



**ANNUAL REPORT**

**2021-22**



## Corporate Information

### **BOARD OF DIRECTORS**

Mr. Deepak Agarwal, Managing Director

Mr. Shiv Ratan Agarwal, Chairman cum Whole Time Director

Ms. Shweta Agarwal, Whole Time Director

Mrs. Nidhi Ghuman, Non-Executive Director

Mr. Sachin Kumar Bhartiya, Non-Executive Director

Mr. Nikhil Kishorchandra Vora, Independent Director

Mr. Pulkit Anilkumar Bachhawat, Independent Director

Mrs. Richa Manoj Goyal, Independent Director

Mr. Siraj Azmat Chaudhry, Independent Director

Mr. Vipul Prakash, Independent Director

Mr. Rishabh Jain, Chief Financial Officer

Ms. Divya Navani, Company Secretary and Compliance Officer

### **JOINT STATUTORY AUDITORS**

M/s M Surana & Co.  
M/s MSKA & Associates  
Chartered Accountants

### **SECRETARIAL AUDITORS**

S.K. Joshi & Associates  
Company Secretaries, Jaipur

### **BANKERS**

Citi Bank NA  
HDFC Bank  
State Bank of India

ANNUAL REPORT 2021-22

### **REGISTERED OFFICE**

F 196 -199, F 178 & E 188 BICHHWAL IND. AREA,  
BIKANER RAJASTHAN 334006 INDIA  
CIN: U15499RJ1995PLC010856  
Tel :0151-2250350,  
Website: [www.bikaji.com](http://www.bikaji.com)  
Email: [cs@bikaji.com](mailto:cs@bikaji.com)

### **CORPORATE OFFICE**

E 558-561, C 569-572, E 573-577, F 585-592  
Karni Industrial Area (Ext.), RIICO Industrial Area  
Bikaner-334004, Rajasthan, India

### **OTHER PLANT LOCATIONS: -**

1. Vasanthanasapura Industrial Area, Phase III, Kora Hobli, Tumkur KA 572138 IN
2. E 1-A, B & C Bichhwal Industrial Area, Bikaner 334006
3. Plot No. 39/40/41, Aron Industrial Estate, Ramchandra Lane Extension, Malad (W) Mumbai 400064
4. Dag No 1077-79,1085-88,1098-1100, Pata No 137,224,207,302,216,273,269 ,104, Village Dorakahara Bhahkajan, Mouzamadartola, Kamrup, Assam-781101
5. A-36P, Bela Industrial Area, Muzaffarpur, Bihar -842002

### **REGISTRAR & TRANSFER AGENT**

Link Intime India Pvt. Ltd.  
(Mumbai)



## Directors' Report

### Dear Shareholders,

Your directors are pleased to present the 27<sup>th</sup> Annual Report on the affairs of the Company together with the Audited Financial Statement of Bikaji Foods International Limited ("the Company" or "Bikaji") (Standalone and Consolidated) for the financial year ended 31<sup>st</sup> March, 2022.

### 1. FINANCIAL PERFORMANCE:

The Performance of financial statements (standalone and consolidated) of your Company for the Financial Year 2021-22 and 2020-21 are summarized below:

(Amt. in Lakhs)

PARTICULARS	Standalone		Consolidated	
	(2021-22)	(2020-21)	(2021-22)	(2020-21)
Revenue from Operations	1,59,868.09	1,30,845.66	1,61,096.13	1,31,074.91
Other Income	993.66	1,086.84	1,048.94	1,146.22
Total Income	1,60,861.75	1,31,932.50	1,62,145.07	1,32,221.13
Total Expenditure	1,49,968.66	1,19,945.29	1,51,643.82	1,20,209.91
Profit before Interest, Depreciation, Taxation and Extraordinary Items	15,166.04	15,571.43	15,003.44	15,622.67
Depreciation & Amortization	3,666.76	3,292.00	3,833.10	3,311.96
Profit before Exceptional Items, Interest and Tax	11,499.28	12,279.43	11,170.34	12,310.71
Finance Costs	606.19	292.22	669.09	299.49
Profit before Exceptional items & Tax	10,893.09	11,987.21	10,501.25	12,011.22
Add (Less): Exceptional Items	Nil	Nil	Nil	Nil
Profit before Tax	10,893.09	11,987.21	10,501.25	12,011.22



Tax Expense				
Current Tax	2,757.29	3,097.54	2,757.29	3,097.53
Deferred Tax	141.07	(84.90)	141.17	(119.77)
(Excess)/Short provision for tax pertaining to prior years				
Profit after Tax	7,994.73	8,974.57	7,602.79	9,033.46
Earnings per Share (Basic)	3.23	3.69	3.15	3.71
Earnings per Share (Diluted)	3.23	3.69	3.15	3.71
Surplus available for appropriation	8,592.29	8,087.21	8,203.64	8,154.39
Interim dividend on Equity Shares	499.90	486.27	499.90	486.27
Dividend Distribution Tax on Interim Dividend	Nil	Nil	Nil	Nil

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

We are glad to inform that your Board of Directors have vide their resolution passed in their meeting held on November 15, 2021 have approved matters in relation to the Initial Public Offer (IPO) by way of Offer for Sale by existing shareholders of the Company.

Further, consent of Shareholders of our Company has also been obtained, in their meeting held on November 30, 2021 for approving the proposed IPO. Board of Directors of our Company had approved the Draft Red Herring Prospectus in their meeting held on February 22, 2022.

Further, during the financial year 2021-22, the Company vide letter dated January 05, 2022 received approval under the Production Linked Intensive ("PLI") Scheme introduced by Ministry of Food Processing Industries (MOFPI). Approval has been granted under branding and marketing expenditure abroad for Fiscal 2022 until Fiscal 2026 of the aforesaid Scheme.

The Company has committed to spend ₹ 464.70 million on brand and marketing expenditure for promotion of Indian brand abroad (excluding trade discounts, expenditure incurred on distribution and overseas logistics expenditure) until the end of Fiscal 2026. The maximum incentive to be received by our Company under the Scheme will be ₹ 232.40 million. The minimum expenditure for incentive shall be ₹ 50.00 million over a period of five years.



- **STANDLONE**

Bikaji Foods International Limited is one of the fastest growing FMCG Company in India. Bikaji always believes that the commitment towards playing a defining role in the development of its stakeholders extends to uplifting the lives of the Marginalized segments of the society, living in and around its areas of operation. During the financial year 2021-22, the Standalone Revenue from Operations for the FY 2021-22 was at ₹ 1,59,868.09 Lakhs which was 22.18% higher than the previous year Standalone Revenue from Operations of ₹1,30,845.66 Lakhs. The Company has reported total income of ₹ 1,60,861.75 Lakhs for the current financial year as compared to ₹1,31,932.50 Lakhs in the previous financial year. The Net Profit for the year under review amounted to ₹ 7,994.73 Lakhs as compared to ₹8,974.56 Lakhs in the previous financial year.

- **CONSOLIDATED**

The Consolidated Revenue from Operations during the year for the FY 2021-22 was ₹ 161096.13 Lakhs as against ₹131074.91 Lakhs in the previous financial year. The Company has reported total income of ₹ 162145.07 Lakhs for the current year as compared to ₹132221.13 Lakhs in the previous year. The profit after tax attributed for the FY 2021-22 was ₹ 7602.79 Lakhs, as against ₹ 9033.46 Lakhs in the previous year.

### **3. EXPORT INITIATIVES AND GROWTH POSSIBILITIES:**

---

We are a leading exporter of Indian ethnic snacks, sweets besides savories from India with exports in 35 countries of North America, Asia Pacific, Middle East, EU, Africa and UK regions. Exports contributed approximately 5.09% of the total sales predominantly in North America and Asia Pacific regions during Fiscal 2021.

In Fiscal 2019, 2020, 2021 and 2022, we had exported our products to 22, 29, 31 and 35 countries, respectively. Our revenue from operations outside India were ₹ 369.04 million, ₹ 460.23 million, ₹ 664.57 million and ₹ 640.53 million respectively, and accounted for 4.11%, 4.29%, 5.08% and 4.01% of our sale of food products in the stated periods respectively. Particularly impacting our exports to international markets as a rise in freight costs may impact our business.

We seek to increase our presence in our existing export markets as well as expand our geographical footprint to access a more diversified customer base across various geographies as part of our expansion strategy. We intend to explore and increase our product penetration in select export markets, such as North America, Europe, the Middle East, Africa and Asia Pacific.

### **4. 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 Reserves. However ₹ 7,996.34 Lakhs has been taken to surplus in the Statement of Profit and Loss.

### **5. DIVIDEND:**

---

Dividend Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. Based on the Company's financial performance and Dividend Distribution Policy of the Company, your Directors have declared an Interim Dividend of ₹ 2 to each Equity Shares of face value of ₹ 10 each in the meeting of Board of Directors held on November 15, 2021 for an amount of ₹ 4,99,89,976 and your



Directors also recommend final dividend of ₹ 0.10 on Equity Shares of face value of ₹ 1 each for an amount of ₹ 2,49,50,988 for the shareholders' approval in the ensuing Annual General Meeting of the Company.

The Board of Directors have revised Dividend Distribution Policy in their Board Meeting held on December 30, 2021 and revised Dividend Policy is also available on the Company's Website <https://www.bikaji.com/governance#policies>

The Company's Dividend Distribution Policy is provided in the Annexure – "1" forming part of this report.

## 6. 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.

## 7. ARTICLES OF ASSOCIATION

---

During the financial year, your company has adopted and substituted twice new set of Articles of Associations with the approval of the Shareholders of the Company. Firstly, the shareholders of the Company at their meeting held on November 30, 2021 adopted a new set of Articles of Association pursuant to incorporate that the Company has entered into the Share Subscription Agreement and the Deed of Adherence IV both dated June 29, 2021 with Lighthouse India Fund III, Limited and Lighthouse India III Employee Trust.

Secondly, the shareholders at their meeting held on December 30, 2021 adopted a new set of Articles of Association pursuant to the requirements and directions of relevant stock exchanges prior to filing of the draft red herring prospectus with the Securities and Exchange Board of India and the relevant stock exchanges. Further, the Company adopted a new set of Articles of Association that shall confirm the requirements and directions provided by the stock exchanges and contain such other articles as required by a public limited company under applicable laws (including the Companies Act, 2013).

## 8. 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.

The appointment of new directors is recommended by the Nomination and Remuneration Committee ('NRC') on the basis of requisite skills, proficiency, experience and competencies as identified and finalized by the Board considering the industry and sector in which the Company operates. The Board, on the recommendation of the NRC, independently evaluates and if found suitable, confirms an appointment to the Board. The appointments are based on the merits of the candidate and due regard is given to diversity including factors like gender, age, cultural, educational & geographical background, ethnicity, etc.

As at March 31, 2022, BIKAJI's Board consists of 10 Directors including three Executive Directors, two Non-Executive Directors, and five Independent Directors (including one woman Director). Our Company is in compliance with the



corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board.

- The Chairman and whole-time director of our Company is Mr. Shiv Ratan Agarwal;
- Managing Director is Mr. Deepak Agarwal; and
- Whole-Time Director is Mrs. Shweta Agarwal.

Further,

- Mr. Sachin Kumar Bhartiya, Non-Executive Director (Nominee of India 2020 Maharaja, Limited and Lighthouse India Fund III Limited)
- Mr. Anshuman Goenka, Non-Executive Director (Nominee of IIFL Special Opportunities Funds) who was appointed on November 15, 2021

Independent Directors of our Company:

- Mr. Siraj Azmat Chaudhry, Independent Director who was appointed on August 24, 2021
- Mrs. Richa Manoj Goyal, Independent Director who was appointed on December 8, 2021
- Mr. Pulkit Anilkumar Bachhawat, Independent Director who was appointed on December 8, 2021
- Mr. Nikhil Kishorchandra Vora, Independent Director who was appointed on December 8, 2021
- Mr. Vipul Prakash, Independent Director who was appointed on December 30, 2021.

In the opinion of the Board, the Independent Directors appointed during the year are persons of high repute, integrity and possesses the relevant expertise and experience in the respective fields.

None of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other statutory authority.

- **RE-DESIGNATED:**

- Mr. Shiv Ratan Agarwal was re-designated as Chairman Cum Whole Time Director w.e.f. 01.09.2021
- Mr. Deepak Agarwal was re-designated as Managing Director w.e.f. 01.09.2021

- **CESSATION:**

During the year 2021-22:

- Mrs. Sushila Devi Agarwal, Whole-time Director resigned w.e.f. September 1, 2021.

Further,

- Mr. Kedar Chand Agarwal, Independent Director resigned w.e.f. December 30, 2021
- Mrs. Sangeeta Devi Jaisanseriya, Independent Director resigned w.e.f. December 30, 2021.
- Mr. Vikrant Balbir Sibal, Non-Executive Director resigned w.e.f. November 2, 2021.

- **CHANGE IN BOARD OF DIRECTOR FROM APRIL, 2022:**

Mr. Anshuman Goenka, Non-Executive Director of the Company resigned w.e.f. June 6, 2022 and after his resignation, IIFL Special Opportunities Funds has nominated the name of Ms. Nidhi Ghuman as per Articles of the Association and in compliance with the terms and conditions of the Share Subscription, Share Purchase and Shareholder's Agreement



executed on 7th May, 2018. Thereafter, the Board of Directors has appointed Ms. Nidhi Ghuman as an Additional Director (Non-Executive Category) of the Company by the Board of Directors with effect from June 30, 2022, who shall hold office up to the ensuing General Meeting of the Company or the last date on which ensuing General Meeting shall be held, whichever is earlier and she is not liable to retire by rotation.

The profile of Directors is available at our website at [www.bikaji.com](http://www.bikaji.com).

- **RETIRE BY ROTATION:**

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Deepak Agarwal (DIN: 00192890) is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered himself for re-appointment. The Board has recommended his re-election at the ensuing Annual General Meeting.

The brief resume and other information/details of directors re-appointed are given in the Notice of the ensuing 27<sup>th</sup> Annual General Meeting.

- **KEY MANAGERIAL PERSONNEL:**

There were changes in the Key Managerial Personnel .

- Mr. Manoj Verma was appointed as Chief Operating Officer of the Company with effect from June 01, 2021.
- Mr. Rishabh Jain was appointed as Chief Financial Officer of the Company with effect from November 16, 2021.
- Mr. Shambhu Dayal Gupta was appointed as GM - Corporate Affairs and Finance of the Company with effect from November 16, 2021.
- Mr. Rahul Joshi was appointed as Head- Legal and Compliance of the Company with effect from September 03, 2022.
- Mr. Shambhu Dayal Gupta was Re- Designated as President Corporate Affairs and Finance of the company with effect from September 03,2022.

- **DECLARATION FROM INDEPENDENT DIRECTORS:**

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, the Company has received declarations from all the Independent Directors confirming that that they meet the criteria of independence as prescribed under the Companies Act, 2013.

In the opinion of the Board, Independent Directors fulfil the conditions specified in the Act, Rules made thereunder and are independent of the management.

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

---

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



## 10. 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.

## 11. SHARE CAPITAL:

---

As on March 31, 2022, the Authorized Share Capital of the Company is increased to ₹30,00,00,000/- (Rupees Thirty Crores Only) divided into 30,00,00,000 (Thirty Crores) Equity Shares of ₹1/- each and Issued, Subscribed and Paid-up capital is ₹ 24,95,09,880 /- (Twenty-Four Crore Ninety -Five Lakh Nine Thousand Eight Hundred Eighty Only) divided into 24,95,09,880 (Twenty-Four Crore Ninety-Five Lakh Nine Thousand Eight Hundred Eighty) Equity Shares of face value of ₹1/- each.

**Split of Shares:** During the financial year under review, shareholders of the Company passed resolution dated October 22, 2021, the face value of the equity shares of our Company was split from ₹10 each into ₹1 each and consequently the issued and paid-up equity share capital of our Company stood altered from ₹249,949,880 (divided into 24,994,988 equity shares of ₹10 each) to ₹249,949,880 (divided into 249,949,880 Equity Shares of ₹1 each).

**Buyback of Shares:** During the financial year under review, the Company has successfully completed buy back of the 4,40,000 fully paid-up equity share of face value of Rs. 1/- each at a price of Rs. 280.06 per equity shares for an aggregate amount of Rs. 12,32,26,400 through tender route from existing shareholders of the Company. After the completion of the buy back the total paid up capital is 249,509,880.

**ESOP Scheme:** During the financial year under review, Board of Directors dated September 02, 2021 and our shareholders of the Company dated October 22, 2021 has approved two employee stock option schemes namely the Bikaji Employees Stock Option Scheme 2021 - Scheme I ("**Scheme I**") having 45,00,000 equity shares and Bikaji Employees Stock Option Scheme 2021 - Scheme II ("**Scheme II**") having 5,00,000 equity shares (collectively, the "**ESOP Plan**").

Disclosure with respect to Compliance to Section 62 of the Companies Act, 2013 read with rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 is provided in the "**Annexure 2**"

The Company has not issued any equity shares with differential rights, sweat equity shares or bonus shares. The Company has only one class of equity shares with face value of ₹ 1/- each, ranking pari passu.

## 12. DEMATERIALISATION OF SHARES

---

The shares of the Company are available for transfer in the dematerialized 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 INE00E101023.



As on the date of financial year closing i.e. March 31, 2022, Promoters collectively held 19,08,69,060 Equity Shares, equivalent to 76.50% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the below table:

S. No.	Name of Promoter	No. of Shares	Percentage of holding
1	Shiv Ratan Agarwal	8,82,43,200	35.37
2	Deepak Agarwal	4,14,05,880	16.59
3	Shiv Ratan Agarwal HUF	6,12,02,520	24.53
4	Deepak Agarwal HUF	17,460	0.01
<b>Total</b>		<b>190,869,060</b>	<b>76.50</b>

### 13. 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.

The Company has established a Whistle Blower Policy to deal with the cases of unethical behavior in all its business activities, fraud, mismanagement and violation of Code of Conduct of the Company. The policy provides systematic mechanism to report the concerns and adequate safeguards against the victimization, if any, who avail the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases. The Audit Committee review periodically the functioning of Whistle Blower Mechanism.

Further it was noted that no complaints have been received against any person in the company and same was confirmed by the Mr. Rishabh Jain, Chief Financial Officer of the Company.

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 <https://www.bikaji.com/governance#policies>

### 14. 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 2021-22. 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 <https://www.bikaji.com/governance#policies>

### 15. 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.

### 16. DETAILS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:



As on March 31, 2022, the Company has one subsidiary, Petunt Food Processors Private Limited (PFPPPL). Your Company does not have any associate or joint venture.

**Petunt Food Processors Private Limited (PFPPPL):** During the financial year 2020-21, your Company acquired 51.22% equity shares on February 3, 2021 in PFPPPL and it is currently engaged in the business of manufacturing, processing, preparing, preserving, refining, buying, selling, packing, re-packing, labeling, sorting, grading directly or sub-contracting and otherwise dealing in any manner in all type of food and food related products.

During the financial year 2021-22, PFPPPL has installed and commenced a new line of Namkeen. The Company has also invested amount of Rs. 12.50 lakhs for quality enhancement of Potato Chips line.

**Bikaji Foods (London) Limited (BFL):** During the financial year under review, BFL, which was subsidiary company filed an application to the Registrar of Companies, UK for strike off under the UK Companies Act, 2006 and final strike off and dissolution notice has been published in gazette on July 20,2021.

**Vindhya wasini Sales Private Limited (VSPL):** Your Company acquired 100% equity shares i.e.7,66,860 equity shares having face value of Rs. 10 each equity shares of VSPL by way of the share purchase agreement dated April 1, 2022 and it became Wholly Owned Subsidiary of the Company. VSPL is currently engaged in the business of manufacturing, processing, preparing, preserving, refining, buying, selling, packing, re-packing, labeling, sorting, grading directly or sub-contracting and otherwise dealing in any manner in all type of food and food related products. As part of business strategy to expand your Company's growth and to widen its geographical footprint in the Bihar market and to benefit from cross functional synergies, Company acquired VSPL.

