment in equity instrument fair value through OCI (FVTOCI)	-	2.40	-	2.40
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	(674.40)	2,831.18	(674.40)	2,831.18

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 40: Fair values (contd.)

Particulars	Carrying value		Fair value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Investment In Mutual-Fund fair value through profit and loss (FVTPL)	101.37	-	101.37	-
Investment in equity instrument fair value through profit and loss (FVTPL)	5.00	5.00	5.00	5.00
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss (FVTPL)	5,114.00	2,026.00	5,114.00	2,026.00
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss (FVTPL)	450.00	-	450.00	-
Convertible note	730.00	-	-	-
Total of financial assets	22,933.82	20,992.02	22,203.82	20,992.02

Financial liabilities carried at amortised cost

Particulars	Carrying value		Fair value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Borrowings				
	6,194.67	3,562.07	6,194.67	3,562.07
- Long-term	1,420.56	1,690.33	1,420.56	1,690.33
Lease liabilities	128.07	164.77	128.07	164.77
Trade payables	4,245.96	1,429.91	4,245.96	1,429.91
Trade deposits from customers	150.78	129.08	150.78	129.08
Other current financial liabilities	2,314.50	2,789.11	2,314.50	2,789.11
Total financial liabilities	14,454.54	9,765.27	14,454.54	9,765.27

Note 41: 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: Hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.
- Level 3: Unobservable inputs for the asset or liability.

Quantitative disclosures fair value measurement hierarchy for financial assets and liabilities as at March 31, 2021:

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Financial assets carried at amortised cost			
Security deposits	-	-	319.61
Loans	-	-	122.20
Trade receivables	-	-	4,730.88
Cash and cash equivalents	-	-	175.90
Other bank balances	-	-	11,859.26
Bank balance other than above	-	-	-

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 41: Fair values hierarchy (contd.)

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Financial assets measured at fair value			
Investment in equity instrument fair value through OCI (FVTOCI)	-	-	-
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	-	-	(674.40)
Investment In Mutual-Fund fair value through profit and loss (FVTPL)	101.37	-	-
Investment in equity instrument fair value through profit and loss (FVTPL)	-	-	5.00
Investment in Compulsorily Convertible Debentures (CCD) fair value through profit and loss (FVTPL)	-	-	5,114.00
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss (FVTPL)	-	-	450.00
Convertible note	-	-	730.00
Total of financial assets	101.37	-	22,832.45

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Financial liabilities carried at amortised cost			
Borrowings			
- Short-term	-	-	6,194.67
- Long-term	-	-	1,420.56
Lease liabilities	-	-	128.07
Trade payables	-	-	4,245.96
Trade deposits from customers	-	-	150.78
Other current financial liabilities	-	-	2,314.50
Total financial liabilities	-	-	14,454.54

Quantitative disclosures fair value measurement hierarchy for financial assets and liabilities as at March 31, 2020:

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Financial assets carried at amortised cost			
Security deposits	-	-	159.60
Loans	-	-	601.45
Trade receivables	-	-	4,171.26
Cash and cash equivalents	-	-	440.55
Other bank balances	-	-	10,754.58
Bank balance other than above	-	-	-
Financial assets measured at fair value			
Investment in equity instrument fair value through OCI (FVTOCI)	2.40	-	-
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	-	-	2,831.18
Investment in equity instrument fair value through profit and loss (FVTPL)	-	-	5.00
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss (FVTPL)	-	-	2,026.00
Total of financial assets	2.40	-	20,989.62
Financial liabilities carried at amortised cost			
Borrowings			
- Short-term	-	-	3,562.07
- Long-term	-	-	1,690.33
Lease liabilities	-	-	164.77
Trade payables	-	-	1,429.91

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 41: Fair values hierarchy (contd.)

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Trade deposits from customers	-	-	129.08
Other current financial liabilities	-	-	2,789.11
Total financial liabilities	-	-	9,765.27

Assets for which fair values are disclosed as at March 31, 2021 (Refer note 5):

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Investment properties	-	-	3,028.52
Total	-	-	3,028.52

Assets for which fair values are disclosed as at March 31, 2020 (Refer note 5):

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Investment properties		-	3,189.42
Total	-	-	3,189.42

Quantitative disclosures of fair value measurement hierarchy as at March 31, 2021 and March 31, 2020:

The Company has quoted shares, CCPS, mutual funds, unquoted equity shares, CCD, OCD and convertible notes fair valued at year ends.

Quoted shares and mutual funds have been valued as per market rates, NAV available for these instruments, respectively and accordingly designated as Level 1 valued instruments. CCPS, CCD and OCD have been valued using unobservable inputs and are designated as Level 3 valued instruments. Unquoted equity shares and convertible notes are not fair valued at year ends as the Management expect any fair value adjustments in value of these instruments to be immaterial to the financial statements and accordingly disclosed their cost as fair value.

The following table shows a breakdown of the total gains (losses) recognised in respect of Level 3 fair values:

Particulars	As at March 31, 2021	As at March 31, 2020
Gain included in ‘other income’		
Change in fair value (realised)		
Change in fair value (unrealised)	1.37	-
	1.37	-
Loss included in ‘other expenses’		
Change in fair value (realised)	-	-
Change in fair value (unrealised)	115.00	239.00
	115.00	239.00
Gain included in ‘other comprehensive income’		
Change in fair value (realised)	-	-
Change in fair value (unrealised)	-	1,324.91
	-	1,324.91
Loss included in ‘other comprehensive income’		
Change in fair value (realised)		
Change in fair value (unrealised)	1,134.29	-
	1,134.29	-
Total fair valuation gain/(loss)	(1,247.91)	1,085.91

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 41: Fair values hierarchy (contd.)

The Company uses the Discounted Cash Flow valuation technique which involves determination of present value of expected receipt/payment discounted using appropriate discounting rates prevailing in market.

Further, in instruments containing options (to purchase or redeem for realisation), the fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on unobservable market parameters. The valuation models used by the Company reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, volatility etc.

These models do contain a high level of subjectivity as the valuation techniques used require significant judgement and inputs thereto are unobservable.

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
CCD	Discounted cash flows: The valuation model considers the present value of the debeture face value (at the time of conversion, as per terms of issue) expected to be generated by the Company. The cash flow projections include specific estimates for 0.58 years (March 31, 2020: 1.17 years). The expected net cash flows are discounted using a risk adjusted discount rate.	- Risk adjusted market interest rate: 8.5% (March 31, 2020: 10.00%)	As increase in risk adjusted market interest rate reduces the value of these instruments.
CCPS	Net Assets Value method: Determination of share valuation by using value of net assets method requires all assets and liabilities (including off-balance sheet, intangible and contingent liability) to be reflected at the book value/ replacement cost basis and to be netted off and net value arrived is the indicated as value of the equity. In given case, Book value representing the appropriate worth of business under the prevailing conditions and facts attached to it.	- Value of leasehold land - Risk adjusted market interest rate: 8.5% (March 31, 2020: 10.00%)	As increase in value of leasehold land increases the value of these instruments. As increase in risk adjusted market interest rate reduces the value of these instruments.

Sensitivity analysis of significant unobservable input used for Level 3 measurements:

Sensitivity to fair value as at March 31, 2021:

	₹ in Lakhs			
	Increase %	Decrease %	Increase amount	Decrease amount
Value of leased land	+1%	-1%	34.96	(34.96)
Discount rate used for CCD (also included in valuation of CCPS)	+1%	-1%	(5.83)	5.83

Sensitivity to fair value as at March 31, 2020:

	₹ in Lakhs			
	Increase %	Decrease %	Increase amount	Decrease amount
Value of leased land	+1%	-1%	37.87	(40.78)
Discount rate used for CCD (also included in valuation of CCPS)	+1%	-1%	(34.96)	34.96

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 42: Financial risk management

The Group's principal financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's operations. The Group's principal financial assets include loans, trade and other receivables and term deposits that derive directly from its operations. The Company also hold investments measured at cost, fair value through profit and loss (FVTPL) and fair value through other comprehensive income (FVTOCI).

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 Standalone 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: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include loans, borrowings, term deposits, and investments.

(i) Foreign currency risk

The Company has limited international transactions and thus its exposure to foreign exchange risk arising from its operating activities (revenue and purchases denominated in foreign currency) is low. 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	As at
	March 31, 2021	March 31, 2020
Financial assets		
Trade receivables		
- USD	8.54	7.13
Total	8.54	7.13

Foreign currency sensitivity analysis

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	
		As at	As at
		March 31, 2021	March 31, 2020
USD	2.00	12.54	9.86
	2.00	(12.54)	(9.86)

(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 changes. Below is total outstanding borrowings:

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Variable rate borrowings	8,541.92	5,165.75
Fixed rate borrowings	73.30	86.65
Total borrowings	8,615.22	5,252.40

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 42: Financial risk management (contd.)

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

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Interest rates increase by 0.5%	42.71	25.83
Interest rates decrease by 0.5%	(42.71)	(25.83)

(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.

(i) 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 consolidated basis for similar category of customer. 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.

Movement in expected credit loss on trade receivables during the year:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Balance at April 01, 2020	49.32	31.06
Additions through business acquisitions	9.93	-
Additions	52.47	18.26
Balance at March 31, 2021	111.72	49.32

(ii) Financial instruments and cash deposits
Credit risk from balances with banks and financial institutions is managed by the Company’s treasury department in accordance with the Company’s policy. Investments of surplus funds are made only with approved counterparties with high credit ratings except in case of strategic investments in few entities. Investments in other than bank deposits are strategic long-term investments which are done in accordance with approval from board of directors.