**Bikaji Maa Vindhya wasini Sales Private Limited (BMVSPL):** Your Company has incorporated a newly subsidiary in the name of Bikaji Maa Vindhya wasini Sales Private Limited on June 24, 2022, in which Bikaji Foods International subscribe 51% i.e. 5,100 equity shares of face value of Rs. 10 each of BMVSPL and it became Subsidiary of the Company. BMVSPL will carry on business of Wholesale Traders, sellers, distributors, stockiest, CNF agent, commission agents, importers & exporters of all types & kinds of snacks, namkeen, bread, biscuits, bakery products, confectionery and other foods products. Your directors expect a substantial growth in terms of sales by entering into this new business in due course in the state of Bihar and eastern India.

A statement in AOC-1 containing salient features of the financial statement of the subsidiary/Associates/ JV is attached herewith as "Annexure 3". The particulars of the financial performance of the said subsidiary are provided as part of the consolidated financial statement and hence not repeated herein for the sake of brevity.

## 17. 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, 2022.

## 18. 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, 2022 of unpaid/unclaimed dividends to be transferred to Investor Education and Protection Fund.

#### 19. COMPLIANCE WITH SECRETARIAL STANDARDS:

---

Your Company is in compliance with the applicable Secretarial Standards SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

#### 20. ANNUAL RETURN:

---

In compliance with the provisions of Section 92(3) read with section 134(3) of the Companies Act, 2013, the Annual Return in prescribed Form No. MGT- 7 for the financial year ended March 31, 2022 is available on the website of the Company i.e. "[www.bikaji.com](http://www.bikaji.com)".

#### 21. 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).

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

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

**b) Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay 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:**

---

Pursuant to applicable provisions of Companies Act, 2013, the Board in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the formal process for the annual evaluation of the performance of its Board, its Committees and Individual Directors including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements. This process includes criteria for performance evaluation.

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

Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc.

## **22. DIRECTORS' RESPONSIBILITY STATEMENT:**

---

Pursuant to Section 134 of the Companies Act, 2013 Directors of the Company to the best of their knowledge and belief and according to the information and explanations obtained by them, confirms that-

- (a) In the preparation of the annual financial statements for the financial year ended March 31, 2022, 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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2022 and of the profit and loss of your company for the financial year ended March 31, 2022;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts for the financial year ended March 31, 2022 on a going concern basis;
- (e) They have laid down internal financial controls which were followed by the company and that such internal financial controls are adequate and were 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.

## **23. 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 24<sup>th</sup> 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. They have audited the financial statements of the Company for the year under review.

As per the provisions of section 40 of the Companies (Amendment) Act, 2017 there is no requirement for ratification of appointment of Statutory Auditor at every Annual General Meeting of the Company and therefore, it is not required to ratify the appointment.

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

During the year under review, as per sub section 12 of section 143 of the Act during the financial year no fraud was reported by the Auditor of the Company in their Audit Report, 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. The Auditors in their report for the financial year 2021-22 have given unmodified opinion.

#### **24. 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 (Firm Registration No.: P2008RJ064900) as the Secretarial Auditors to conduct the Secretarial Audit of the Company for the financial year 2021-22.

An Audit Report issued in form MR-3 by M/s. S.K. Joshi & Associates, Company Secretaries, in respect of the Secretarial Audit of the Company for the financial year ended on March 31, 2022, is attached as "Annexure 4" to this Report. 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.

The Board has re-appointed M/s. S.K. Joshi & Associates, Company Secretaries as Secretarial Auditor of the Company to carry out Secretarial Audit of the Company for the financial year 2022-23.

#### **25. INTERNAL AUDITORS:**

---

In accordance with the provisions of section 138 of the Act and rules made thereunder, the Board of Directors of the Company has appointed M/s SSSVA & Co., Chartered Accountants, Delhi (Firm Registration No. 022884N) as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the financial year 2021-22. 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.

The Board of Directors has re-appointed M/s SSSVA & Co., Chartered Accountants, Delhi (Firm Registration No. 022884N) as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 in their meeting held on September 03, 2022.



## 26. 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.

- DETAILS OF BOARD MEETINGS DURING THE FINANCIAL YEAR**

During the year, 8 (Eight) meetings of the Board of Directors were held in financial year 2021-2022. The details of meetings held and attended by each Director are detailed.

Name of the Directors	Designation	Date of Board Meetings and Attendance there at								Attendance at 26 <sup>th</sup> AGM held on Nov 30, 2021
		JUL 01, 2021	AUG 11, 2021	SEP 02, 2021	NOV 15, 2021	DEC 30, 2021	JAN 27, 2022	FEB 21, 2022	FEB 22, 2021	
DEEPAK AGARWAL	Managing Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
SHIV RATAN AGARWAL	Chairman & Whole-Time Director	No	No	No	No	No	No	No	Yes	No
SHWETA AGARWAL	Whole-Time Director	No	No	No	No	No	No	No	Yes	No
SANGEETA DEVI JAISANSERIYA *1	Independent Director	No	No	No	No	NA	NA	NA	NA	No
KEDAR CHAND AGARWAL *2	Independent Director	No	No	Yes	Yes	NA	NA	NA	NA	No
SACHIN KUMAR BHARTIYA	Non-Executive Director	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes



VIKRANT BALBIR SIBAL* <sup>3</sup>	Non-Executive Director	Yes	Yes	Yes	NA	NA	NA	NA	NA	NA
SUSHILA DEVI AGARWAL* <sup>4</sup>	Whole-Time Director	No	No	NA	NA	NA	NA	NA	NA	NA
SIRAJ AZMAT CHAUDHRY* <sup>5</sup>	Independent Director	NA	NA	NA	Yes	Yes	Yes	Yes	Yes	No
ANSHUMAN GOENKA* <sup>6</sup>	Non-Executive Director	NA	NA	NA	NA	Yes	Yes	Yes	Yes	No
PULKIT BACHHWAT* <sup>7</sup>	Independent Director	NA	NA	NA	NA	Yes	Yes	Yes	Yes	No
VIPUL PRAKASH* <sup>8</sup>	Independent Director	NA	NA	NA	NA	Yes	Yes	No	Yes	NA
RICHA MANOJ GOYAL* <sup>9</sup>	Independent Director	NA	NA	NA	NA	Yes	Yes	Yes	Yes	NA
NIKHIL KISHORCHA NDRA VORA* <sup>10</sup>	Independent Director	NA	NA	NA	NA	No	No	Yes	Yes	NA

**Note:-**\*<sup>1</sup> Mrs. Sangeeta Devin Jaisanseriya, Independent Director resigned w.e.f. December 30, 2021.

\*<sup>2</sup> Mr. Kedar Chand Agarwal, Independent Director resigned w.e.f. December 30, 2021

\*<sup>3</sup> Mr. Vikrant Balbir Sibal, Non- Executive Director resigned w.e.f. November 02, 2021.

\*<sup>4</sup> Mrs. Sushila Devi Agarwal, Whole-time Director resigned w.e.f. September 1, 2021.

\*<sup>5</sup> Mr. Siraj Azmat Chaudhry, Independent Director appointed w.e.f. August 24, 2021

\*<sup>6</sup> Mr. Anshuman Goenka, Non- Executive Director appointed w.e.f. November 15, 2021 and resigned w.e.f. June 06, 2022.

\*<sup>7</sup> Mr. Pulkit Anilkumar Bachhwat, Independent Director appointed w.e.f. December 08, 2021

\*<sup>8</sup> Mr. Vipul Prakash, Independent Director appointed w.e.f. December 30, 2021

\*<sup>9</sup> Mrs. Richa Manoj Goyal, Independent Director appointed w.e.f. December 08, 2021

\*<sup>10</sup> Mr. Nikhil Kishorchandra Vora, Independent Director appointed w.e.f. December 08, 2021

## 27. COMMITTEES OF THE BOARD:

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



- Audit Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholder Relationship Committee
- Risk Management Committee
- Initial Public Offer Committee
- Banking & Finance 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.

- **COMPOSITION OF AUDIT COMMITTEE**

The Committee's composition is in line with the requirements of section 177 of the Companies Act, 2013. The Audit Committee comprises of Mr. Nikhil Kishorchandra Vora, Independent Director as Chairperson w.e.f. 30.12.2021, Mr. Siraj Azmat Chaudhry, Independent Director, Mr. Pulkit Anilkumar Bachhawat, Independent Director, Mr. Vipul Prakash, Independent Director, Mr. Sachin Kumar Bhartiya, Non- Executive Director and Mr. Anshuman Goenka, Non- Executive Director of the Company as members as on March 31, 2022. The Company Secretary acts as Secretary to the Committee.

Further, the Board has appointed Ms. Nidhi Ghuman, Non-Executive Director as Member of the Audit Committee w.e.f. June 30, 2022

During the year under review, the Committee met 3 (Three) times i.e., September 02, 2021, November 15, 2021 and February 21, 2022.

Name of the Committee Members	Category	Attendance of the Committee members at the Committee Meetings
-------------------------------	----------	---



		Sep 02, 2021	Nov 15, 2021	Feb 21, 2022
Mr. Nikhil Kishorchandra Vora* <sup>1</sup>	Chairperson	NA	NA	Yes
Mr. Kedar Chand Agarwal* <sup>2</sup>	Chairperson	Yes	Yes	NA
Mr. Siraj Azmat Chaudhry* <sup>3</sup>	Member	Yes	Yes	Yes
Mr. Pulkit Anilkumar Bachhawat* <sup>4</sup>	Member	NA	NA	Yes
Mr. Vikrant Balbir Sibal* <sup>5</sup>	Member	Yes	NA	NA
Mr. Vipul Prakash* <sup>6</sup>	Member	NA	NA	No
Mr. Sachin Kumar Bhartiya	Member	Yes	Yes	Yes
Mr. Anshuman Goenka* <sup>7</sup>	Member	NA	NA	Yes

**Note:-**

\*<sup>1</sup> Mr. Nikhil Kishorchandra Vora, Independent Director appointed as Chairperson w.e.f. December 30, 2021

\*<sup>2</sup> Mr. Kedar Chand Agarwal, Independent Director resigned as member w.e.f. December 30, 2021

\*<sup>3</sup> Mr. Siraj Azmat Chaudhry, Independent Director appointed as member w.e.f. December 30, 2021

\*<sup>4</sup> Mr. Pulkit Anilkumar Bachhawat, Independent Director appointed as member w.e.f. December 30, 2021

\*<sup>5</sup> Mr. Vikrant Balbir Sibal, Non- Executive Director resigned w.e.f. November 02, 2021.

\*<sup>6</sup> Mr. Vipul Prakash, Independent Director appointed as member w.e.f. December 30, 2021

\*<sup>7</sup> Mr. Anshuman Goenka, Non- Executive Director appointed as member w.e.f. December 30, 2021 and resigned w.e.f. June 06, 2022

○ **ROLE AND SCOPE OF THE AUDIT COMMITTEE**

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act and the SEBI Listing Regulations and its terms of reference, inter alia, includes the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company and the fixation of the audit fee;

(d) Examining and Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;



- (ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
  - (iv) Significant adjustments made in the financial statements arising out of audit findings;
  - (v) Compliance with listing and other legal requirements relating to financial statements;
  - (vi) Disclosure of any related party transactions; and
  - (vii) Qualifications / modified opinion(s) in the draft audit report.
- (e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.
- (j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (k) Scrutiny of inter-corporate loans and investments;
- (l) Valuation of undertakings or assets of the company, wherever it is necessary;
- (m) Evaluation of internal financial controls and risk management systems;
- (n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (o) 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;
- (p) Discussion with internal auditors of any significant findings and follow up there on;



- (q) Reviewing the findings of any internal investigations 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;
- (r) 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;
- (s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (t) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (u) Reviewing the functioning of the whistle blower mechanism;
- (v) Approval of the appointment of the Chief Financial Officer of the Company (“CFO”) (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- (w) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;
- (x) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;
- (y) Monitoring the end use of funds through public offers and related matters;
- (z) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances; and
- (aa) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (bb) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
- (cc) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
- (dd) Such roles and functions as may be prescribed under the Companies Act and SEBI Listing Regulations.

- **NOMINATION & REMUNERATION COMMITTEE:**



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

○ **COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE**

The Committee’s composition is in line with provisions of the section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee comprises of Mr. Siraj Azmat Chaudhry, Independent Director as Chairperson w.e.f. 30.12.2021 and Mr. Nikhil Kishorchandra Vora, Independent Director, Mr. Sachin Kumar Bhartiya, Non-Executive Director and Mr. Anshuman Goenka, Non-Executive Director of the Company as members as on March 31, 2022. The Company Secretary acts as Secretary to the Committee.

Further, the Board has appointed Ms. Nidhi Ghuman, Non-Executive Director as Member of the Nomination and Remuneration Committee w.e.f. June 30, 2022 and Mr. Vipul Prakash as Member of the Nomination and Remuneration Committee w.e.f. September 03, 2022.

During the year under review, the Committee met 3 (Three) times i.e., September 02, 2021, November 15, 2021 and January 07, 2022.

Name of the Committee Members	Category	Attendance of the Committee members at the Committee Meetings		
		Sep 02, 2021	Nov 15, 2021	Jan 07, 2022
Mr. Siraj Azmat Chaudhry* <sup>1</sup>	Chairperson/ Member	NA	NA	Yes
Mr. Kedar Chand Agarwal* <sup>2</sup>	Chairperson	Yes	Yes	NA
Mr. Nikhil Kishorchandra Vora* <sup>3</sup>	Member	NA	NA	Yes
Mr. Sachin Kumar Bhartiya	Member	Yes	Yes	Yes
Mr. Vikrant Balbir Sibal* <sup>4</sup>	Member	Yes	NA	NA
Mr. Anshuman Goenka* <sup>5</sup>	Member	NA	NA	Yes

**Note:-**

\*<sup>1</sup> Mr. Siraj Azmat Chaudhry, Independent Director appointed as Chairperson w.e.f. December 30, 2021

\*<sup>2</sup> Mr. Kedar Chand Agarwal, Independent Director resigned as member w.e.f. December 30, 2021

\*<sup>3</sup> Mr. Nikhil Kishorchandra Vora, Independent Director appointed as member w.e.f. December 30, 2021

\*<sup>4</sup> Mr. Vikrant Balbir Sibal, Non- Executive Director resigned w.e.f. November 02, 2021.

\*<sup>5</sup> Mr. Anshuman Goenka, Non- Executive Director appointed as member w.e.f. December 30, 2021 and resigned w.e.f. June 06, 2022



## **ROLE AND SCOPE OF THE NOMINATION & REMUNERATION COMMITTEE**

The scope and function of the Nomination and Remuneration committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

- (a) To be responsible for identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;
- (b) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (c) Formulation of criteria for evaluation of performance of independent directors and the Board;
  - (d) Devising a policy on Board diversity;
  - (e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
  - (f) Analysing, monitoring and reviewing various human resource and compensation matters;
  - (g) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
  - (h) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);
  - (i) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
  - (j) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
  - (k) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SBEB Regulations") as may be amended from time to time;
  - (l) For every appointment of an independent director, evaluate the balance of skills, knowledge, and experience on the board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may (a) use the services of an external agencies, if required; (b) consider



candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates;

- (m) Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") including the following:
- (i) Determining the eligibility of employees to participate under the ESOP Scheme;
  - (ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
  - (iii) Date of grant;
  - (iv) Determining the exercise price of the option under the ESOP Scheme;
  - (v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
  - (vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
  - (vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
  - (viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - (ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
  - (x) The grant, vest and exercise of option in case of employees who are on long leave;
  - (xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;
  - (xii) Formulate the procedure for funding the exercise of options;
  - (xiii) The procedure for cashless exercise of options;
  - (xiv) Forfeiture/ cancellation of options granted;
  - (xv) Formulate the procedure for buy-back of specified securities issued under the SBEB Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
    - permissible sources of financing for buy-back;
    - any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
    - limits upon quantum of specified securities that the Company may buy-back in a financial year.
  - (xvi) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
    - the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
    - for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
    - the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
- (n) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- (o) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:



- (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
- (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable.
- (p) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.
- (q) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.
- (r) To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

- **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**

The Committee's composition is in line with provisions of the section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee comprises of Mr. Deepak Agarwal, Managing Director as Chairperson w.e.f. 30.12.2021, Mrs. Richa Manoj Goyal, Independent Director, Mr. Sachin Kumar Bhartiya, Non-Executive Director and Mr. Anshuman Goenka, Non-Executive Director of the Company as members as on March 31, 2022. The Company Secretary acts as Secretary to the Committee.

Further, the Board has appointed Ms. Nidhi Ghuman, Non-Executive Director as Member of the Corporate Social Responsibility Committee w.e.f. June 30, 2022

During the year under review, the Committee met 1 (One) time i.e., January 27, 2022.

<b>Name of the Committee Members</b>	<b>Category</b>	<b>Attendance of the Committee members at the Committee Meetings held on Jan 27, 2022</b>
Mr. Deepak Agarwal	Chairperson/ Member	Yes
Mr. Shiv Ratan Agarwal*	Chairperson	NA



Kedar Chand Agarwal* <sup>2</sup>	Member	NA
Mrs. Richa Manoj Goyal* <sup>3</sup>	Member	Yes
Mr. Sachin Kumar Bhartiya	Member	Yes
Mr. Vikrant Balbir Sibal* <sup>4</sup>	Member	NA
Mr. Anshuman Goenka * <sup>5</sup>	Member	Yes

**Note:-** \* Mr. Shiv Ratan Agarwal, Chairman and Whole-Time Director resigned as Chairperson and member w.e.f. December 30, 2021.

\*<sup>2</sup> Mr. Kedar Chand Agarwal, Independent Director resigned as member w.e.f. December 30, 2021.

\*<sup>3</sup> Mrs. Richa Manoj Goyal, Independent Director appointed as member w.e.f. December 30, 2021.

\*<sup>4</sup> Mr. Vikrant Balbir Sibal, Non- Executive Director resigned as a member w.e.f. November 02, 2021.

\*<sup>5</sup> Mr. Anshuman Goenka, Non- Executive Director appointed as member w.e.f. December 30, 2021 and resigned w.e.f. June 06, 2022

#### **ROLE AND SCOPE OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The terms of reference of the Corporate Social Responsibility Committee framed in accordance with Section 135 of the Companies Act, 2013, are as follows:

- 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 ensure implementation of all the policies pertaining to business responsibility;
- To ensure effective communication of all the policies to all relevant stakeholders;
- Independent evaluation or audit of the policies to be conducted.

• 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](http://www.bikaji.com/policies)

During the Financial Year 2021-22 the Company was required to spend an amount of Rs. 1.75 crore on the CSR activities pursuant to Section 135 of the Companies Act, 2013.

During the year, the Company had undertaken various meaningful CSR activities in the areas such as Educational and health, Animal welfare, Environment Protection etc. and the amount spent on these activities was Rs. 1.89 crore.

The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as “**Annexure 5**” and forms integral part of this Report.

#### **STAKEHOLDER’S RELATIONSHIP COMMITTEE**

In compliance with the provisions of section 178 of the Companies Act, 2013 the Board has constituted the Stakeholders Relationship Committee by a resolution of our Board dated December 30, 2021.



The constitution of the Stakeholder Relationship Committee is as follows as on March 31, 2022:

Name	Designation	Category
Sachin Kumar Bhartiya	Non-Executive Director	Chairperson
Deepak Agarwal	Managing Director	Member
Anshuman Goenka*	Non-Executive Director	Member
Richa Manoj Goyal	Independent Director	Member

*\*Mr. Anshuman Goenka, Non- Executive Director appointed as member w.e.f. December 30, 2021 and resigned w.e.f. June 06, 2022*

The Board of Directors has re-constituted the Committee w.e.f. June 30, 2022 as follows:

Sachin Kumar Bhartiya as Chairperson, Mr. Deepak Agarwal, Ms. Nidhi Ghuman and Mrs. Richa Manoj Goyal as members of the Committee.

Since no requirement aroused during the financial year, the Committee did not meet during the financial year under review.

#### **ROLE AND SCOPE OF THE STAKEHOLDER'S RELATIONSHIP COMMITTEE**

The scope and function of the Stakeholder Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

- (a) Considering and looking into various aspects of interests of shareholders, debenture holders and other security holders;
- (b) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares or debentures, including non-receipt of share certificates or debenture certificates, issue of new/duplicate certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, general meetings, etc., and assisting with quarterly reporting of such complaints;
- (c) Reviewing of measures taken for effective exercise of voting rights by shareholders;
- (d) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (e) Giving effect to all allotment, transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (f) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (g) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;



(h) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

### **RISK MANAGEMENT COMMITTEE**

The Risk Management Committee was constituted by a resolution of our Board dated December 30, 2021.

The current constitution of the Risk Management Committee is as follows as on March 31, 2022:

<b>Name of Director</b>	<b>Designation</b>	<b>Category</b>
Deepak Agarwal	Managing Director	Chairperson
Sachin Kumar Bhartiya	Non-Executive Director	Member
Anshuman Goenka*	Non-Executive Director	Member
Siraj Azmat Chaudhry	Independent Director	Member
Vipul Prakash	Independent Director	Member

**Note-** \*Mr. Anshuman Goenka, Non- Executive Director appointed as member w.e.f. December 30, 2021 and resigned w.e.f. June 06, 2022

The Board of Directors has re-constituted the Committee w.e.f. June 30, 2022 as follows:

Deepak Agarwal as Chairperson, Mr. Sachin Kumar Bhartiya, Ms. Nidhi Ghuman, Mr. Siraj Azmat Chaudhry and Mr. Vipul Prakash as members of the Committee.

Since no requirement aroused during the financial year, the Committee did not meet during the financial year under review.

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](http://www.bikaji.com/policies)

### **ROLE AND SCOPE OF THE RISK MANAGEMENT COMMITTEE**

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations and its terms of reference are as follows:

- (i) To formulate a detailed Risk Management Policy covering risk across functions and plan integration through training and awareness programmes. The Policy shall include:
- A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
  - Measures for risk mitigation including systems and processes for internal control of identified risks;



- Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - To review and recommend potential risk involved in any new business plans and processes;
  - To review the Company's risk-reward performance to align with the Company's overall policy objectives;
  - To implement, monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - To periodically review and assess the Risk Management Policy at least once in two years, including by considering the changing industry dynamics and evolving complexity and recommend for any amendment or modification as necessary;
  - To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
  - Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;
  - To review the appointment, removal and terms of remuneration of the chief risk officer (if any);
  - Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security;
  - Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
  - Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

- **INITIAL PUBLIC OFFER COMMITTEE**

The Board of Directors has constituted Initial Public Offer Committee in their Board Meeting held on September 02, 2021 for the purpose of giving effect to the proposed Issue and listing the Equity Shares on one or more of the stock exchanges.

The constitution of the Initial Public Offer committee is as follows as on March 31, 2022:

Name of Director	Designation	Category
Mr. Deepak Agarwal	Managing Director	Chairperson
Mrs. Shweta Agarwal	Whole Time Director	Member
Mr. Sachin Kumar Bhartiya	Non-Executive Director	Member
Mr. Anshuman Goenka*	Non-Executive Director	Member

*\*Mr. Anshuman Goenka, Non- Executive Director appointed as member w.e.f. December 30, 2021 and resigned w.e.f. June 06, 2022.*

The Board of Directors has re-constituted the Committee w.e.f. June 30, 2022 as follows:

Deepak Agarwal as Chairperson, Mrs. Shweta Agarwal, Mr. Sachin Kumar Bhartiya and Ms. Nidhi Ghuman as members of the Committee.

Since no requirement aroused during the financial year, the Committee did not meet during the financial year under review.



- **BANKING & FINANCE COMMITTEE**

The Board of Director has constituted a Banking and Finance Committee in their Board Meeting held on June 07, 2022 to carry on day to day Banking and finance related activities like disbursement of loan, Approval for cash credit, overdraft facilities with bank and/or financial institutions, opening of bank accounts, Online Banking and other financial activities which are important and which is required for smooth operations of the Company.

The constitution of the Banking & Finance committee is as follows:

<b>Name of Director</b>	<b>Designation</b>	<b>Category</b>
Mr. Deepak Agarwal	Managing Director	Chairperson
Mr. Rishabh Jain	Chief Financial Officer	Member
Mr. Shambhu Dayal Gupta	President- Corporate Affair and Finance	Member

Since no requirement aroused during the financial year, the Committee did not meet during the financial year under review.

## **28. INDEPENDENT DIRECTORS MEETING**

During the year under review, the Independent Directors met on April 04, 2021 inter alia, to discuss:

- Review of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Review of the performance of the Chairman of the Company taking into account the views of the Executive and Non-Executive Directors.
- Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

During the financial year ended 31st March, 2022, one meeting of the Independent Directors was held, as follows:

<b>Name of Director</b>	<b>Category</b>	<b>Attendance of Independent Directors held on Apr 04, 2021</b>
Mr .Kedar Chand Agarwal	Chairperson	Yes
Mrs. Sangeeta Devi Jaisanseriya	Member	Yes

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

Pursuant to the provisions of section 186 of the Companies Act,2013, particulars of loans, guarantees and investments made are provided 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.



### 30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

---

Bikaji has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency and accountability. Pursuant to the provisions of section 188 of the Act read with rules issued thereunder.

Further all Related Party Transactions entered into by your Company during the Financial Year 2021-22 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.

### 31. 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 6**"

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

---

In terms of the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company adopted a policy for prevention of Sexual Harassment of Women at workplace and also set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Pursuant to clause 4 sub clause 2 sub clause III of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Internal Complaints Committee has been re-constituted by the board of Directors in their Board Meeting held on June 7, 2022 as follows:

Name of the Member	Designation
Neha Rao	Chairperson
Rishabh Jain	Member
Manoj Verma	Member



Shruti Bothra	Member Secretary
---------------	------------------

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

S. 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

### 33. 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 organization. Quality assurance team monitors quality and productivity improvements through audits and initially stated the dashboard reporting.

Your Company adheres to international quality standard certifications such as ISO 22000, BRCG, APEDA, EIC and HALAL.

### 34. BRAND VISIBILITY:

We sell all of our products under our well-established Bikaji brand, focusing on a diverse range of quality products, authentic ethnic Indian taste, innovative packaging, and effective pricing strategies covering all key price points. We believe that these qualities have enabled us to develop strong brand recognition and consumer loyalty in our key markets in India and abroad.

Our marketing investments and the national media has supported in enhancing brand awareness and helps in getting the acceptance amongst the trade and consumers.

Mr. Amitabh Bachchan, one of the most popular celebrities in India and abroad, as our brand ambassador. Our pan India marketing initiatives include advertisements in television, radio, print, social media, digital and outdoor promotional campaigns, and sponsorship of sports and cultural events in India. Going forward, we intend to roll out



special programmes and enter into arrangements with our “category top end stores”, which will help us in enhancing our brand visibility, premiumization thus delivering same store growth and enhance brand equity.

### 35. HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

---

The Company always believes that its growth is closely linked with the growth and overall development of its employees. The Company is committed to upgrade the skill of its employees and to create an environment where excellence is recognized and rewarded. The target is to place right people at right position and to enhance the efficiency, working speed, competency and time management skill of its employees.

The BIKAJI ESOP- I & II 2021 scheme will help to retain talents in the organization as the Company views stock options as instrument that would enable the Eligible Employees to get share in the value they create for the Company and align individual objectives with the objectives of the Company.

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.

The Company’s endeavour is to create an environment where people can use all of their capabilities in promoting the business of the Company. Number of people employed, as at March 31, 2022 are 2,698.

### 36. CREDIT RATING:

---

During the financial year 2021-22, on the basis of recent development and including operational and financial performance of the Company, Brickwork Ratings India Private Ltd, Credit Rating Agency has given rating as follows:

Facilities	Rating
long term Rating	BWR AA- (Negative)
Short term Rating	BWR A1+

There is no change in the annual review in credit rating of the Company.

### 37. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

---

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 7**” forming integral part of this report.



### **38. 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.

### **39. 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, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facility or under our management.

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 strategize innovative ways in bringing environmental solutions to the Company. It will be responsible to manage Plastic waste on behalf of the Company.

### **40. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR:**

---

During the year 2021-22, no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

### **41. DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANK OR FINANCIAL INSTITUTION:**

---

During the financial year, no such settlement and the valuation done while taking loan from the Banks or Financial Institutions.

### **42. 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 ESOP 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.

#### **43. ACKNOWLEDGEMENT:**

---

Your directors place on record their deep appreciation to all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to provide higher levels of consumer delight through continuous improvement in existing products and introduction of new products. Your Directors also take this opportunity to thank all Shareholders, suppliers, distributors, retailers, Directors, Auditors, Government and Regulatory Authorities, for their continued support.

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

**SHIV RATAN AGARWAL**  
**CHAIRMAN CUM WHOLE TIME DIRECTOR**  
**DIN: 00192929**

**DEEPAK AGARWAL**  
**MANAGING DIRECTOR**  
**DIN: 00192890**

**PLACE: BIKANER**  
**DATE: SEPTEMBER 03, 2022**



**ANNEXURES TO THE DIRECTORS' REPORT**

**Annexure 1** Dividend Distribution Policy

**Annexure 2** Disclosure with respect to Compliance to Section 62 of the Companies Act, 2013 read with rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014

**Annexure 3** Details of Subsidiary/Joint Ventures/Associate Companies "AOC-1"

**Annexure 4** Secretarial Audit Report in Form MR 3

**Annexure 5** Annual Report on CSR activities

**Annexure 6** Particulars of energy conservation, technology absorption and foreign exchange earnings and outgo required under the section 134 (3)(m) of the companies act and companies (accounts) rules, 2014

**Annexure 7** The information required under Section 197 (12) of the Companies Act, 2013 and the Rule 5(2) of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014, in respect of employees of the Company



## **BIKAJI FOODS INTERNATIONAL LIMITED**

### **Dividend Distribution Policy**

<b>Version</b>	<b>Summary of changes</b>	<b>Board approval on</b>	<b>Date of release</b>
Version 1	Initial	December 10, 2014	December 10, 2014
Version 2	Revised	December 30, 2021	December 30, 2021

## **1. Background and applicability**

Pursuant to the provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015” as amended (the “Listing Regulations”), it is mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on the market capitalization calculated as on March 31, every year.

The board of director (the Board”) of Bikaji Foods International Limited (the “Company”) has adopted and formulated Dividend Distribution Policy, in compliance with the Listing Regulations, and has uploaded the same on the Company’s website at [www.bikaji.com](http://www.bikaji.com).

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 Dividends**

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 authorizes 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 finalization 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, capitalization 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 utilize surplus cash for buy- back of securities;
- the Company is prohibited to recommend/declare dividend by any regulatory body;
- in case being 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, analyze 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. Utilization of Retained Earnings**

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

- a) Issue of fully paid-up bonus shares;
- b) Declaration of dividend - Interim or Final;
- c) Augmenting internal resources;
- d) Funding for Capex/expansion plans/acquisition;
- e) Long term strategic plans;
- f) Repayment of debt;
- g) Any other permitted use or the criteria as the Board may deem fit from time to time.

## **7. Dividend Payout**

The Company will attempt to maintain a consistent dividend record to distribute a part of the profit to the shareholders. Subject to the other terms of this policy, the Board of Directors will endeavor to maintain a dividend payout upto 20% of the Net profit of the company. However, the decision of the dividend payment shall be based on the factors like strategic and long term plans of the Company, future equity acquisitions, diversification opportunities or any other criteria that may be considered relevant as per this policy or as decided by the Board in this regard.

## **8. 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.

## **9. 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.

## **10. 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.

## **11. 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.

## **12. 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 2**

**Disclosure with respect to Compliance to Section 62 of the Companies Act, 2013 read with rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014**

<b>Sr. No.</b>	<b>Particular</b>	<b>Bikaji Employees Stock Option Scheme 2021 - Scheme I ("Scheme I")</b>	<b>Bikaji Employees Stock Option Scheme 2021 - Scheme II ("Scheme II")</b>
A	options granted	845500	205050
B	options vested	-	-
C	options exercised	-	-
D	the total number of shares arising as a result of exercise of option	-	-
E	options lapsed	10500	24100
F	the exercise price	Rs. 165	Rs.1
G	variation of terms of options	-	-
H	money realized by exercise of options	-	-
I	total number of options in force	835000	180950
J	employee wise details of options granted to		
i	key managerial personnel	Divya Navani 6,750 Manoj Verma 26,200 Rishabh Jain 22,050 Shambhu Dayal Gupta 34,500	-
ii	any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	NIL	NIL
iii	identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	NIL	NIL

## 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

SN	1
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	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR
Share capital	7,37,80,980
Reserves & surplus	-7,49,12,490
Total assets	44,85,40,924
Total Liabilities	44,96,72,434
Investments	-
Turnover	22,07,58,115
Profit before taxation	-3,93,00,430
Provision for taxation	-
Profit after taxation	-3,93,00,430
Proposed Dividend	-
% of shareholding	51.22

## Subsidiaries which are yet to commence operations

SN	Name of the subsidiary
----	------------------------

## Subsidiaries which have been liquidated or sold during the year

SN	Name of the subsidiary
1	Bikaji Foods (London) Limited#

# Strike off on July 20, 2021

**Part "B": Associates and Joint Ventures**

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

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

Associates or joint ventures which are yet to commence operations.

<b>SN</b>	<b>Name of Associates or Joint Ventures</b>
-----------	---

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

<b>SN</b>	<b>Name of Associates or Joint Ventures</b>
-----------	---

FOR BIKAJI FOODS INTERNATIONAL LIMITED

SHIV RATAN AGARWAL  
CHAIRMAN CUM WHOLE TIME DIRECTOR  
DIN: 00192929

DEEPAK AGARWAL  
MANAGING DIRECTOR  
DIN: 00192890

RISHABH JAIN  
CHIEF FINANCIAL OFFICER  
PAN: AEAPJ1574L

DIVYA NAVANI  
COMPANY SECRETARY  
MEMERSHIP NO. 026014

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the Financial Year Ended March 31, 2022**

**[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 INDUSTRIAL AREA,  
BIKANER -334004

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 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 (“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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, 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 31<sup>st</sup> March 2022 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') Viz.:
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable during the period under review.**
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 - **Not applicable during the period under review.**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable during the period under review.**
  - d) The Securities and Exchange Board of India (Employee Stock Option and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not applicable during the period under review.**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable during the period under review.**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable during the period under review.**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable during the period under review.**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable during the period under review.**
- (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
  - 7. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
  - 8. Trade Marks Act, 1999;
  - 9. Plastic Waste Management Rules, 2016.

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).
- (ii) The Company being an Unlisted Public Limited Company during the period under report, has not entered into any Listing Agreement and hence not commented upon.

During the audit period, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. to the extent applicable, as 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 agenda are 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.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

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

We further report that during the audit period 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. Private Placement/ Preferential Allotment of 6,81,682 Equity Shares of ₹ 10 each at an Issue Price of ₹ 2200.44.
- b. Increased its Authorised Share Capital from ₹ 25 crore to ₹ 30 crore and Consequential Amendment in the Memorandum of Association of the Company.
- c. Sub-division of Equity Shares of ₹ 10/- each into 10 Equity shares of ₹ 1 each and after sub-division paid capital of the was ₹ 249949880 divided into 249949880 Equity Shares of ₹ 1 each.
- d. Company has granted Employee Stock Options to its Employees under ESOP 2021 Scheme I & Scheme II.
- e. Alteration in Article of Association in Annual General Meeting held on November 30, 2021 for adopted a new set of Articles of Association to incorporate that the Company has entered into the Share Subscription Agreement and the Deed of Adherence IV both with Lighthouse India Fund III,

Limited and Lighthouse India III Employee Trust ("Investors") and further in Extraordinary General Meeting held on December 30, 2021 the Articles of Association was altered and substituted with a revised set of Articles in order to align the same with SEBI (LODR Regulations) 2015.

- f. Members consent obtained for Initial Public Offering of the equity shares, by way of an OFS by certain existing shareholders, aggregating up to 5,00,00,000 equity shares of Rs.1/- each, in the Annual General Meeting held on November 30, 2021.
- g. Buyback of 4,40,000 Equity shares of ₹ 1 each at a price ₹ 280.06 per share.

**PLACE: JAIPUR**  
**DATE: 22.07.2022**

**For S.K. JOSHI & ASSOCIATES**  
**Company Secretaries**  
**ICSI unique Code:P2008RJ064900**

**(SANJAY KUMAR JOSHI)**  
**PARTNER**  
**FCS: 6745; CP.NO: 7342**  
**UDIN: F006745D000667781**  
**Peer Review Certificate No. 1659/2022**

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

**'Annexure A'**

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

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

(1) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

(2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(4) Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

(5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

(6) The Secretarial Audit report is neither an assurance 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: 22.07.2022**

**For S.K. JOSHI & ASSOCIATES**  
**Company Secretaries**  
**ICSI unique Code:P2008RJ064900**

**(SANJAY KUMAR JOSHI)**  
**PARTNER**  
**FCS: 6745; CP.NO: 7342**  
**UDIN: F006745D000667781**  
**Peer Review Certificate No. 1659/2022**

- Annual Report on 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:-

Sl. 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. Deepak Agarwal	Chairperson	1	1
2	Mrs. Richa Manoj Goyal	Member		1
3	Mr. Anshuman Goenka*	Member		1
4	Mr. Sachin Kumar Bhartiya	Member		1

\*Due to Resignation of Mr. Anshuman Goenka w.e.f June 06,2022, the Board has appointed Ms. Nidhi Ghuman, Non-Executive Director as Member of the Corporate Social Responsibility Committee w.e.f. June 30, 2022.

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 / programs / 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/Corporate-Social-Responsibility-Policy.pdf> (For CSR Policy), <https://www.bikaji.com/pub/media/CSR Committee.pdf> (For CSR Committee) and [www.Bikaji.com](http://www.Bikaji.com) (For CSR Projects approved by the Board)

**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 Rs.)	Amount required to be set-off for the financial year, if any (in `)
1	2021-22	35,94,755	NIL

**6. Average net profit of the Company as per Section 135(5):** - ₹ 87,63,00,000

7.

7a	Two percent of average net profit of the company as per section 135 (5)	₹ 1,75,26,000
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)	₹ 1,75,26,000

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)		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.
1,90,44,162	NIL	N.A	N.A	NIL	N.A

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

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

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

Sl.No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in `)	Mode of implementation Direct (Yes/No)	Mode of Implementation –Through Implementing Agency	
				State	District				
1.	Health Care & Medical Facilities (PBM)	Promoting Health Care including Preventive Health Care	Yes	Rajasthan	Bikaner	1,07,94,162	Yes	-	-
2.	Environment Sustainability (Khalsa Foundation)	Ensuring Environmental Sustainability, Animal welfare, Empowering Women	Yes	Rajasthan	Shri Ganganagar	2000000	No	Khalsa Foundation	CSR00013910
3.	Social Awareness (Dantour Vikas Sarvajnik Puniyarth Trust)	Rural Development Projects, Eradicating Poverty	Yes	Rajasthan	Bikaner, Khajuwala	2200000	No	Dantour Vikas Sarvajnik Puniyarth Trust	CSR00025782

4.	Educational & Support Facilities (Global Education Welfare Society)	Promoting Education , Setting up hostels for students, Safety & Sustainability, Making available Safe Drinking Water	Yes	Rajasthan	Bikaner	2100000	Yes	-	CSR00001482
5.	Health Care & Medical Facilities (Sardar Mohan Singh Saini Charitable Trust)	Promoting Education, Livelihood Enhancement Projects, Vocational Skills to Children, Ensuring Environmental Sustainability, Agroforestry, Promote Sports	Yes	Rajasthan	Bikaner, Shri Ganganagar	1700000	No	Sardar Mohan Singh Saini Charitable Trust	CSR00005287
6.	Educational support and facilities (Maharani Sudarshan College For Women)	Promoting Education, Empowering Women, Setting up hostels for women	Yes	Rajasthan	Bikaner	250000	Yes	-	-

**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): ₹ 1,90,44,162

g) Excess amount for set off, if any:- 15,18,162

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the Company as per Section 135(5)	₹ 1,75,26,000
(ii)	Total amount spent for the Financial Year	1,90,44,162
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 15,18,162
(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)]	₹ 15,18,162

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

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

	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)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project Duration.	Total amount allocated for the project (In Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (In Rs.)	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

<b>(Deepak Agarwal)</b> Chairman CSR Committee	<b>(Shiv Ratan Agarwal)</b> Chairman of the Company
---	--

**Date: September 03,2022**

**Place: Bikaner**

**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 organizational interests and the larger social purpose.

During the financial year 2021-22 following steps were under taken by the company which resulted in saving in energy consumption:

1. Solar Systems started and we are using the same and our electric load from the station reduced.
2. 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
3. We have ensure 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
4. We have eliminated diesel fuel steam boiler from gulab jamun, by providing them better quality steam with no increased load on steam boiler
5. We have started continues maintenance of all hot and cold lines insulation
6. We have adopted auto light on and off system for road lights to save electrical Energy
7. Scheduled, regular maintenance and cleaning of chiller and A.C. will make better cooling on same energy consumption
8. 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
9. We have fixed electrical energy meters to check and act access energy consumption if any
10. We reduce wet cleaning of floors and started dry cleaning to avoid unnecessary water Wastage
11. We have ETP where we treat our discharged water and recycle it.
12. We are placing water meters on every line and tracking the same due to which we are able to reduce the water consumption.