(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.

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 42: Financial risk management (contd.)

Maturities of financial liabilities
The tables below analyse the Company’s financial liabilities into relevant maturity groupings based on their contractual maturities:

Particulars	(₹ in Lakhs)			
	As at March 31, 2021			
	Less than 1 year	1-5 years	More than 5 year	Total
(A) Non-derivative:				
Borrowings including interest accrued	6,194.67	1,420.56	-	7,615.23
Lease liabilities	45.36	82.72	-	128.08
Trade payables	4,245.96	-	-	4,245.96
Trade deposits from customers	150.78	-	-	150.78
Other current financial liabilities	2,314.50	-	-	2,314.50
Total non-derivative financial liabilities	12,951.27	1,503.28	-	14,454.55
(B) Derivative:				
Total derivative financial liabilities	-	-	-	-
Total (A+B)	12,951.27	1,503.28	-	14,454.55

Particulars	(₹ in Lakhs)			
	As at March 31, 2020			
	Less than 1 year	More than 1 year	More than 5 year	Total
(A) Non-derivative:				
Borrowings including interest accrued	3,562.07	1,690.33	-	5,252.40
Lease liabilities	118.79	45.98	-	164.77
Trade payables	1,429.95	-	-	1,429.95
Trade deposits from customers	129.08	-	-	129.08
Other current financial liabilities	2,789.11	-	-	2,789.11
Total non-derivative financial liabilities	8,029.00	1,736.31	-	9,765.31
(B) Derivative:				
Total derivative financial liabilities	-	-	-	-
Total (A+B)	8,029.00	1,736.31	-	9,765.31

Note 43: Capital management policies and procedures

(a) Risk management
Our principal source of liquidity are cash and bank balances (net of borrowings from banks) and cash flow that we generate from operations.

The Company’s policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure, the Company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company’s capital management, capital includes issued capital and all other equity reserves, and debt includes non-current borrowings, current borrowings and certain components of other financial liabilities less Cash in hand and with banks in current account or in deposit accounts.

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 43: Capital management policies and procedures (contd.)

The Company monitors capital based on the following gearing ratio:

Particulars	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Equity	60,749.91	52,916.10
Total equity (i)	60,749.91	52,916.10
Total borrowings	8,615.23	5,252.40
Less: Cash and bank balances (including deposits with banks)	12,035.16	10,245.42
Total debt (ii)	(3,419.93)	(4,993.02)
Overall financing (iii) = (i)+(ii)	57,329.98	47,923.08
Gearing ratio (ii)/(iii)	-5.97%	-10.42%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021.

(b) Dividend distribution

Particulars	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Dividend paid @ INR 2 per equity share of INR 10 face value (Previous year: @ INR 2 equity share of INR 10 face value)	486.27	486.27
Dividend distribution tax (Refer note 19)	-	102.95

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 March 31, 2021.

Note 44: Impairment of Solar Plant

The Company has solar energy generation plants located at Kolayat and Gajner, Rajasthan. These plants were setup in 2013 and 2014, respectively. The lot of solar plant owner has filed a Writ Petition against Department of Energy (Rajasthan), Rajasthan Electricity Regulatory Commission, Jodhpur Vidyut Vitran Nigam Limited and Rajasthan Urja Vikas Nigam Limited, for dispute related to power purchase agreement ("PPA"). In the absence of certainty of realisability of revenue from electricity distribution company, the Company has not recognised revenue from solar plants. Further, the dispute on PPA has led the Company to assess the recoverability/ carrying value of the solar plants in its books. Management, based on the assessment of projected cash generation, life of asset, progress of said court case and further contractual terms of PPA has recognised impairment of INR 112.49 lakhs (Previous year: INR 297 lakhs) in the net carrying value of such assest during the year.

Note 45: Impact of COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Company's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and it's resultant impact on the operations of the Company. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

The Management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that no there is no impact which is required to be recognised in the Standalone Financial Statements. Accordingly, no adjustments have been made to the Standalone Financial Statements.

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 46: Business Combination

On February 03, 2021, the Company acquired 51.22% of the issued share capital of Petunt Food Processors Private Limited , a manufacturer of packaged food product.