- 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.
- 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 utilizing 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 Crore

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

**(B) TECHNOLOGICAL ABSORPTION:**

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

We are investing and focusing a lot in using technology to improve sales. It helps in tracking secondary sales, up-to end level, helping organizations 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 organization

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

1. We have developed in-house Robotic system in our sweet plant which is efficient and reduce lot of manpower.
  2. We have installed one ASRS system with sorting system in our unit to store the FG good which improve our efficiency.
  3. Continuous Dough Mixture imported for the Dough Feeding
  4. Thermic Fluids Kettles replaced Electric Kettles.
  5. Mixing System of 5TPH for better result and quality
  6. 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 throughout on one production line.

#### 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.
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.

#### ( 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	( In Lakhs)	
	2021-22	2020-21
a) C.I.F. Value of Imports:		
Capital Goods	293.27	19.23
b) Expenditure in Foreign Currency:		

Foreign Currency used for foreign travelling	34.22	30.66
Purchase of Raw Material		
c) Earning in Foreign Currency		
Export Sale	6405.39	6645.70

## ANNEXURE -7

**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:**

<b>PARTICULARS</b>	<b>SHIV RATAN AGARWAL</b>	<b>DEEPAK AGARWAL</b>
Age	71 Years	41 Years
Designation	Chairman cum Whole Time Director *	Managing Director**
Nature of Employment	Regular Employment	Regular Employment
Qualifications	Matriculate	MBA
Remuneration Received ( In Lacs )	403.20	403.20
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	35.37%	16.59%
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.02.09.2021

\*\* Changed designated from Whole Time Director to Managing Director w.e.f.02.09.2021

<b>PARTICULARS</b>	<b>SHWETA AGARWAL</b>	<b>MANOJ VERMA</b>
Age	41 Years	52 Years
Designation	WHOLE TIME DIRECTOR	CHIEF OPERATING OFFICER (KMP)
Nature of Employment	Regular Employment	Regular Employment
Qualifications	MA in English Literature	BA and Diploma in Marketing Management
Remuneration Received (In Lacs )	129.60	96.03 (June 21 to March 22)
Nature of Duties	Management of company's Operations	Provide leadership and strategic vision along with formulating operational, managerial and administrative procedures, reporting structures and operation controls
Experience	More than 15 years	24 years of experience in sales and marketing
Date of Commencement of Employment	16/11/2006	01/06/2021
Particulars of Previous Employment	Started career with Bikaji only.	1. Colgate Palmolive (India) Limited, 2. Mrs. Bectors Food Specialties Limited, 3. Mondelez India Food Private Limited and 4. Aditya Birla Retail Limited
Percentage of Equity Shares of the Company held	-	Negligible
Relation with Director or Manager	Mr. Shiv Ratan Agarwal– Father in law Mrs. Sushila Devi Agarwal- Mother in law Mr. Deepak Agarwal- Husband	-

**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, 2022.

**Place: BIKANER**

**Dated: September 03, 2022**

**(Deepak Agarwal)  
Managing Director**

**M Surana & Company**  
Chartered Accountants  
13-14, Surana Building  
Rani Bazar, Industrial Area  
Bikaner, Rajasthan 334001

**M S K A & Associates**  
Chartered Accountants  
The Palm Springs Plaza  
Office No. 1501-B, 15th floor  
Sector-54, Golf Course Road  
Gurugram, Haryana 122001

## **INDEPENDENT AUDITORS' REPORT**

To the Members of Bikaji Foods International Limited

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone Financial Statements of Bikaji Foods International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 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 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, 2022, 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 section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Information Other than the Standalone 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 Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 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 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 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 Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 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 Financial Statements**

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("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.

- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), 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 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, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 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 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 Financial Statements - Refer Note 37 to the Standalone Financial Statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - (a) The Management has represented that, to the best of its knowledge and belief, as stated in Note no. 53(i), no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The Management has represented, that, to the best of its knowledge and belief, as stated in Note no. 53(ii), no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and

explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

- v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.
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

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 105047W

**Manish Surana**  
Partner  
Membership No.: 077597  
UDIN: 22077597AQVPTF6526

**Amit Mitra**  
Partner  
Membership No.: 094518  
UDIN: 22094518AQVOMJ5587

Place: Bikaner  
Date: September 03, 2022

Place: Gurugram  
Date: September 03, 2022

**M Surana & Company**  
Chartered Accountants  
13-14, Surana Building  
Rani Bazar, Industrial Area  
Bikaner, Rajasthan 334001

**M S K A & Associates**  
Chartered Accountants  
The Palm Springs Plaza  
Office No. 1501-B, 15th floor  
Sector-54, Golf Course Road  
Gurugram, Haryana 122001

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BIKAJI FOODS INTERNATIONAL LIMITED**

### **Auditors' Responsibilities for the Audit of the Standalone Financial Statements**

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 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 auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone 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

**M Surana & Company**  
Chartered Accountants

**M S K A & Associates**  
Chartered Accountants

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

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

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 105047W

**Manish Surana**  
Partner  
Membership No.: 077597  
UDIN: 22077597AQVPTF6526

Place: Bikaner  
Date: September 03, 2022

**Amit Mitra**  
Partner  
Membership No.: 094518  
UDIN: 22094518AQVOMJ5587

Place: Gurugram  
Date: September 03, 2022

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BIKAJI FOODS INTERNATIONAL LIMITED FOR THE YEAR ENDED MARCH 31, 2022**

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

- i.
- (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital-work-in progress, Investment Property and Right-of-use assets.
- B. The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) All Property, Plant and Equipment and Right of Use Assets have not been physically verified by the Management during the year but there is a phased manner program of verification to cover all the assets over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us by the Management and on the basis of our examination of the records of the Company, the title deeds (conveyance deed and sale deed) of immovable properties i.e. freehold land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) as disclosed in Note no. 3 to the Standalone Financial Statements are held in the name of the Company except the following title deeds are held in the erstwhile name of the Company i.e. Shivdeep Industries Limited:

Sr. No.	Number of Properties	Gross carrying value of Property, Plant and Equipment (Amount in INR Lakhs)	Held in Name of	Whether promoter, director or their relative or employee	Period held (since date)	Reason for not being held in name of Company (also indicate if in dispute)
1.	Six (6)	38.72	Shivdeep Industries Limited	No	December 12, 2010	The name of the Company was changed on October 05, 2011. However, the continuing lease agreements were not amended. There is no dispute with lessor or any other third
2.		79.50			March 31, 2005	
3.		18.58			March 31, 2005	
4.		71.66			February 02, 2008	
5.		53.51			June 03, 2008	
6.		61.98			June 03, 2008	

Sr. No.	Number of Properties	Gross carrying value of Property, Plant and Equipment (Amount in INR Lakhs)	Held in Name of	Whether promoter, director or their relative or employee	Period held (since date)	Reason for not being held in name of Company (also indicate if in dispute)
						party owing to such lease agreements.

In respect of immovable properties where the Company is a lessee, as disclosed in Note no. 39 to the Standalone Financial Statements, the lease agreements were executed in the erstwhile name of the Company i.e., Shivdeep Industries Limited. Details of the same are mentioned below:

Sr. No.	Number of Properties	Gross carrying value of Right of Use Asset (In INR Lakhs)	Held in Name of	Whether promoter, director or their relative or employee	Period held (since date)	Reason for not being held in name of Company (also indicate if in dispute)
1.	Two (2)	24.66	Shivdeep Industries Limited	No	March 31, 2005	The name of the Company was changed on October 05, 2011. However, the continuing lease agreements were not amended. There is no dispute with lessor or any other third party owing to such lease agreements.
2.		27.55			April 01, 2006	

- (d) According to the information and explanations given to us by the Management, the Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and its Intangible Assets during the year ended March 31, 2022. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us by the Management, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the requirements under paragraph 3(i)(e) of the Order are not applicable to the Company.
- ii.
- (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency, coverage and procedure of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

- (b) The Company has been sanctioned working capital limits in excess of INR five crores in aggregate from banks or financial institutions on the basis of security of current assets. As disclosed in Note 54 to the Standalone Financial Statements, Quarterly returns or statements are originally filed with such banks or financial institutions which were not in agreement with the books of account of the Company and further, the Company submitted revised quarterly returns or statements subsequent to the balance sheet date which are in agreement with books of account.
- iii. The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
- (a) According to the information and explanations given to us by the Management, the Company has provided loans, or advances in the nature of loans or given guarantee and provided security to companies, firms, limited liability partnership or any other parties.

The details of such loans or advances in the nature loan or guarantees or security are as follows:

(INR in Lakhs)

Particulars	Guarantees	Security	Loans	Advances in the nature of loan
<b>Aggregate amount granted/provided during the year</b>				
- Subsidiaries	-	-	-	-
- Others	1,900.00	-	1,342.50	-
<b>Balance Outstanding (including interest accrued) as at balance sheet date in respect of above cases</b>				
- Subsidiaries	-	-	-	-
- Others	1,900.00	-	1,512.49	-

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantees provided, securities given and grant of all loans are not prejudicial to the interest of the Company.
- (c) In case of the loans and advances in the nature of loans to other parties, the schedule of repayment of principal and payment of interest have been stipulated and the repayment of principal and payment of interest are regular.
- (d) There are no amounts overdue for more than ninety days in respect of the loans and advances in the nature of loans granted to other parties.
- (e) According to the information explanation provided to us, the loan or advance in the nature of loan granted has fallen due during the year. The same has been extended are granted to settle the overdue of existing loans given to existing parties The details of the same are as follows: -

Name of the Parties	Aggregate amount of overdue of existing loans renewed or extended or settled by fresh loans (INR in lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Deelishh Chips & Namkeen Private Limited	215.10	14.73%

- (f) According to the information and explanations given to us by the Management, the Company has not any granted loans and advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayments to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013. Accordingly, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us by the Management, 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, the Company has complied with the provisions of sections 73, 74, 75 and 76 of the Act, the rules framed thereunder and the Circulars, notifications issued from time to time with regard to the deposits accepted.
- 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 requirements under 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 goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us by the Management and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (INR in lakhs)	Financial Year to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	CST	70.87	FY 2007-08 and FY 2008-09	High Court, Jodhpur
Rajasthan Value Added Tax Act, 2003	VAT	43.76	FY 2011-12	High Court, Jodhpur
Income Tax Act, 1961	Income Tax	4.46	FY 2015-16	CIT (Appeals)

- viii. According to the information and explanations given to us by the Management, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in tax assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Accordingly, the requirements under paragraph 3(viii) of the Order is not applicable to the Company.
- ix.
- (a) In our opinion and according to the information and explanations given to us by the Management, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us by the Management and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution.
- (c) In our opinion and according to the information and explanations given to us by the Management, the term loans were applied for the purpose for which the term loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us by the Management and on an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries and associates.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its securities, joint ventures or associate companies.
- x.
- (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the requirements under paragraph 3(x)(a) of the Order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year and the requirements of Section 42 and section 62 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.
- xi.
- (a) 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 by the Management, we have neither come across any instance of material fraud by the Company nor on the Company.
- (b) 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 by the Management, a report under Section 143(12) of the Act, in the Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government during the year and upto the date of report. Accordingly, the requirements under paragraph 3(xi)(b) of the Order are not applicable to the Company.

- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.
- xii. In our opinion and according to the information and explanations given to us by the Management, the Company is not a Nidhi Company. Accordingly, the requirements under paragraph 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us by the Management 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 Standalone Financial Statements as required by the applicable accounting standards.
- xiv.
  - (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
  - (b) We have considered internal audit reports of the company issued till date, for the period under audit.
- xv. According to the information and explanations given to us by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with its directors during the year and hence, provisions of Section 192 of the Act and the requirements under paragraph 3(xv) of the Order are not applicable to the Company.
- xvi.
  - (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements under paragraph clause 3(xvi)(a) of the Order are not applicable to the Company.
  - (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company
  - (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.
  - (d) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly requirements under clause 3(xvi)(d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the requirements under paragraph clause 3(xviii) of the Order are not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in Note no. 49 to the Standalone Financial Statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when

they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanations given to us by the Management, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contribution during the year and there is no unspent amount which is required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with Schedule VII. Accordingly, requirements under clause 3(xx)(a) and (b) of the Order are not applicable to the Company.
- xxi. The requirements under clause 3(xxi) of the Order are not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in the report.

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

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 105047W

**Manish Surana**  
Partner  
Membership No.: 077597  
UDIN: 22077597AQVPTF6526

Place: Bikaner  
Date: September 03, 2022

**Amit Mitra**  
Partner  
Membership No.: 094518  
UDIN: 22094518AQVOMJ5587

Place: Gurugram  
Date: September 03, 2022

**M Surana & Company**  
Chartered Accountants  
13-14, Surana Building  
Rani Bazar, Industrial Area  
Bikaner, Rajasthan 334001

**M S K A & Associates**  
Chartered Accountants  
The Palm Springs Plaza  
Office No. 1501-B, 15th floor  
Sector-54, Golf Course Road  
Gurugram, Haryana 122001

## **ANNEXURE C TO THE INDEPENDENT AUDITORS' REPORT ON EVEN DATE ON THE STANDALONE 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 of even date to the Members of **BIKAJI FOODS INTERNATIONAL LIMITED** on the Standalone Financial Statements for the year ended March 31, 2022

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

### **Opinion**

We have audited the internal financial controls with reference to Standalone Financial Statements of **BIKAJI FOODS INTERNATIONAL LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2022, based on the internal control with reference to Standalone 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").

### **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 Financial Statements criteria established by the Company considering the essential components of internal control stated in 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 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 adequate internal financial controls with reference to Standalone 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 adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone 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 auditors' judgement, including the assessment of the risks of material misstatement of the Standalone 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 Financial Statements.

#### **Meaning of Internal Financial Controls With reference to Standalone Financial Statements**

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

#### **Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements**

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

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

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 105047W

**Manish Surana**  
Partner  
Membership No.: 077597  
UDIN: 22077597AQVPTF6526

**Amit Mitra**  
Partner  
Membership No.: 094518  
UDIN: 22094518AQVOMJ5587

Place: Bikaner  
Date: September 03, 2022

Place: Gurugram  
Date: September 03, 2022

Bikaji Foods International Limited  
Standalone Balance Sheet as at March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	44,864.27	39,129.07
Capital work-in-progress	4	4,814.04	3,314.53
Investment property	5	370.84	370.84
Intangible assets	6	114.95	189.43
Right-of-use asset	39	2,637.45	918.48
Financial assets			
Investment	7	14,551.23	8,702.95
Other financial assets	8	2,812.28	1,251.36
Loans	9	1,380.64	-
Other assets	10	1,952.72	2,825.39
Income tax assets (net)	11	644.58	301.17
<b>TOTAL NON-CURRENT ASSETS</b>		<b>74,143.00</b>	<b>57,003.22</b>
<b>CURRENT ASSETS</b>			
Inventories	12	6,976.70	5,619.93
Financial assets			
Trade receivables	13	7,658.28	4,677.83
Cash and cash equivalents	14	154.47	163.79
Bank balances other than cash and cash equivalents	15	8,768.48	8,496.18
Loans	9	131.85	122.20
Other financial assets	16	7,905.84	1,993.73
Other assets	17	2,362.86	2,207.72
<b>TOTAL CURRENT ASSETS</b>		<b>33,958.48</b>	<b>23,281.38</b>
<b>TOTAL ASSETS</b>		<b>108,101.48</b>	<b>80,284.60</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	18	2,495.10	2,431.33
Other equity	19	79,769.56	57,997.36
<b>TOTAL EQUITY</b>		<b>82,264.66</b>	<b>60,428.69</b>
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	20	2,601.30	1,183.55
Lease liabilities	39	1,586.75	82.72
Provisions	21	3.95	182.95
Deferred tax liabilities (net)	22	3,274.53	2,931.95
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7,466.53</b>	<b>4,381.17</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	20	9,629.74	7,027.05
Lease liabilities	39	264.83	45.37
Trade payables	23		
total outstanding dues of micro enterprises and small enterprises		775.27	451.48
total outstanding dues of creditors other than micro enterprises and small enterprises		3,311.18	3,453.44
Other financial liabilities	24	2,624.45	2,177.26
Other liabilities	26	1,491.24	1,042.04
Provisions	21	273.58	278.15
Current tax Liabilities (net)	25	-	999.95
<b>TOTAL CURRENT LIABILITIES</b>		<b>18,370.29</b>	<b>15,474.74</b>
<b>TOTAL LIABILITIES</b>		<b>25,836.82</b>	<b>19,855.91</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>108,101.48</b>	<b>80,284.60</b>

Summary of significant accounting policies 2

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

As per our report of even date

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

For M S K A & Associates  
Chartered Accountants  
Firm Registration No.: 105047W

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

Manish Surana  
Partner  
Membership No.: 077597  
Place: Bikaner  
Date: September 03, 2022

Amit Mitra  
Partner  
Membership No.: 094518  
Place: Gurugram  
Date: September 03, 2022

Shiv Ratan Agarwal  
Chairman  
DIN: 00192929  
Place: Bikaner  
Date: September 03, 2022

Deepak Agarwal  
Managing Director  
DIN: 00192890  
Place: Bikaner  
Date: September 03, 2022

Rishabh Jain  
Chief Financial Officer  
PAN: AEAPJ1574L  
Place: Bikaner  
Date: September 03, 2022

Divya Navani  
Company Secretary  
Membership No.: 026014  
Place: Bikaner  
Date: September 03, 2022

**Bikaji Foods International Limited**  
**Standalone Statement of Profit and Loss for the ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
<b>Revenue:</b>			
Revenue from operations	27	159,870.24	130,845.66
Other income	28	993.66	1,086.84
<b>Total income</b>		<b>160,863.90</b>	<b>131,932.50</b>
<b>Expenses:</b>			
Cost of materials consumed	29	112,398.40	90,799.65
Purchase of stock-in-trade		5,143.27	3,115.53
Changes in inventories of finished goods	30	(889.96)	(336.70)
Employee benefits expense	31	8,531.24	6,914.42
Depreciation, amortisation and impairment expenses	32	3,666.76	3,292.00
Finance costs	33	606.19	292.22
Other expenses	34	20,512.76	15,868.17
<b>Total expenses</b>		<b>149,968.66</b>	<b>119,945.29</b>
<b>Profit before tax</b>		<b>10,895.24</b>	<b>11,987.21</b>
<b>Tax expense:</b>			
Current tax	22	2,757.29	3,097.54
Deferred tax	22	141.61	(84.90)
<b>Profit for the year</b>		<b>7,996.34</b>	<b>8,974.57</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Net gain/ (loss) on equity instrument through other comprehensive income		701.46	(1,135.93)
Remeasurement gain/(loss) on defined benefit plans (net)	35	97.07	(49.87)
Income (charge) / Tax benefit relating to Items that will not be reclassified to profit or loss	22	(200.97)	298.44
<b>Total other comprehensive income for the year (net of tax)</b>		<b>597.56</b>	<b>(887.36)</b>
<b>Total comprehensive income</b>		<b>8,593.90</b>	<b>8,087.21</b>
Earnings per equity share [Equity shares of face value of INR 1 each]			
Basic INR (adjusted)	34(C)	3.23	3.69
Diluted INR (adjusted)	34(C)	3.23	3.69
Summary of significant accounting policies	2		

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

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

For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.: 105047W

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

**Manish Surana**  
Partner  
Membership No.: 077597  
Place: Bikaner  
Date: September 03, 2022

**Amit Mitra**  
Partner  
Membership No.: 094518  
Place: Gurugram  
Date: September 03, 2022

**Shiv Ratan Agarwal**  
Chairman  
DIN: 00192929  
Place: Bikaner  
Date: September 03, 2022

**Deepak Agarwal**  
Managing Director  
DIN: 00192890  
Place: Bikaner  
Date: September 03, 2022

**Rishabh Jain**  
Chief Financial Officer  
PAN: AEAPJ1574L  
Place: Bikaner  
Date: September 03, 2022

**Divya Navani**  
Company Secretary  
Membership No.: 026014  
Place: Bikaner  
Date: September 03, 2022

Bikaji Foods International Limited  
Standalone Statement of Changes in Equity for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Equity Share Capital:	
Particulars	Amount
Balance as at April 01, 2020	2,431.33
Changes in equity share capital during the year	
<b>Balance as at March 31, 2021</b>	<b>2,431.33</b>
Add: Proceeds from issue of equity shares	68.17
Less: Buy-back of equity shares	(4.40)
<b>Balance as at March 31, 2022</b>	<b>2,495.10</b>

Particulars	Other Equity					Other Comprehensive Income (OCI)		Total equity	
	Securities premium	General reserve	Retained earnings	Capital redemption reserve	Share based payments reserve	Total other equity	Equity Instruments through OCI		Total OCI
Balance as at April 01, 2020	20,437.26	193.09	28,781.88	-	-	49,412.23	984.19	984.19	50,396.43
Profit for the year	-	-	8,974.54	-	-	8,974.54	-	-	8,974.54
Dividend paid	-	-	(486.27)	-	-	(486.27)	-	-	(486.27)
Loss on equity instrument through other comprehensive income, net of tax	-	-	-	-	-	-	(850.02)	(850.02)	(850.02)
Remeasurement loss on post-employment defined benefit plans, net of tax	-	-	(37.32)	-	-	(37.32)	-	-	(37.32)
<b>Balance as at March 31, 2021</b>	<b>20,437.26</b>	<b>193.09</b>	<b>37,232.83</b>	<b>-</b>	<b>-</b>	<b>57,863.18</b>	<b>134.17</b>	<b>134.17</b>	<b>57,997.36</b>
Profit for the year	-	-	7,996.34	-	-	7,996.34	-	-	7,996.34
Dividend paid	-	-	(499.90)	-	-	(499.90)	-	-	(499.90)
Gain on equity instrument through other comprehensive income (net of tax)	-	-	-	-	-	-	524.92	524.92	524.92
Remeasurement gain on post-employment defined benefit plans, net of tax	-	-	72.64	-	-	72.64	-	-	72.64
Employee stock option expense	-	-	-	-	267.78	267.78	-	-	267.78
Issue of equity Shares	14,931.83	-	-	-	-	14,931.83	-	-	14,931.83
Buy-back of equity shares	(1,227.87)	-	-	-	-	(1,227.87)	-	-	(1,227.87)
Withholding tax paid on buy-back of equity shares during the year	(286.04)	-	-	-	-	(286.04)	-	-	(286.04)
Equity share expenses during the year	(7.50)	-	-	-	-	(7.50)	-	-	(7.50)
Amount transferred to capital redemption reserve upon buy back	-	(4.40)	-	4.40	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>33,847.68</b>	<b>188.69</b>	<b>44,801.91</b>	<b>4.40</b>	<b>267.78</b>	<b>79,110.46</b>	<b>659.09</b>	<b>659.09</b>	<b>79,769.56</b>

Summary of significant accounting policies

2

As per our report of even date

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

For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.: 105047W

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

**Manish Surana**  
Partner  
Membership No.: 077597  
Place: Bikaner  
Date: September 03, 2022

**Amit Mitra**  
Partner  
Membership No.: 094518  
Place: Gurugram  
Date: September 03, 2022

**Shiv Ratan Agarwal**  
Chairman  
DIN: 00192929  
Place: Bikaner  
Date: September 03, 2022

**Deepak Agarwal**  
Managing Director  
DIN: 00192890  
Place: Bikaner  
Date: September 03, 2022

**Rishabh Jain**  
Chief Financial Officer  
PAN: AEAPJ1574L  
Place: Bikaner  
Date: September 03, 2022

**Divya Navani**  
Company Secretary  
Membership No.: 026014  
Place: Bikaner  
Date: September 03, 2022

**Bikaji Foods International Limited**  
**Standalone Statement of Cash Flow for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

Particular	Year ended March 31, 2022	Year ended March 31, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	10,895.24	11,987.21
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment expenses	3,666.76	3,292.00
Foreign exchange loss/(gain), net	6.86	(12.81)
Gain on Lease Modification	(12.19)	(4.42)
Interest income	(816.35)	(679.55)
Liabilities written back to the extent no longer required	(142.23)	(371.59)
Finance costs	606.19	292.22
Fair value adjustment on Investment	258.50	113.86
Provision for doubtful debts/ advances	35.95	53.40
Bad debts/ advances written off	17.45	4.60
Security Deposit written off	20.00	-
Amortisation of security deposit	3.41	4.22
Interest income on security deposit	(8.98)	(15.10)
Excess provision written back of slow moving inventory	(10.43)	-
Excess provision written back	-	29.11
Provision for slow moving inventory	-	112.96
Provision for refund liabilities	18.09	53.18
Share Based Payment Expense	267.78	-
Loss on sale of property, plant and equipments (net)	1.03	7.55
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>14,807.08</b>	<b>14,866.84</b>
<b>Adjustments for:</b>		
(Increase) in trade receivables	(3,040.71)	(551.80)
(Increase)/ decrease in other current financial assets	(993.61)	181.07
(Increase) in other current assets	(155.14)	(1,318.86)
(Increase) in inventories	(1,346.34)	(2,084.33)
(Increase) in other non-current financial assets	(14.93)	(195.55)
(Increase)/decrease in other non-current assets	(24.71)	478.24
Increase in trade payables	197.27	2,475.00
Increase in other current financial liabilities	183.47	394.30
Increase/ (decrease) other current liabilities	431.11	(77.09)
Increase/(decrease) in provisions	39.99	(157.11)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>10,083.49</b>	<b>14,010.71</b>
Tax paid (net of refund, including interest)	(4,100.65)	(1,902.42)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>5,982.84</b>	<b>12,108.29</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipments including capital work in progress (net of capital advances & capital creditors)	(9,300.39)	(7,119.83)
Purchase of capital asset included in right of use of assets	(137.88)	-
Sale of Investment in equity instrument	-	5.48
Loan given	(1,390.29)	479.25
Sale of property, plant and equipments	157.84	68.98
Investment in deposits	(6,642.57)	(721.11)
Interest received	707.70	694.65
Investment in subsidiary	-	(1,825.07)
Investment in other than subsidiary	(5,405.32)	(4,483.00)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(22,010.91)</b>	<b>(12,900.65)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceed from issue of shares (including security premium)	15,000.00	-
Issue expenses paid	(7.50)	-
Proceeds from long term borrowings	3,107.97	489.99
Proceeds from short term borrowings (net)	1,198.95	1,827.65
Repayments of long term borrowings	(786.48)	(1,348.68)
Dividend paid	(499.90)	(486.27)
Principal paid on lease liabilities	(102.74)	(39.21)
Interest paid	(593.08)	(277.26)
Payment made on account of buy back of shares	(1,518.31)	-

**Bikaji Foods International Limited**  
**Standalone Statement of Cash Flow for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

Interest paid on lease liabilities	(128.79)	(14.96)
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES (C)</b>	<b>15,670.12</b>	<b>151.26</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(357.95)</b>	<b>(641.10)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>(2,348.29)</b>	<b>(1,707.19)</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>(2,706.24)</b>	<b>(2,348.29)</b>

**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)	140.26	148.11
Cash on hand (refer note 14)	14.21	15.68
Loans payable on demand (refer note 20)	(2,500.00)	(2,000.00)
Book overdraft (refer note 24)	(360.72)	(512.08)
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>(2,706.24)</b>	<b>(2,348.29)</b>

**Movement in financial liabilities:**

**Non-current and Current borrowings**

Opening balance	2,194.31	3,053.00
Repayment of Borrowing	(786.48)	(1,348.68)
Proceeds from borrowings	4,017.97	489.99
<b>Closing balance</b>	<b>5,425.80</b>	<b>2,194.31</b>

**Reconciliation of Non-current and current borrowings**

Secured term loans from banks (refer note 20)	2,601.30	1,183.55
Current maturities of long term loan (refer note 20)	1,424.50	520.76
Short term loan against fixed deposits (refer note 20)	1,400.00	490.00
<b>Total Non-current and current borrowings</b>	<b>5,425.80</b>	<b>2,194.31</b>

**Lease liabilities**

Opening Balance	128.09	164.77
-----------------	--------	--------

**Cash movements**

Principal paid on lease liabilities	(102.74)	(39.21)
Interest paid on lease liabilities	(128.79)	(14.96)

**Non cash movements**

Interest expense for the year	128.79	14.96
Lease liabilities written back	(63.44)	(22.55)
Gain on lease modification	(12.19)	(4.42)
Recognition of lease liabilities	1,901.86	29.50
<b>Closing Balance of Lease Liabilities</b>	<b>1,851.58</b>	<b>128.09</b>

**Reconciliation of Lease liabilities**

Lease liabilities - non Current	1,586.75	82.72
Lease liabilities - Current	264.83	45.37
<b>Total Lease liabilities</b>	<b>1,851.58</b>	<b>128.09</b>

Summary of significant accounting policies

2

As per our report of even date

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

For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.: 105047W

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

**Manish Surana**  
Partner  
Membership No.: 077597  
Place: Bikaner  
Date: September 03, 2022

**Amit Mitra**  
Partner  
Membership No.: 094518  
Place: Gurugram  
Date: September 03, 2022

**Shiv Ratan Agarwal**  
Chairman  
DIN: 00192929  
Place: Bikaner  
Date: September 03, 2022

**Deepak Agarwal**  
Managing Director  
DIN: 00192890  
Place: Bikaner  
Date: September 03, 2022

**Rishabh Jain**  
Chief Financial Officer  
PAN: AEAPJ1574L  
Place: Bikaner  
Date: September 03, 2022

**Divya Navani**  
Company Secretary  
Membership No.: 026014  
Place: Bikaner  
Date: September 03, 2022

## 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 - 334006. (Rajasthan). The Company was incorporated in year 1995 under the provisions of the Companies Act, 1956, then applicable in India. The Company is primarily involved in manufacturing, purchase and sale of snacks food.

Standalone Financial Statements of the Company for the year ended March 31, 2022 were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on September 03, 2022.

## 2. Significant Accounting Policies

Significant accounting policies adopted by the Company are as under:

### 2.1 Basis of preparation of Standalone 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.

#### 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.

#### b) 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 period and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying standalone financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of standalone 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 period 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 period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

The operating cycle is the time between the acquisition of assets for processing and their realization 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 recognized 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.

For sale of goods wherein performance obligation is not satisfied, any amount received in advance is recorded as contract liability and recognized as revenue when goods are transferred to customers. Any amount of income accrued but not billed to customers in respect of such contracts is recorded as a contract asset. Such contract assets are transferred to Trade receivables on actual billing to customers.

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

### **b) 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 statement of profit and 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.

Leasehold improvements are depreciated on a straight-line basis over the period of lease.

**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.

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

The management has estimated, supported by assessment by company's professionals, that the useful life of the following categories of assets are lower than that indicated in Schedule II, based on usage profile of the respective asset category:

Category	Useful lives estimated by the management
Furniture and fixtures	6 Years
Plant and machinery	25 Years

Individual assets costing INR 5,000 or less are fully depreciated in the period 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.

The useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as change in accounting estimates.

#### 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.

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 and 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 period:

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

<b>Intangible assets</b>	<b>Useful life</b>
Trademarks	10 Years
ERP software licences	5 Years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation method and period 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 period 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 period 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 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 periods. Past service costs are recognised in Statement of Profit and Loss on the earlier of the date of the plan amendment or curtailment and the date on which the Company 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.

**c) Share based payment arrangements**

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the standalone Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share option's outstanding account.

**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 CGUs 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 recognized 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 financial statements.

**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 recognized in Other Comprehensive Income or Statement of Profit and Loss are also recognized in Other Comprehensive Income or Statement of Profit and Loss, respectively).

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year 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 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 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 period 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 financial statements of the Company is shown in note 39 of the standalone financial statements.

**(i) Right-of-use assets**

The Company recognizes 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 recognized, 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 recognizes 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 recognized as expenses (unless they are incurred to produce inventories) in the period 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 recognized as expense on a straight-line basis over the lease term.

**5) 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.

Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in compulsorily convertible preference share ("instruments") at FVTOCI. These instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such instruments are recognized in OCI. However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss, after conversion into equity shares, when the right to receive payment is established, it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

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.

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

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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 standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future 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 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, the 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 equipments and factory buildings are consistent over useful life of assets.

##### Estimations in contingencies/ provisions

In preparing these standalone 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.

#### **Judgments**

##### Assessment of liability as remote, contingencies or liability/ provision

In preparing these standalone 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 financial statements.

#### **W) Recent accounting pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

##### **Ind AS 103 - Reference to Conceptual Framework:**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

##### **Ind AS 16 - Proceeds before intended use:**

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.

##### **Ind AS 37 - Onerous Contracts:**

Costs of Fulfilling a Contract The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

##### **Ind AS 109 - Annual Improvements to Ind AS (2021):**

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability.

##### **Ind AS 116 - Annual Improvements to Ind AS (2021):**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the standalone financial statements for the year ending March 31, 2023.

**X) 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 Company are segregated.

Bikaji Foods International Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Note 3: Property, plant and equipment^

Particulars	Land (Freehold)*	Factory building	Other building	Plant and equipment	Furniture and fixtures	Leasehold improvement	Vehicles	Office equipments	Computers and peripherals	Total
<b>Gross block at cost</b>										
As at April 01, 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)
<b>As at March 31, 2021</b>	<b>322.68</b>	<b>14,544.61</b>	<b>336.91</b>	<b>34,579.87</b>	<b>1,334.10</b>	<b>-</b>	<b>1,262.51</b>	<b>301.16</b>	<b>322.91</b>	<b>53,004.75</b>
Additions	111.40	146.52	557.86	7,252.50	78.37	727.64	210.93	149.74	41.62	9,276.58
Disposals/ adjustments	-	-	-	(218.06)	-	-	(42.06)	-	-	(260.12)
<b>As at March 31, 2022</b>	<b>434.08</b>	<b>14,691.13</b>	<b>894.77</b>	<b>41,614.31</b>	<b>1,412.47</b>	<b>727.64</b>	<b>1,431.38</b>	<b>450.90</b>	<b>364.53</b>	<b>62,021.21</b>
<b>Accumulated depreciation and impairment</b>										
As at April 01, 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)
<b>As at March 31, 2021</b>	<b>-</b>	<b>2,130.61</b>	<b>53.62</b>	<b>9,953.41</b>	<b>602.27</b>	<b>-</b>	<b>707.00</b>	<b>152.10</b>	<b>276.67</b>	<b>13,875.68</b>
Depreciation charge for the year	-	516.65	13.02	2,437.97	182.25	15.15	137.40	29.85	27.72	3,360.01
Impairment charge for the year#	-	-	-	22.50	-	-	-	-	-	22.50
Disposals/ adjustments	-	-	-	(77.68)	-	-	(23.57)	-	-	(101.25)
<b>As at March 31, 2022</b>	<b>-</b>	<b>2,647.26</b>	<b>66.64</b>	<b>12,336.20</b>	<b>784.52</b>	<b>15.15</b>	<b>820.83</b>	<b>181.95</b>	<b>304.39</b>	<b>17,156.94</b>
<b>Net block</b>										
As at March 31, 2022	434.08	12,043.87	828.13	29,278.11	627.95	712.49	610.55	268.95	60.14	44,864.27
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

Notes:

# Solar energy generation plants having gross book value of INR 773.56 lakhs (net carrying value as on March 31, 2022 is INR 48.29 lakhs) have been impaired by INR 22.50 lakhs during the year (refer note 45).

\* All immovable properties are in name of the Company. However, there are certain immovable properties aggregating gross carrying value of INR 194.92 lakhs (previous year INR 203.15 lakhs) are still being carried in erstwhile name of the Company i.e. Shivdeep Industries Limited.

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

^^ The Company had reclassified certain investment property as owner occupied during year ended March 31, 2021 due to change in use by the Company (refer note 5).

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**Note 4: Capital work-in-progress**

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	3,314.53	288.23
Add : Addition during the year	10,824.56	6,434.92
Less: Capitalised during the year	(9,325.05)	(3,408.62)
<b>Closing balance #</b>	<b>4,814.04</b>	<b>3,314.53</b>

# Capital work-in-progress mainly comprise expenditure for new production facilities/ lines.

**Ageing of Capital work-in progress is as below**

**As at March 31, 2022**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,213.51	543.20	57.43	-	4,814.04
	<b>4,213.51</b>	<b>543.20</b>	<b>57.43</b>	<b>-</b>	<b>4,814.04</b>

**As at March 31, 2021**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,257.10	57.43	-	-	3,314.53
	<b>3,257.10</b>	<b>57.43</b>	<b>-</b>	<b>-</b>	<b>3,314.53</b>

**Note 5: Investment property**

Particulars	Other Buildings	Land (freehold) *	Total
<b>Gross block at cost</b>			
As at April 01, 2020	160.89	370.84	531.73
Additions	-	-	-
Transfer to property, plant and equipment^^	160.89	-	160.89
<b>As at March 31, 2021</b>	<b>-</b>	<b>370.84</b>	<b>370.84</b>
Additions	-	-	-
<b>As at March 31, 2022</b>	<b>-</b>	<b>370.84</b>	<b>370.84</b>
<b>Accumulated depreciation</b>			
As at April 01, 2020	10.93	-	10.93
Charge for the year	-	-	-
Transfer to property, plant and equipment^^	10.93	-	10.93
<b>As at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>
Charge for the year	-	-	-
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net block</b>			
<b>As at March 31, 2022</b>	<b>-</b>	<b>370.84</b>	<b>370.84</b>
<b>As at March 31, 2021</b>	<b>-</b>	<b>370.84</b>	<b>370.84</b>

^^ The Company has reclassified certain Investment Property as owner occupied during the year ended March 31, 2021 pursuant to change in use by the Company at net carrying value. (Refer note 3).

\* All immovable properties are in name of the Company. However, there are certain immovable properties aggregating carrying value of INR 98.08 lakhs (Previous year : INR 98.08 lakhs) are still being carried in erstwhile name of the Company i.e. Shivdeep Industries Limited.

**Foot note: (a) Fair value**

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value	2,214.70	2,130.60

The fair value of investment property has been determined by external, independent registered property valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017, 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 categorized 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.

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**Note 6: Intangible assets**

Particulars	Trade marks	Computer software	Total
<b>Gross block at cost</b>			
As at April 01, 2020	62.19	221.61	283.80
Additions	-	77.58	77.58
<b>As at March 31, 2021</b>	<b>62.19</b>	<b>299.19</b>	<b>361.38</b>
Additions	-	48.47	48.47
<b>As at March 31, 2022</b>	<b>62.19</b>	<b>347.66</b>	<b>409.85</b>
<b>Accumulated amortisation</b>			
As at April 01, 2020	28.66	105.81	134.47
Charge for the year	-	37.48	37.48
<b>As at March 31, 2021</b>	<b>28.66</b>	<b>143.29</b>	<b>171.95</b>
Charge for the year	5.73	117.22	122.95
<b>As at March 31, 2022</b>	<b>34.39</b>	<b>260.51</b>	<b>294.90</b>
<b>Net block</b>			
As at March 31, 2022	27.80	87.15	114.95
As at March 31, 2021	33.53	155.90	189.43

----Space intentionally left blank----

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**Note 7: Financial assets - Investments**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Investment at cost (unquoted)</b>		
<b>Subsidiaries</b>		
<b>Equity shares (unquoted and measured at cost)</b>		
Nil equity shares (Previous year: 1,29,506 equity shares) of GBP 1 each fully paid up in Bikaji Foods (London) Limited	-	91.85
Less: Provision for diminution in the value of investment (refer note 44)	-	(91.85)
	-	-
37,79,100 equity shares (Previous year: 37,79,100 equity shares) having face value of INR 10 each fully paid-up in Petunt Foods Processors Private Limited	118.00	118.00
Add: deemed equity contribution #	317.00	317.00
<b>Total investment at cost</b>	<b>435.00</b>	<b>435.00</b>
<b>Investments at fair value through OCI (FVTOCI)</b>		
<b>Compulsorily Convertible Preference Shares (CCPS)</b>		
28,13,050 CCPS (Previous year: 28,13,050 shares) of INR 10 each in Hanuman Agro Foods Private Limited	1,163.20	461.34
<b>Total FVTOCI investments</b>	<b>1,163.20</b>	<b>461.34</b>
<b>Investments at fair value through profit and loss (FVTPL)</b>		
<b>Subsidiaries</b>		
1,04,90,000 0.001% Optionally convertible debentures (OCD Series A) (Previous year 1,04,90,000 OCD Series A) of INR 10 each in Petunt foods Processors Private Limited	751.18	752.14
Gain/(loss) on investment at fair value through profit & loss (refer note 41)	55.25	(0.96)
65,80,700 Optionally convertible debentures with variable coupon rates (OCD Series B) (Previous year 65,80,700 OCD Series B) of INR 10 each in Petunt foods Processors Private Limited	638.66	637.94
Add : Gain on investment at fair value through profit & loss (refer note 41)	36.59	0.72
<b>Others</b>		
<b>Unquoted</b>		
Investment in Mutual fund	104.86	101.37
Investment in equity shares	5.00	5.00
Investment in Compulsory Convertible Preference Shares (CCPS)*	739.40	16.40
Investment in Compulsory Convertible Debentures (CCD)	9,139.92	5,114.00
Investment in Optional Convertible Debentures (OCD)	1,482.17	450.00
Investment in convertible note*	-	730.00
<b>Total FVTPL investments</b>	<b>12,953.03</b>	<b>7,806.61</b>
<b>Total investments</b>	<b>14,551.23</b>	<b>8,702.95</b>
Aggregate book value of unquoted investments	14,551.23	8,702.95
Aggregate amount of impairment in value of investments	(261.98)	(1,251.16)
Aggregate amount of gain in value of investments	704.94	1.37

# 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.

\*During the year 2020-21, the Company invested in convertible note of Shop Kirana E - Trading Private Limited which got converted into compulsorily convertible preference shares dated March 11, 2022 amounting to INR 730 lakhs.