Details of the purchase consideration, the net assets acquired and capital reserve are as follows:

Purchase Consideration

The fair values of the identifiable assets and liabilities of Petunt Food Processors Private Limited as at the acquisition date were:

(A) Assets Acquired	
Property, plant and equipment	1,472.64
Capital work-in-progress	38.30
Intangible Assets including	0.89
Right of use – Assets (Leases)	1,235.27
Inventories	13.62
Trade receivables	85.17
Cash and cash equivalents	446.06
Other financial assets	65.08
Other current assets	405.09
Total assets acquired (A)	3,762.12
(B) Liabilities assumed	
Borrowings	1,386.23
Lease liabilities	1,469.83
Provisions	20.59
Trade payables	522.92
Other financial liabilities	44.07
Other current liabilities	34.79
Total liabilities assumed (B)	3,478.43
Net Identifiable Assets (A - B)	283.69
Non-controlling interest	16.45
Net assets attributable to the Company	267.24
Calculation of capital reserve	
Purchase Consideration	118.00
Less: Net Identifiable Assets acquired	267.24
Capital Reserve	149.24

Revenue and profit contribution

The acquired business contributed 242.95 lakhs and 26.37 lakhs towards revenue and profit of the Group for the period February 03, 2021 to March 31, 2021.

Notes

to Consolidated Financial Statements for the year ended March 31, 2021

Note 47: Additional information as required under Schedule III of the Act, of enterprises consolidated as subsidiary company:

For the year ended March 31, 2021

Particulars	(₹ in Lakhs)							
	Share in net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent:								
Bikaji Foods International Limited	100.20%	60,991.20	97.12%	8,760.37	100.00%	(879.07)	96.80%	7,881.30
Subsidiary incorporated in India:								
Petunt Food Processors Private Limited	-0.40%	(241.04)	2.88%	260.23	0.00%	-	3.20%	260.23
Subsidiary incorporated outside India:								
Bikaji Foods (London) Limited	0.20%	120.88	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	60,871.04	100.00%	9,020.60	100.00%	(879.07)	100.00%	8,141.53

For the year ended March 31, 2020

Particulars	(₹ in Lakhs)							
	Share in net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent:								
Bikaji Foods International Limited	99.78%	52,798.02	100.04%	5,639.53	100.05%	883.26	100.05%	6,522.79
Subsidiary incorporated outside India:								
Bikaji Foods (London) Limited	0.22%	118.08	-0.04%	(2.50)	-0.05%	(0.47)	-0.05%	(2.97)
Total	100.00%	52,916.10	100.00%	5,637.03	100.00%	882.79	100.00%	6,519.82

Note 48: Social Security Code

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the Standalone Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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to Consolidated Financial Statements for the year ended March 31, 2021

Note 49: Initial Public Offering (IPO)

Subsequent to the reporting date, The Board of Directors of the Company in their board meeting dated September 02, 2021, have approved IPO committee for raising capital through an Initial Public Offering/Offer for sale. As part of the proposed offering, the Company plans to file Draft Red Hearing Prospectus (DRHP) with the Securities Exchange Board of India (SEBI) shortly. Prepayments in relation to the proposed IPO amounting to INR 91.50 lakhs as on March 31, 2021 is disclosed under "Other current assets". Portion of these expenses are recoverable from shareholders in proportionate to shares that will be offered to the public.

Note 50: Employee Stock Options Plan (ESOP)

Subsequent to the reporting date, the Company has approved Employee Stock Options Plan, 2021 ('Scheme'). Under this plan 50 lakhs equity shares of INR 1 each has been reserved for issue to employees as per terms of the Scheme.

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
Place: Gurugram
Date: November 15, 2021

For **M Surana & Company**
Chartered Accountants
Firm Registration No.: 015312C

Manish Surana
Partner
Membership No.: 077597
Place: Bikaner
Date: November 15, 2021

For **and on behalf of the Board of Directors of**
Bikaji Foods International Limited
CIN : U15499RJ1995PLC010856

Shiv Ratan Agarwal
Chairman
DIN: 00192929
Place: Bikaner
Date: November 15, 2021

Shambhu Dayal Gupta
Chief Financial Officer
PAN: ADFPG0151L

Place: Bikaner
Date: November 15, 2021

Deepak Agarwal
Managing Director
DIN: 00192890
Place: Bikaner
Date: November 15, 2021

Divya Navani
Company Secretary
Membership No.: 026014

Place: Bikaner
Date: November 15, 2021

Notes

[illegible]



Registered Office: BIKAJI FOODS INTERNATIONAL LTD.,
F/196-199, F/178, E/188, Bichhwal Industrial Area, Bikaner - 334006, Rajasthan, India

E/558-561, C/569-572, E/573-577, F/585-592, Karni Extension, RIICO Industrial Area,
Bikaner – 334004, Rajasthan, India

Regional Office: BIKAJI FOODS INTERNATIONAL LTD.,
Plot No. 39/40/41, Aroon Industrial Estate, Ramchandra Lane, Malad (W), Mumbai - 400 064

Customer Care: +91-151-2250350 • **Toll Free:** 1800 102 9046 • **E:** care@bikaji.com

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