**Note 8: Other financial assets - non-current**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Carried at amortised cost</b>		
Security deposits	325.77	305.27
Bank deposits with remaining maturity period of more than 12 months	946.09	946.09
Balances with banks held as margin money #	1,540.42	-
<b>Total</b>	<b>2,812.28</b>	<b>1,251.36</b>
# Represent deposits under lien by bank against bank guarantees and letters of credit		

**Note 9: Loans**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Non-current Loan</b>		
<b>Carried at amortised cost</b>		
Loans Receivables considered good - Unsecured	1,380.64	-
<b>Total</b>	<b>1,380.64</b>	<b>-</b>
<b>Current Loan</b>		
<b>Carried at amortised cost</b>		
Loans Receivables considered good - Unsecured	131.85	122.20
<b>Total</b>	<b>131.85</b>	<b>122.20</b>

The loans have been given in accordance with terms and conditions of the underlying agreements executed with body corporates as per their request for urgent financial assistance. The fundings provided during the year have been duly authorised by the Board of Directors pursuant to Board Meeting convened on September 02, 2021.

These loans are provided at interest rate between 8% to 9% p.a (previous year : 11%)

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)  
**Note 10: Other assets - non-current**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Capital advances</b>		
Considered good	1,661.55	2,558.93
Considered doubtful	27.26	27.26
Less: Allowance for doubtful advance	(27.26)	(27.26)
<b>Other than Capital advances</b>		
Prepaid expenses	97.37	72.66
Balance with government authorities #	193.80	193.80
<b>Total</b>	<b>1,952.72</b>	<b>2,825.39</b>

# Represents writ petition filed by the Company before Jodhpur High Court for transitioning CENVAT credit in respect of capital goods purchased 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 internal assessment, management believes that the Company has good chances of winning this matter in their favour.

**Note 11: Income tax assets (net)**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Advance Income tax (net of provision for tax of INR 12,531.72 lakhs (Previous year: INR 6,676.90 lakhs)	644.58	301.17
<b>Total</b>	<b>644.58</b>	<b>301.17</b>

**Note 12: Inventories ^**

(At cost or net realisable value, whichever is lower)\*

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Raw materials	2,278.74	1,962.25
Packing materials	2,627.73	2,564.00
Finished goods		
- In Stock	877.26	596.49
- Goods in transit	885.68	276.49
Stores and spares	307.29	220.70
<b>Total</b>	<b>6,976.70</b>	<b>5,619.93</b>

During the year ended March 31, 2022, there is a reversal of provision for slow moving inventory for an amount of INR 10.43 lakhs & during the year ended March 31, 2021, there was a creation of provision for slow moving inventory for an amount of INR 112.96 lakhs.

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

\* For stores and spares, refer accounting policies.

---Space intentionally left blank---

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 13: Trade receivables ^**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Trade receivables - unsecured	7,796.95	4,780.55
Less: Allowance for expected credit losses	(138.67)	(102.72)
<b>Total</b>	<b>7,658.28</b>	<b>4,677.83</b>
Breakup of trade receivables:		
- Related parties #	636.39	75.98
- Others	7,021.89	4,601.85
	<b>7,658.28</b>	<b>4,677.83</b>

^ Refer note 20 for information related to trade receivables hypothecated by the Company against cash credit facility.  
# Trade receivables includes receivables from companies in which director of the Company is a director (Refer note 36).

**As at March 31, 2022**

Particular	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good, unsecured	434.34	6,570.08	526.28	100.87	26.71	-	7,658.28
<b>Total</b>	<b>434.34</b>	<b>6,570.08</b>	<b>526.28</b>	<b>100.87</b>	<b>26.71</b>	<b>-</b>	<b>7,658.28</b>

**As at March 31, 2021**

Particular	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good, unsecured	279.31	4,199.33	156.55	25.23	17.41	-	4,677.83
<b>Total</b>	<b>279.31</b>	<b>4,199.33</b>	<b>156.55</b>	<b>25.23</b>	<b>17.41</b>	<b>-</b>	<b>4,677.83</b>

**Note 14: Cash and cash equivalents**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balances with banks		
- In current accounts	140.26	148.11
Cash on hand	14.21	15.68
<b>Total</b>	<b>154.47</b>	<b>163.79</b>

**Note 15: Bank balances other than cash and cash equivalents**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Bank deposits with original maturity period of more than 3 month and less than 12 months	6,134.67	7,745.18
Balances with banks held as margin money #	2,633.81	751.00
<b>Total</b>	<b>8,768.48</b>	<b>8,496.18</b>

# Represent deposits under lien by bank against bank guarantees and letters of credit

**Note 16: Other financial assets - current**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Carried at amortised cost</b>		
<b>Security deposits</b>		
Considered good	18.11	12.25
<b>Others</b>		
Bank deposits with original maturity period of more than 12 months and residual maturity less than 12 Month*	6,257.56	1,424.71
Balances with banks held as margin money #	42.00	45.00
Interest accrued on bank deposits & others	528.92	420.27
IPO Expenses recoverable**	845.65	91.50
Advance recoverable	213.60	-
<b>Total</b>	<b>7,905.84</b>	<b>1,993.73</b>

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

As at March 2022 As at March 2021

\*\* Includes payment to auditors 118.30 31.97  
\*\* During the year ended March 31, 2022, the Company has incurred expenses of INR 754.15 lakhs aggregating upto INR 845.65 lakhs as on March 31, 2022 towards various services received in connection with proposed initial public offer of its equity shares through offer for sale by existing shareholders. As per the offer agreement between the Company and the selling shareholders, the selling shareholders shall reimburse the aforesaid expenses in proportion to their holdings to be sold on listing of the Company's equity shares. Pending such listing of the Company's equity shares and identification of proportionment of such expenses between the Company and selling shareholders, the aforesaid amount has been considered as a receivable and reported as IPO expenses recoverable.

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**Note 17: Other assets - current**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>(Unsecured, considered good)</b>		
Advances to vendors	890.44	1,628.59
Prepaid expenses	349.59	110.61
Balance with government authorities	868.96	282.34
Government grant (exports incentive) receivable ^	154.90	113.11
Employees advances	98.97	73.07
<b>Total</b>	<b>2,362.86</b>	<b>2,207.72</b>

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

---Space intentionally left blank---

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 18: Equity share capital**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Authorised share capital #</b>		
300,000,000 equity shares (Previous year: 25,000,000 equity shares) of INR 1 each (Previous year INR 10 each) *	3,000.00	2,500.00
<b>Total</b>	<b>3,000.00</b>	<b>2,500.00</b>
<b>Issued, subscribed and fully paid up share capital</b>		
24,950,9880 equity shares (Previous year: 24,313,306 equity shares) of INR 1 each (Previous year INR 10 each) * ^	2,495.10	2,431.33
<b>Total</b>	<b>2,495.10</b>	<b>2,431.33</b>

# During the year, the authorized share capital was increased from 25,000,000 equity shares of INR 10 each amounting to INR 2,500 Lakhs to 300,000,000 equity shares of INR 1 each amounting to INR 3,000 Lakhs which was duly approved by the board of directors in meeting dated September 2, 2021 and by the shareholders of the Company in extraordinary general meeting held on October 22, 2021.

\* The Company effected a ten-for-one stock split of the Equity share of the Company. The stock split was approved by the board of directors in meeting dated September 2, 2021 and by the shareholders in extraordinary general meeting on October 22, 2021. The face value and authorized shares of Equity shares were also adjusted as a result of the stock split.

^ Refer note 18(e) below.

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

Particulars	March 31, 2022		March 31, 2021	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Balance at beginning of the year	243.13	2,431.33	243.13	2,431.33
Add: Issued during the year *	6.82	68.17	-	-
Add: Equity shares raising a share split from INR 10 to INR 1 per share^	2,249.55	-	-	-
Less: Buy-back of equity shares (refer note e below)	(4.40)	(4.40)	-	-
<b>Balance at end of the period</b>	<b>2,495.10</b>	<b>2,495.10</b>	<b>243.13</b>	<b>2,431.33</b>

\* The Company has issued 6,81,682 equity shares of INR 10 each at a premium of INR 2,190.44 each, total amounting INR 15,000 Lakhs under preferential allotment dated August 11, 2021. The share capital was issued to meet fund requirement for its business and expansion.

^The issued, subscribed & paid up capital consisting of 2,49,94,988 lakhs equity shares of the company having face value of INR 10 each shall stand sub division into 24,99,49,880 equity shares having face value of INR 1 each w.e.f October 22, 2021 without altering the aggregate amount of such capital & shall rank pari passu in all respect & carry the same right as to the existing fully paid up equity shares of INR 10 each of the company.

**(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 1 per share (previous year INR 10 each). 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, 2022	Number of shares (in lakhs)	% of Holding as at March 31, 2021
Shiv Ratan Agarwal	882.43	35.37%	88.43	36.37%
Shiv Ratan Agarwal HUF	612.03	24.53%	61.20	25.17%
Deepak Agarwal	414.06	16.59%	41.98	17.27%
IIFL Special Opportunities Fund	199.96	8.01%	19.99	8.22%
India 2020, Maharaja Limited	181.66	7.28%	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) Shares bought back during the immediately preceding five years.**

During the year, the Company completed the buyback of 4,40,000 equity shares of INR 1 each (fully paid-up) at a price of INR 280.06/- per equity share aggregating to INR 1,232.26 lakhs (excluding transaction costs and applicable taxes). Consequent to the extinguishment, an amount of INR 4.40 lakhs representing the face value of these shares has been reduced from the share capital of the Company, with corresponding transfer of an equivalent amount to Capital Redemption Reserve as per the requirement of Section 68 of companies Act, 2013.

**(f) Details of promoters' shareholding percentage in the Company is as below:**

Name of Promoter	As at March 31 2022			As at March 31, 2021		
	Number of shares	% of Holding	% of change	Number of shares	% of Holding	% of change
Shiv Ratan Agarwal	882.43	35.37%	-1.00%	88.43	36.37%	0.00%
Shiv Ratan Agarwal (HUF)	612.03	24.53%	-0.64%	61.20	25.17%	0.00%
Deepak Agarwal	414.06	16.59%	-0.67%	41.98	17.27%	0.00%
Deepak Kumar Agarwal (HUF)	0.17	0.01%	0.00%	0.02	0.01%	0.00%
<b>Total</b>	<b>1,908.69</b>	<b>76.50%</b>	<b>-2.31%</b>	<b>191.63</b>	<b>78.82%</b>	<b>0.00%</b>

**(g) Shares reserved for issue under options**

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 48.

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 19: Other equity**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Securities premium</b>		
Opening balance	20,437.26	20,437.26
Add: Security premium received on issue of equity shares during the year	14,931.83	-
Less: buy-back of equity shares during the year	(1,227.87)	-
Less: Withholding tax paid on buy-back of equity shares during the year	(286.04)	-
Less: equity issue expenses during the year	(7.50)	-
<b>Closing balance (A)</b>	<b>33,847.68</b>	<b>20,437.26</b>
<b>General reserve</b>		
Opening balance	193.09	193.09
Less: transfer to capital redemption reserve (refer note 18 (e))	(4.40)	-
<b>Closing balance (B)</b>	<b>188.69</b>	<b>193.09</b>
<b>Capital redemption reserve (refer note 18 (e))</b>		
Opening balance	-	-
Addition	4.40	-
<b>Closing balance (C)</b>	<b>4.40</b>	<b>-</b>
<b>Retained earnings</b>		
Opening balance	37,232.83	28,781.88
Add: Profit during the year	7,996.34	8,974.54
Remeasurement (loss)/gain on defined benefit plans (net of taxes)	72.64	(37.32)
<b>Total (i)</b>	<b>45,301.81</b>	<b>37,719.10</b>
<b>Less appropriation:</b>		
Dividend paid INR 2 per share (Previous year: INR 2 per share) before stock split from INR 10 each to INR 1 each	(499.90)	(486.27)
<b>Total appropriation (ii)</b>	<b>(499.90)</b>	<b>(486.27)</b>
<b>Closing balance (i)- (ii) = (D)</b>	<b>44,801.91</b>	<b>37,232.83</b>
<b>Employee stock option outstanding account (ESOOA)</b>		
Balance at the beginning of the year	-	-
Add: Employee stock option expense	267.78	-
<b>Closing balance (E)</b>	<b>267.78</b>	<b>-</b>
<b>Other comprehensive income (OCI)</b>		
Opening balance	134.17	984.19
Add: Movement in OCI (net) during the year	524.92	(850.02)
<b>Closing balance (F)</b>	<b>659.09</b>	<b>134.17</b>
<b>Total (A) + (B) + (C) + (D) + (E) + (F)</b>	<b>79,769.56</b>	<b>57,997.36</b>

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

**General reserve:** The general reserve is a free reserve which is used from time to time to transfer profits from / to retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

**Capital redemption reserve:** The Companies Act, 2013 requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013.

**Retained earnings:** Retained earnings includes remeasurement gain/loss on defined benefits (net of taxes) that will not be reclassified to standalone statement of Profit and loss and 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.

**Employee stock option outstanding account:** The Company offers ESOP under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based premium reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

**Other comprehensive income (OCI):** Other comprehensive income includes net gain / (loss) on equity instrument through other comprehensive income.

**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 499.90 lakhs (previous year of INR 486.27 lakhs) for the year ended March 31, 2021 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.

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 20: Borrowings**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current borrowing</b>		
<b>Secured</b>		
<b>Term loan</b>		
- From bank {Refer point (A) 1. (a) below}	2,601.30	1,130.85
- From others {Refer point (A) 1. (b) below}	-	52.70
	<b>2,601.30</b>	<b>1,183.55</b>
<b>Current borrowing</b>		
<b>Secured</b>		
<b>Loans repayable on demand from bank</b>		
Cash credit (Refer point 2 below)	4,289.69	4,016.29
Bank Overdraft (Refer point 3 below)	15.55	-
<b>Other term loans</b>		
Short term loan against fixed deposits (Refer point 3 below)	1,400.00	490.00
<b>Other term loans</b>		
Current maturities of long term borrowings (Refer point A and B below)	1,424.50	520.76
<b>Unsecured</b>		
<b>Loans repayable on demand from bank</b>		
Working Capital Demand Loan (Refer point 4 below)	2,500.00	1,000.00
Packing Credit Limit (Refer point 4 below)	-	1,000.00
	<b>9,629.74</b>	<b>7,027.05</b>
<b>Total</b>	<b>12,231.04</b>	<b>8,210.60</b>

**(A) Borrowings include:**

**1. Term loan (non-current)**

**(a). Term loans from bank**

(i) Term loan from State Bank of India ('SBI') 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 & hypothecation of plant & machinery at Village Dorakahara Bhahkajan, Mouzamadartola, Kamrup, Assam,. Interest is charged in the range of 7.40% to 8.60%.

(ii) During the year ended March 31, 2022, term Loan from HDFC Bank Limited is secured by way of exclusive charge on Plant & Machinery situated at Karni Industrial Area, Bikaner. Interest is charged at floating rate (Interest rate ranges of 5.50% to 5.65%).

**(b). Vehicle loan**

Vehicle loan relate to vehicle purchased under financing arrangements with financial institution are secured by way of hypothecation of the vehicle. Interest is charged at 9.85% p.a.

**2. Cash credit**

Cash credit loan is obtained from SBI on which interest is charged at 7.40% p.a. (Previous year 7.40% p.a.). Cash credit from SBI is secured by hypothecation of stock of raw material, packing material and book debts which are repayable on demand.

**3. Short term loan against Fixed deposit & Bank Overdraft**

- Short term loan has been availed from SBI on which interest is charged at 4.1 % p.a. (Previous year: 5.90% p.a). It is secured by Fixed Deposit & the period of loan should not exceed the period of fixed deposit.

- Bank overdraft facility has been availed from HDFC Bank on which interest is charged at 4% p.a. (Previous year: Nil). It is secured by Fixed Deposit & the period of loan should not exceed the period of fixed deposit.

**4. Working Capital Demand Loan & Packing Credit Limit**

Working Capital Demand Loan and pre shipment or post shipment export limit are unsecured at 4.75% p.a, which are repayable on demand.

**5. Guarantees by Directors**

All term loans and cash credit loans from State Bank of India are further guaranteed of certain directors/ promoters of the Company.

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**(B) Terms of repayment**

**March 31, 2022**

Particulars	No. of instalments outstanding	Instalment amount	Repayment
Term loans from bank (refer point A(1)(a)(i) above)	25	42.00	Monthly
Term loans from bank (refer point A(1)(a)(i) above)	49	37.05	Monthly
Term loans from bank (refer point A(1)(a)(ii) above)	12	208.33	6 month moratorium & 12 Quarterly instalments
Short term loan against Fixed deposit & Bank Overdraft	1	1,415.55	Commensurate with maturity of underlying deposits under lien
Vehicle loan*	8	1.73	Monthly and INR 50 lakhs as single payment thereafter

**March 31, 2021**

Particulars	No. of instalments outstanding	Instalment 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.

**Note 21: Provisions**

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Non-current provisions</b>		
Provision for employee benefits		
-Gratuity	3.95	182.95
<b>Total</b>	<b>3.95</b>	<b>182.95</b>
<b>Current provisions</b>		
Provision for employee benefits		
-Gratuity	171.15	115.61
- Compensated absences	87.43	147.54
<b>Others</b>		
-Provision for sales tax liability *	15.00	15.00
<b>Total</b>	<b>273.58</b>	<b>278.15</b>
<b>Total</b>	<b>277.53</b>	<b>461.10</b>

**\*Movement of sales tax liability**

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening balance	15.00	15.00
Add: Provision created	-	-
<b>Closing balance</b>	<b>15.00</b>	<b>15.00</b>

Pertains to provision made towards sales tax on branded namkeen case against the Company. Refer note 37 (a) for details.

---Space intentionally left blank---

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
 (All amounts in INR lakhs, unless otherwise stated)

**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, 2022	As at March 31, 2021
Balance at April 01, 2021	2,931.95	3,315.29
Tax charge/ (benefit) during the year recognised in the Statement of Profit and Loss	141.61	(84.90)
Tax (benefit)/ charge recognised in other comprehensive income	200.97	(298.44)
<b>Balance at March 31, 2022</b>	<b>3,274.53</b>	<b>2,931.95</b>

**The movement in deferred tax assets and liabilities during the year ended March 31, 2022**

Particulars	April 1, 2021	Recognised (reversed) in Profit and loss account	Recognised in other comprehensive income	March 31, 2022
<b>Deferred tax (asset)/liability in relation to :</b>				
Property, plant and equipment	3,294.61	239.92	-	3,534.53
Items allowed on payment basis	(218.95)	(66.58)	-	(285.53)
Fair value adjustments of Investments	(64.78)	(42.16)	176.54	69.60
Retirement benefit obligations	(78.93)	10.43	24.43	(44.07)
<b>Net deferred tax liability</b>	<b>2,931.95</b>	<b>141.61</b>	<b>200.97</b>	<b>3,274.53</b>

Particulars	April 1, 2020	Recognised (reversed) in Profit and loss account	Recognised (reversed) in other comprehensive income	March 31, 2021
<b>Deferred tax (asset)/liability in relation to :</b>				
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)
Retirement benefit obligations	(129.60)	63.22	(12.55)	(78.93)
<b>Net deferred tax liability</b>	<b>3,315.29</b>	<b>(84.90)</b>	<b>(298.44)</b>	<b>2,931.95</b>

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>(a) Income tax expenses recognised in the statement of profit and loss</b>		
<b>Current tax</b>		
Current tax on profit for the year	2,757.29	3,097.54
<b>Total current tax expense (A)</b>	<b>2,757.29</b>	<b>3,097.54</b>
<b>Deferred tax</b>		
Deferred tax (asset)/ liability	141.61	(84.90)
<b>Total deferred tax credit (B)</b>	<b>141.61</b>	<b>(84.90)</b>
<b>Income tax expense reported in the statement of profit and loss (A) + (B)</b>	<b>2,898.90</b>	<b>3,012.64</b>
<b>(b) OCI Section - Income tax related to items recognised in OCI during the year:</b>		
Tax impact on Net (loss)/ gain on remeasurements of defined benefit plans	(200.97)	298.44
<b>Income tax expense (charged)/benefit recognised in OCI</b>	<b>(200.97)</b>	<b>298.44</b>
<b>(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:</b>		
Profit before tax	10,895.24	11,987.21
Income tax rate	25.17%	25.17%
<b>Amount of tax at Company's tax rate (A)</b>	<b>2,742.11</b>	<b>3,016.94</b>
<b>Adjustment</b>		
Charity and donation	37.17	61.90
CSR expenditure	190.44	183.25
Non-deductible tax expenses	395.36	(262.25)
<b>Total adjustment</b>	<b>622.97</b>	<b>(17.10)</b>
Income tax rate	25.17%	25.17%
<b>Tax impact of adjustment (B)</b>	<b>156.79</b>	<b>(4.30)</b>
<b>Income tax expense recognised in the statement of profit and loss (A)+(B)</b>	<b>2,898.90</b>	<b>3,012.64</b>

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 23: Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (refer footnote)	775.27	451.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,311.18	3,453.44
<b>Total</b>	<b>4,086.45</b>	<b>3,904.92</b>

Trade payables are non-interest bearing and are normally settled in 0 to 30 days terms.

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

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

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount remaining unpaid	775.27	451.48
- Interest accrued and remaining unpaid as at year end	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
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 accounting year; and	-	-
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	-	-

**As at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - total outstanding dues of micro and small enterprises		405.10	370.17	-	-	-	775.27
Undisputed dues - total outstanding dues of creditors other than micro and small enterprises	572.03	1,350.75	1,300.14	86.75	0.91	0.60	3,311.18
<b>Total trade payable</b>	<b>572.03</b>	<b>1,755.85</b>	<b>1,670.32</b>	<b>86.75</b>	<b>0.91</b>	<b>0.60</b>	<b>4,086.45</b>

**As at March 31, 2021**

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - total outstanding dues of micro enterprises and small enterprises		382.52	68.96	-	-	-	451.48
Undisputed dues - total outstanding dues of creditors other than micro and small enterprises	223.12	1,856.82	1,324.65	43.42	4.95	0.48	3,453.44
<b>Total trade payable</b>	<b>223.12</b>	<b>2,239.34</b>	<b>1,393.61</b>	<b>43.42</b>	<b>4.95</b>	<b>0.48</b>	<b>3,904.92</b>

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
**(All amounts in INR lakhs, unless otherwise stated)**

**Note 24: Other financial liabilities - current**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>(Unsecured unless otherwise stated)</b>		
Accrued employees liabilities	929.44	758.67
Book overdraft #	360.72	512.08
Creditors for capital goods	1,139.34	744.92
Trade deposits from customers	163.48	150.78
Interest payable on borrowings	31.47	10.81
<b>Total</b>	<b>2,624.45</b>	<b>2,177.26</b>

# This represent amounts of cheques issued in excess of balances in certain bank accounts, which were presented for payment by parties subsequent to the year end.

**Note 25: Current tax liabilities (net)**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Income tax provision (net of advance tax of INR Nil (Previous year: INR 2,097.58 lakhs)		999.95
	-	
	-	<b>999.95</b>

**Note 26: Other liabilities - current**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Statutory dues	720.60	459.25
Contract liabilities	689.68	518.94
Accounting for refund liabilities #	80.96	63.85
<b>Total</b>	<b>1,491.24</b>	<b>1,042.04</b>

# 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.

---Space intentionally left blank---

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 27: Revenue from operations**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
<b>Sale - food products</b>		
Finished goods	154,352.21	127,361.87
Traded goods	5,237.74	3,224.89
<b>Other operating revenue</b>		
Scrap sales	192.11	145.79
Government grants		
Export benefits*	88.18	113.11
<b>TOTAL</b>	<b>159,870.24</b>	<b>130,845.66</b>

\*Export benefits are government grants and include following:

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Merchandise Exports from India Scheme (MEIS)	-	104.21
Duty free import authorisation scheme (DFIA)	46.39	-
Remission of Duties and Taxes on Exported Products (RoDTEP)	41.79	8.90
<b>Total</b>	<b>88.18</b>	<b>113.11</b>

There are no unfulfilled conditions or contingencies attached to these benefits.

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

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Sale - food products	166,016.54	136,879.18
Adjustments for refund liabilities	(18.09)	(62.87)
Discount and rebates	(6,408.50)	(6,229.55)
<b>Revenue from contract with customers</b>	<b>159,589.95</b>	<b>130,586.76</b>

**The table below represents summary of contract assets and liabilities relating to contract with customers:**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Receivables (Refer note 13)	7,658.28	4,677.83
Contract liabilities (Refer note 26)	689.68	518.94

**Note 28: Other income**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
<b>Interest income on</b>		
Bank deposits	748.54	624.65
On loans & Investments	67.81	54.90
Others	8.98	15.10
<b>Other non operating income</b>		
Liabilities written back to the extent no longer required	142.23	371.59
Excess provision written back of slow moving inventory	10.43	-
Net Gain on financial assets at fair value through profit & loss (Refer note no. 7)	3.48	1.37
Gain on lease modification (refer note 39)	12.19	4.42
Gain on sale of property, plant and equipments	-	14.81
<b>TOTAL</b>	<b>993.66</b>	<b>1,086.84</b>

---Space intentionally left blank---

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
 (All amounts in INR lakhs, unless otherwise stated)

**Note 29: Cost of materials consumed**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
<b>Raw material</b>		
Inventory at the beginning of the year	1,962.25	1,293.17
Add: Purchases during the year	95,186.91	76,635.94
	<b>97,149.16</b>	<b>77,929.11</b>
Less: Inventory at the end of the year	2,278.74	1,962.25
<b>Cost of raw material consumed (A)</b>	<b>94,870.42</b>	<b>75,966.86</b>
<b>Packing material (Primary)</b>		
Inventory at the beginning of the year	2,564.00	1,704.34
Add: Purchases during the year	17,591.71	15,692.45
	<b>20,155.71</b>	<b>17,396.79</b>
Less: Inventory at the end of the year	2,627.73	2,564.00
<b>Cost of packing material consumed (B)</b>	<b>17,527.98</b>	<b>14,832.79</b>
<b>TOTAL (A)+(B)</b>	<b>112,398.40</b>	<b>90,799.65</b>

**Note 30: Changes in inventories of finished goods**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Inventory at the beginning of the year	872.98	536.28
Less: Inventory at the end of the year	1,762.94	872.98
<b>Changes in inventories of finished goods</b>	<b>(889.96)</b>	<b>(336.70)</b>

**Note 31: Employee benefits expense**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Salaries, wages and bonus & other allowance	7,367.41	6,099.43
Contribution to provident and other funds (Refer note 35(a))	501.65	359.28
Gratuity expense (Refer note 35(b))	188.52	233.97
Workmen and staff welfare expenses	205.88	221.74
Share based payment expense (refer note 48)	267.78	-
<b>TOTAL</b>	<b>8,531.24</b>	<b>6,914.42</b>

**Note 32: Depreciation, amortisation and impairment expenses**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipments (refer note 3)	3,360.03	3,085.37
Amortisation of intangible assets (refer note 6)	122.95	37.48
Amortisation of right-of-use assets (refer note 39)	257.33	56.66
Less : Amortisation of right-of-use assets capitalised during the year	(96.05)	-
Impairment of property, plant & equipment (refer note 45)	22.50	112.49
<b>TOTAL</b>	<b>3,666.76</b>	<b>3,292.00</b>

**Note 33: Finance costs**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Interest cost on		
- Borrowings (refer note 20)	612.85	276.81
Less: Interest on borrowing capitalised during the year	(63.24)	-
- Others on statutory dues	0.89	0.45
- lease liabilities (refer note 39)	128.79	14.96
Less: Interest on lease liabilities capitalised during the year	(73.10)	-
<b>TOTAL</b>	<b>606.19</b>	<b>292.22</b>

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 34: Other expenses**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Power and fuel	4,686.94	3,552.48
Job work charges	1,453.18	1,191.66
Store and spares consumed	492.15	567.87
Brokerage and commission	150.20	92.80
Laboratory expenses	45.22	26.98
<b>Repair and maintenance</b>		
Building	203.86	296.47
Plant and machinery	416.83	326.59
Others	63.80	54.59
Advertisement expenses	2,913.00	3,063.78
Sales promotion expenses	919.01	649.78
Freight and forwarding charges	6,048.40	3,827.96
Rent	65.28	52.77
Rates and taxes	195.73	199.01
Insurance expenses	121.20	99.90
Legal and professional charges	667.35	254.15
License/ membership and trade mark expenses	73.17	22.60
Payment to auditors [refer note 34 (a)]	44.00	38.00
Travelling & boarding/lodging expenses	618.57	345.99
Charity and donation	37.17	61.90
Corporate social responsibility expenses [refer note 34 (b)]	190.44	183.25
Loss on sales of property, plant and equipments	1.03	7.55
Bank charges	56.00	33.80
Sitting fees & commission to independent director	26.83	-
Bad debts/ advances written off	17.45	4.60
Provision for doubtful debts (refer note 13)	35.95	53.40
Security Deposit written off	20.00	-
Fair value adjustment on Investment (refer note 7)	261.98	115.23
Provision for slow moving inventory	-	112.96
Foreign exchange fluctuation loss (net)	6.86	-
Miscellaneous expenses	681.16	632.10
<b>TOTAL</b>	<b>20,512.76</b>	<b>15,868.17</b>

**Note 34 (a): Payment to auditors**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
<b>- As auditor</b>		
Statutory audit fees	35.00	30.00
Tax audit fees	2.00	2.00
<b>- In other capacity</b>		
Certification & other services ^	3.00	3.00
Reimbursement of expenses	4.00	3.00
<b>TOTAL</b>	<b>44.00</b>	<b>38.00</b>

^ Excludes IPO related expenses INR 118.30 lakhs (Previous year: Nil) disclosed in note 16.

----Space intentionally left blank----

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
**(All amounts in INR lakhs, unless otherwise stated)**

**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, 2022	Year ended March 31, 2021
CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII	175.26	147.30
Amount spent during the year on		
(i) Construction/ acquisition of an asset	-	-
(ii) On purpose other than (i) above	190.44	183.25
Shortfall at the end of the year	-	-
<b>Total</b>	<b>190.44</b>	<b>183.25</b>

Nature of CSR activities undertaken during the current year:	Year ended March 31, 2022 Amount (INR in lakhs)
Health Care & Medical Facilities	124.94
Environment Sustainability	20.00
Social Awareness	22.00
Educational & Support Facilities	23.50
<b>Total</b>	<b>190.44</b>

**Note 34 (C): Earnings per share**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax	7,996.34	8,974.57
Weighted average number of equity share in lakhs (at adjusted face value of INR 1 per share) (Refer footnote i)	2,474.33	2,431.33
Potential equity shares under ESOP scheme (Nos. in lakhs)	3.89	-
Weighted average number of dilutive equity shares	2,478.22	2,431.33
Basic earnings per share	3.23	3.69
Dilutive earnings per share	3.23	3.69
Face value per equity share (adjusted) (Refer footnote i)	1.00	1.00

Footnote i: The Company effected a ten-for-one stock split of the Equity share of the Company. The stock split was approved by the board of directors in meeting dated September 2, 2021 and by the shareholders in extraordinary general meeting on October 22, 2021. The face value and authorized shares of Equity shares were also adjusted as a result of the stock split. All earnings per share related amounts in the standalone financial statements and notes thereto have been retroactively adjusted for previous year 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 Company by the weighted average number of equity shares (adjusted) 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 (adjusted) 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.

---Space intentionally left blank---

**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, 2022	Year ended March 31, 2021
Included in contribution to provident and other funds (refer note 31)		
Employees' state insurance plan	130.73	101.34
Provident fund	370.92	257.94

**(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. For the year ended March 31, 2022 every employee who has completed a minimum of 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. For the year ended March 31, 2021 every employee except directors of the Company 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. 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	Year ended March 31, 2022	Year ended March 31, 2021
Service cost	166.42	199.43
Net interest cost	22.10	34.54
Past service cost*	(126.49)	(339.76)
<b>Total defined benefit cost included in the statement of profit and loss</b>	<b>62.03</b>	<b>(105.79)</b>
Classified as:		
Other income	126.49	339.76
Employee benefit expense	188.52	233.97

\*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	As at March 31, 2022	As at March 31, 2021
Current benefit obligation	171.15	115.61
Non-current benefit obligation	3.95	182.95
<b>Liability recognised in the balance sheet</b>	<b>175.10</b>	<b>298.56</b>

**(iii) Key financial assumptions used at the end of the year**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate	6.81%	6.82%
Salary escalation rate	10.00%	10.00%
Expected return on plan assets	6.81%	6.82%

**(iv) Actual return on plan asset**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on plan assets	33.08	21.42
Remeasurements on plan assets	(2.23)	(1.09)
<b>Actual return on plan assets</b>	<b>30.85</b>	<b>20.33</b>

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Amount recognised in OCI, beginning of the period	213.58	163.71
Remeasurements due to:		
Effect of change in financial assumptions	0.41	58.12
Effect of change in demographic assumptions	(25.35)	32.36
Effect of experience adjustments	(74.36)	(41.70)
Return on plan assets (excluding interest)	2.23	1.09
<b>Total remeasurements recognised in OCI</b>	<b>(97.07)</b>	<b>49.87</b>
<b>Amount recognised in OCI, end of the period</b>	<b>116.51</b>	<b>213.58</b>

**(vi) Change in defined benefit obligation during the year**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Defined benefit obligation, beginning of the year	783.66	823.99
Service cost	166.42	199.43
Interest cost	55.18	55.96
Actuarial (gain)/ losses	(99.30)	48.78
Benefits paid	(0.85)	(4.74)
Past service cost	(126.49)	(339.76)
<b>Defined benefit obligation, end of the year</b>	<b>778.62</b>	<b>783.66</b>

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Fair value of plan assets, beginning of the year	485.10	324.06
Interest income plan assets	33.08	21.42
Contribution	88.41	145.45
Actuarial losses	(2.23)	(1.09)
Benefits paid	(0.85)	(4.74)
Fair value of plan assets, end of the year	603.51	485.10

(viii) Reconciliation of Balance Sheet (net) amount

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance sheet liability, beginning of the year	298.56	499.93
Total charge recognised in profit and loss	62.03	(105.79)
Total remeasurements recognised in OCI	(97.07)	49.87
Contribution	(88.41)	(145.45)
Balance sheet liability, end of the year	175.11	298.56

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Insurer managed fund through approved trust	100.00%	100%

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.

(x) Demographic assumptions used to determine the defined benefit

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Withdrawal rate	25.00%	20.00%
Mortality rate	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate
Retirement age	60 Years	60 Years

(xi) Expected maturities of defined benefit obligation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Within 1 year	176.89	119.48
Between 1 and 2 year	137.59	112.63
Between 2 and 3 year	122.67	113.94
Between 3 and 4 year	107.22	108.24
Between 4 and 5 year	99.93	95.36
Beyond 5 years	295.02	330.88

(xii) Employers best estimate of contribution to defined benefit plan (gratuity) for next reporting period is INR 303.13 lakhs (previous year INR 484.97 lakhs)

(xiii) The weighted average duration of defined benefit obligation is 6.88 years (Previous year 10.13 years)

(xiv) Sensitivity analysis

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Defined benefit obligation (discount rate + 100 basis points)	(35.65)	(35.88)
Defined benefit obligation (discount rate - 100 basis points)	39.62	39.87
Defined benefit obligation (salary escalation rate + 100 basis points)	42.25	42.52
Defined benefit obligation (salary escalation rate - 100 basis points)	(38.50)	(38.74)

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:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.
- Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit.
- 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.

**Note 36: Related party disclosures**

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

Relationship	Name of related party
Subsidiary	Petunt Food Processors Private Limited (w.e.f February 3, 2021).
	Bikaji Foods (London) Limited (refer note 44) (till July 20, 2021)
Key managerial personnel (KMP)	Shiv Ratan Agarwal (Whole time director) (w.e.f. September 1, 2021) (Managing Director) (till August 31, 2021)
	Deepak Agarwal (Managing Director) (w.e.f. September 1, 2021) (Director) (till August 31, 2021)
	Sushila Devi Agarwal (Director) (till August 31, 2021)
	Shweta Agarwal (Director)
	Shambhu Dayal Gupta (Chief Financial Officer) ( till November 15, 2021) (General Manager-Corpoarte affairs and Finance) ( From November 16, 2021)
	Manoj Verma (Chief Operating Officer) (w.e.f. June 1, 2021)
	Rishabh Jain (Chief Financial Officer) (w.e.f. November 16, 2021) Divya Navani (Company Secretary)
Relatives of key managerial personnel	Pawan Kumar Saraf
	Shiv Ratan Agarwal HUF
	Deepak Kumar Agarwal HUF
	Manju Devi Saraf
	Ankit Khandelwal
	Priyanka Jain (w.e.f. November 16, 2021)
	Indra Devi Gupta
	Members of Thadiram Shiv Dayal HUF
Entities under control of Key Managerial Personnels (KMPs)	Basant Vihar Hotel Private Limited
Entities under significant influence of Key Managerial Personnels (KMPs)	Mastkin Foods Private Limited
Entities under control of relatives of Key Managerial Personnels (KMPs)	Hanuman Agro Food Private Limited
	Babaji Snacks Private Limited
	Haldiram Ethnic Foods Private Limited
	Haldi Ram Products Private Limited
	Haldiram Snacks Private Limited
Entities under significant influence of relatives of Key Managerial Personnels (KMPs)	S. M. Foods Engineering Private Limited
	Haldiram Foods International Private Limited
	Oam Industries India Private Limited

**(a) Key managerial personnel compensation**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Short-term employee benefits*	1,134.72	897.79
Share based payment	19.42	-
<b>Total compensation</b>	<b>1,154.14</b>	<b>897.79</b>

**(b) Key managerial personnel's payable**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Accrued employees liabilities	63.42	36.88
	<b>63.42</b>	<b>36.88</b>

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

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

(c) Transactions with related parties (Including GST if applicable)

The following transactions occurred with related parties:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b><u>Sale of Goods &amp; Services</u></b>		
<b>Subsidiary</b>		
Petunt Food Processors Private Limited	303.13	19.00
<b>Entities under control of KMPs</b>		
Mastkin Foods Private Limited	137.04	84.00
Basant Vihar Hotel Private Limited	6.55	-
<b>Entities under significant influence of KMPs</b>		
Hanuman Agro Food Private Limited	78.85	-
<b>Entities under control of relatives of KMPs</b>		
Babaji Snacks Private Limited	197.60	-
Haldi Ram Products Private Limited	41.47	-
Haldiram Snacks Private Limited	-	9.09
<b>Relatives of KMPs</b>		
Members of Thadiram Shiv Dayal HUF	2,154.41	1,547.97
<b><u>Sale of Property, Plant &amp; Equipment</u></b>		
<b>Subsidiary</b>		
Petunt Food Processors Private Limited	55.87	-
<b>Entities under control of relatives of KMPs</b>		
Haldiram Ethnic Foods Private Limited	29.53	-
<b>Entities under significant influence of relatives of KMPs</b>		
S. M. Foods Engineering Private Limited	25.99	-
<b><u>Purchase of Goods and Services</u></b>		
<b>Subsidiary</b>		
Petunt Food Processors Private Limited	1,158.25	-
<b>Entities under control of KMPs</b>		
Basant Vihar Hotel Private Limited	307.24	128.21
<b>Entities under control of relatives of KMPs</b>		
Haldiram Snacks Private Limited	352.86	468.45
<b>Entities under significant influence of relatives of KMPs</b>		
S. M. Foods Engineering Private Limited	107.45	3.26
Oam Industries India Private Limited	4.08	4.47
Haldiram Foods International Private Limited	1,619.15	1,188.32
<b><u>Loan given to Related Parties</u></b>		
<b>Entities under control of relatives of KMPs</b>		
Haldi Ram Products Private Limited	-	2,250.00
<b><u>Advances received back from Related Parties</u></b>		
<b>Entities under control of relatives of KMPs</b>		
Haldi Ram Products Private Limited	-	2,250.00
<b><u>Expenses incurred on behalf of related parties</u></b>		
<b>Entities under significant influence of KMPs:</b>		
Hanuman Agro Foods Private Limited	24.86	-
<b><u>Interest income on loan given to related parties</u></b>		
<b>Entities under control of relatives of KMPs</b>		
Haldi Ram Products Private Limited	-	30.90
<b><u>Investments</u></b>		
<b>Entities under significant influence of KMPs:</b>		
Hanuman Agro Foods Private Limited		
Investment in Compulsory Convertible Debentures (CCD)	4,355.31	3,103.00

----Space intentionally left blank----

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
 (All amounts in INR lakhs, unless otherwise stated)

**Subsidiary:**

**Petunt Food Processors Private Limited**

Investment in Optional Convertible Debentures (OCD) fair value through profit and loss of Petunt Food Processors Private Limited	-	1,707.10
Investment in Equity Shares (at cost) of Petunt Food Processors Private Limited	-	118.00

**Bikaji Foods (London) Limited**

Sale of Investment in equity instrument of Bikaji Foods (London) Limited	-	29.10
--	---	-------

**Advance against Investment in Compulsarily Convertible Debentures (CCD)**

**Entities under significant influence of KMPs:**

Hanuman Agro Foods Private Limited	200.00	-
------------------------------------	--------	---

**Compensation to Related Parties**

**Relatives of Key Managerial Personnel**

Pawan Kumar Saraf	6.00	6.00
Manju Devi Saraf	6.00	6.00
Ankit Khandelwal	6.73	5.12
Indra Devi Gupta	5.44	4.69

**Legal and professional**

**Relatives of Key Managerial Personnel**

Priyanka Jain	1.22	-
---------------	------	---

**Rent paid**

**Key Managerial Personnel**

Shiv Ratan Agarwal	9.36	9.36
Deepak Agarwal	7.20	7.20
Sushila Devi Agarwal	9.84	9.84

**Loan/Borrowings taken from Related Parties**

**Key Managerial Personnel**

Shiv Ratan Agarwal	150.00	-
Deepak Agarwal	265.00	-

**Loan repaid to Related Parties**

**Key Managerial Personnel**

Shiv Ratan Agarwal	150.00	-
Deepak Agarwal	265.00	-

**Employee advance given to Related Parties**

**Key Managerial Personnel**

Shambhu Dayal Gupta	8.00	-
---------------------	------	---

**Dividend Paid**

Shiv Ratan Agarwal	176.49	176.86
Sushila Devi Agarwal	7.25	7.25
Shiv Ratan Agarwal HUF	122.41	122.41
Deepak Agarwal	82.89	83.96
Deepak Kumar Agarwal (HUF)	0.03	0.03

**Reimbursement of expenses paid on behalf of Related Party**

Basant Vihar Hotel Private Limited	51.97	-
------------------------------------	-------	---

**Expenses paid on behalf of Company**

**Key Managerial Personnel**

Deepak Agarwal	-	3.80
----------------	---	------

**Reimbursement of expenses paid by Related Party on behalf of Company**

**Key Managerial Personnel**

Deepak Agarwal	-	3.80
----------------	---	------

----Space intentionally left blank----

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

(d) 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	As at March 31, 2022	As at March 31, 2021
<b>Accounts Payables:</b>		
<b>Subsidiary</b>		
Petunt Food Processors Private Limited	50.00	-
<b>Key Managerial Personnel</b>		
<b>Entities under control of KMPs</b>		
Basant Vihar Hotel Private Limited	56.51	14.99
<b>Entities under control of relatives of KMPs</b>		
Haldiram Snacks Private Limited	10.85	20.38
<b>Entities under significant influence of relatives of KMPs</b>		
Oam Industries India Private Limited	-	7.49
Haldiram Foods International Private Limited	48.57	70.19
<b>Investments:</b>		
<b>Entities under significant influence of KMPs:</b>		
<b>Hanuman Agro Foods Private Limited</b>		
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI of Hanuman Agro Foods Private Limited	291.31	291.31
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss of Hanuman Agro Foods Private Limited	9,723.31	5,368.00
<b>Subsidiary:</b>		
<b>Petunt Food Processors Private Limited</b>		
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss of Petunt Food Processors Private Limited	1,707.07	1,707.07
Equity shares having face value of INR 10 each fully paid-up in Petunt Foods Processors Private Limited	118.00	118.00
<b>Bikaji Foods (London) Limited</b>		
Investment in equity instrument of Bikaji Foods (London) Limited (at amortised cost and unquoted)	-	91.85

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**Advances to Vendors:**

**Subsidiary**

Petunt Food Processors Private Limited	29.32	-
<b>Entities under significant influence of relatives of KMPs</b>		
S. M. Foods Engineering Private Limited	46.10	60.62

Amounts recoverable for expenses incurred on behalf of related parties

**Entities under significant influence of KMPs**

Hanuman Agro Foods Private Limited	24.86	-
------------------------------------	-------	---

**Accounts Receivables:**

**Subsidiary**

Petunt Food Processors Private Limited	378.00	19.00
--	--------	-------

**Relatives of KMPs**

Members of Thadiram Shiv Dayal HUF	29.03	25.82
------------------------------------	-------	-------

**Entities under control of KMPs**

Mastkin Foods Private Limited	27.65	30.10
-------------------------------	-------	-------

**Entities under significant influence of KMPs**

Hanuman Agro Foods Private Limited	78.85	-
------------------------------------	-------	---

**Entities under control of relatives of KMPs**

Haldi Ram Products Private Limited	41.46	0.02
Haldiram Snacks Private Limited	1.02	1.02
Babaji Snacks Private Limited	-	-
Haldiram Ethnic Foods Private Limited	29.53	-

**Entities under significant influence of relatives KMPs**

S. M. Foods Engineering Private Limited	25.99	-
---	-------	---

**Advance Recoverable**

**Entities under significant influence of KMPs**

Hanuman Agro Foods Private Limited	200.00	-
------------------------------------	--------	---

**Advances to employees:**

**Key Managerial Personnel**

Shambhu Dayal Gupta	8.00	-
---------------------	------	---

**Notes**

(a) Outstanding balances at the year end are unsecured and all balances except investment in Optional Convertible Debentures are interest free. During all the reporting period, 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).

(d) All transactions with these related parties are at arm's length basis and are in ordinary course of business. (All the amounts of transactions and balances disclosed in this note are gross and undiscounted)

(e) The Company has provided financial support guarantee to its subsidiary (namely Petunt Food Processors Private Limited) to meet its current obligation as and when required to continue the operation of such subsidiary company as going concern.

----Space intentionally left blank----

Note 37: Contingent liabilities and commitments

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(A) Contingent liabilities</b>		
Sales tax (refer note a)	115.63	115.63
Stamp duty charges (refer note b)	58.58	54.23
Other legal matters (refer note c)	63.35	17.20
<b>(B) Commitment</b>		
<b>(i) Capital commitment</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,106.43	2,890.97
<b>(i) Other commitment</b>		
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	479.01	244.56

(a) (i) 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, The 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 81.34 lakhs (including interest liability of INR 30 lakhs) during the year ended March 31, 2021. 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. Accordingly, the said cases are closed except financial year 2006-07. Based on the management assessment, there is a possibility that the case may be decided in favour of the Company.

(a) (ii) The 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. The 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 ended March 31, 2021, the Company has received the protest amount of INR 22.00 lakhs deposited against this case. 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. 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) During the year 2021-22, The Company has given a corporate guarantee amounting to INR 1,900 lakhs (Previous year INR Nil) in favour of HDFC Bank limited "lender" on behalf of Vindhyawasini Sales Private Limited towards term loan given by lender for purchasing the tangible assets. The Company is in process of revocation of said Corporate guarantee in the near future subject to fulfillment of terms & conditions of lender.

(b) The Company has been sanctioned Production Linked Incentive ("the Scheme") amounting to INR 26,138.9 lakhs during the financial year 2021-22 by Ministry of Food Processing Industries (MOFPI) vide approval letter dated December 3, 2021. Under the scheme, the Company is to make investment of INR 43,873.84 lakhs in eligible capital assets upto March 31, 2023 directly and through Contract Manufacturing units & Subsidiaries and balance of INR 1,297 lakhs to be incurred in branding and marketing expenditure. Recently a guideline No.11-18/3/2021-PLIS Division has been issued by MOFPI which provides the extension in timelines upto March 31, 2024 but it has been communicated that the time extension will be available to those companies which make 80% of total capital investment upto March 31, 2023. Therefore, the Company is committed to make such capital expenditure in the due course of time.

----Space intentionally left blank----

**Bikaji Foods International Limited**

**Notes to Standalone Financial Statements for the year ended March 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**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	Year ended	Year ended
	March 31, 2022	March 31, 2021
India	153,464.85	124,199.96
Outside India	6,405.39	6,645.70
<b>TOTAL</b>	<b>159,870.24</b>	<b>130,845.66</b>

**b. Segment revenue with major customers**

The Company has two customer during the year ended March 31, 2022 accounting for more than 10% of its revenue from operations. During the year 25.04% (Previous year 21.78%) of the Company's revenue from operation was generated from these customers.

**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 10 years except for land where lease period is upto 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	Year ended	Year ended
	March 31, 2022	March 31, 2021
Balance as at April 01, 2021	918.48	968.19
Addition	2,039.74	29.50
Deletion	(63.44)	(22.55)
Amortisation for the year	(257.33)	(56.66)
<b>Balance as at March 31, 2022</b>	<b>2,637.45</b>	<b>918.48</b>

**(ii) Lease liabilities**

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

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Balance as at April 01, 2021	128.09	164.77
Addition	1,901.86	29.50
Deletion	(63.44)	(22.55)
Accretion of interest	128.79	14.96
Payments	(231.53)	(54.17)
Gain on lease modification (refer note 28)	(12.19)	(4.42)
<b>Balance as at March 31, 2022</b>	<b>1,851.58</b>	<b>128.09</b>

**Classification of lease liabilities**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Current	264.83	45.37
Non-current	1,586.75	82.72
<b>Total</b>	<b>1,851.58</b>	<b>128.09</b>

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

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Interest expense on lease liabilities	128.79	14.96
Depreciation expense for right-of-use assets	257.33	56.66
Expense relating to short term leases	65.28	52.77
Less: capitalised during the year	-	-
Interest on lease liabilities capitalised during the year	(73.10)	-
Amortisation of right-of-use assets capitalised during the period	(96.05)	-
<b>Total</b>	<b>282.25</b>	<b>124.39</b>

**Below are the amounts recognised by the Company in statement of Standalone Statement of Cash Flow:**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Total cash outflow for leases	231.53	54.17

**Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Not later than 1 year	317.56	45.37
Later than 1 year but not later than 5 years	1,221.06	82.72
More than 5 years	797.37	-

**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.

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 40: Fair values**

The management of the Company 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 than twelve months from reporting date, fair value and carrying values 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, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Financial assets carried at amortised cost</b>				
Security deposits	343.88	317.52	343.88	317.52
Loans	1,512.49	122.20	1,512.49	122.20
Trade receivables	7,658.28	4,677.83	7,658.28	4,677.83
Cash and cash equivalents	154.47	163.79	154.47	163.79
Fixed deposit and margin money	17,554.55	10,911.98	17,554.55	10,911.98
Other financial assets	1,588.17	511.77	1,588.17	511.77
<b>Financial assets measured at fair value</b>				
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	1,163.20	461.34	1,163.20	461.34
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through profit and loss (FVTPL)	739.40	16.40	739.40	16.40
Investment in Subsidiaries in optionally convertible debentures	1,481.68	1,389.84	1,481.68	1,389.84
Investment In Mutual-Fund fair value through profit and loss (FVTPL)	104.86	101.37	104.86	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)	9,139.92	5,114.00	9,139.92	5,114.00
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss (FVTPL) (fully paid up)	1,482.17	450.00	1,482.17	450.00
Convertible note	-	730.00	-	730.00
<b>Total of financial assets</b>	<b>42,928.07</b>	<b>24,973.04</b>	<b>42,928.07</b>	<b>24,973.04</b>
<b>Financial liabilities carried at amortised cost</b>				
Borrowings				
- Short term	9,661.21	7,037.86	9,661.21	7,037.86
- Long term	2,601.30	1,183.55	2,601.30	1,183.55
Lease liabilities	1,851.58	128.09	1,851.58	128.09
Trade payables	4,086.45	3,904.92	4,086.45	3,904.92
Trade deposits from customers	163.48	150.78	163.48	150.78
Other current financial liabilities	2,429.50	2,015.67	2,429.50	2,015.67
<b>Total financial liabilities</b>	<b>20,793.52</b>	<b>14,420.87</b>	<b>20,793.52</b>	<b>14,420.87</b>

**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, 2022:**

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
<b>Financial assets carried at amortised cost</b>			
Security deposits	-	-	343.88
Loans	-	-	1,512.49
Trade receivables	-	-	7,658.28
Cash and cash equivalents	-	-	154.47
Fixed deposit and margin money	-	-	17,554.55
Other financial assets	-	-	1,588.17
<b>Financial assets measured at fair value</b>			
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	-	-	1,163.20
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through profit and loss (FVTPL)	-	-	739.40
Investment in Subsidiaries in optionally convertible debentures	-	-	1,481.68
Investment In Mutual-Fund fair value through profit and loss (FVTPL)	104.86	-	-
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)	-	-	9,139.92
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss (FVTPL) (fully paid up)	-	-	1,482.17
Convertible note	-	-	-
<b>Total of financial assets</b>	<b>104.86</b>	<b>-</b>	<b>42,823.21</b>

Bikaji Foods International Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
<b>Financial liabilities carried at amortised cost</b>			
Borrowings			
- Short term	-	-	9,661.21
- Long term	-	-	2,601.30
Lease liabilities	-	-	1,851.58
Trade payables	-	-	4,086.45
Trade deposits from customers	-	-	163.48
Other current financial liabilities	-	-	2,429.50
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>20,793.52</b>

**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
<b>Financial assets carried at amortised cost</b>			
Security deposits	-	-	317.52
Loans	-	-	122.20
Trade receivables	-	-	4,677.83
Cash and cash equivalents	-	-	163.79
Fixed deposit and margin money	-	-	10,911.98
Other financial assets	-	-	511.77
<b>Financial assets measured at fair value</b>			
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	-	-	461.34
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through profit and loss (FVTPL)	-	-	16.40
Investment in Subsidiaries in optionally convertible debentures	-	-	1,389.84
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)	-	-	450.00
Convertible note	-	-	730.00
<b>Total of financial assets</b>	<b>101.37</b>	<b>-</b>	<b>24,871.67</b>

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
<b>Financial liabilities carried at amortised cost</b>			
Borrowings			
- Short term	-	-	7,037.86
- Long term	-	-	1,183.55
Lease liabilities	-	-	128.09
Trade payables	-	-	3,904.92
Trade deposits from customers	-	-	150.78
Other current financial liabilities	-	-	2,015.67
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>14,420.87</b>

**Assets for which fair values are disclosed as at March 31, 2022 (refer note 5):**

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Investment properties	-	-	2,214.70
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,214.70</b>

**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	-	-	2,130.60
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,130.60</b>

**Quantitative disclosures of fair value measurement hierarchy as at March 31, 2022 and March 31, 2021**

The Company has CCPS, mutual funds, unquoted equity shares, CCD, OCD and convertible notes fair valued at year ends. Mutual funds are valued using the closing NAV as per market rates 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 standalone financial statements and accordingly disclosed their cost as fair value.

There have been no transfers between level 1, level2 and level3 for the years ended March 31, 2022 and March 31, 2021.

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

	Year ended March 31,2022	Year ended March 31,2021
<b>Gain included in 'other income'</b>		
Change in fair value (realised)		
Change in fair value (unrealised)	3.48	1.37
	<b>3.48</b>	<b>1.37</b>
<b>Loss included in 'other expenses'</b>		
Change in fair value (realised)		
Change in fair value (unrealised)	261.98	115.23
	<b>261.98</b>	<b>115.23</b>
<b>Gain included in 'other comprehensive income'</b>		
Change in fair value (realised)		
Change in fair value (unrealised)	701.46	-
	<b>701.46</b>	<b>-</b>
<b>Loss included in 'other comprehensive income'</b>		
Change in fair value (realised)		
Change in fair value (unrealised)	-	1,135.93
	<b>-</b>	<b>1,135.93</b>
<b>Total fair valuation gain/ (loss)</b>	<b>442.96</b>	<b>(1,249.79)</b>

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 5 years. The expected net cash flows are discounted using a risk adjusted discount rate. Terminal value (earnings post 6th 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: 8.50% (previous year 8.50%)	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 0.75 years (Previous year 0.58 years) . The expected net cash flows are discounted using a risk adjusted discount rate.	-Risk adjusted market interest rate: 8.50% (previous year 8.50%)	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: 8.50% (previous year 8.50%)	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, 2022:

	Increase %	Decrease %	Increase amount	Decrease amount
Free cash flows	+1%	-1%	47.20	(48.90)
Volatility of stock	+2%	-2%	11.70	(11.90)
Value of leased land	+1%	-1%	40.78	(40.78)
Discount rate used for CCD (also included in valuation of CCPS)	+1%	-1%	37.87	(37.87)

Sensitivity to fair value as at March 31, 2021:

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

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 42: Financial risk management**

The Company's principal financial liabilities comprise borrowings, lease liabilities, trade payables, trade deposits from customers and other 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 cash 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, such as equity price risk and commodity 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 is exposed 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, 2022	March 31, 2021
<b>Financial assets</b>		
Trade receivables		
- USD	13.48	8.54
<b>Total</b>	<b>13.48</b>	<b>8.54</b>

**Foreign currency risk exposure:**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Financial liabilities</b>		
- USD	0.43	-
<b>Total</b>	<b>0.43</b>	<b>-</b>

**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	
		Year ended	Year ended
		March 31, 2022	March 31, 2021
Trade Receivables (INR)	2.00	20.44	12.54
	2.00	(20.44)	(12.54)
Trade Payables (INR)	2.00	0.65	-
	2.00	(0.65)	-

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

**Interest rate exposure**

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

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Variable rate borrowings	12,171.81	8,137.30
Fixed rate borrowings	59.24	73.30
<b>Total borrowings</b>	<b>12,231.05</b>	<b>8,210.60</b>

**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	Year ended	Year ended
	March 31, 2022	March 31, 2021
Interest rates increase by 0.5%	60.86	40.69
Interest rates decrease by 0.5%	(60.86)	(40.69)

**Bikaji Foods International Limited**  
**Notes to Standalone Financial Statements for the year ended March 31, 2022**  
 (All amounts in INR lakhs, unless otherwise stated)

**(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, loans and other 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	Year ended	Year ended
	March 31, 2022	March 31, 2021
Opening balance	102.72	49.32
Add: Additions	35.95	53.40
<b>Closing balance</b>	<b>138.67</b>	<b>102.72</b>

**(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.

**(a) Maturities of financial liabilities**

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

Particulars	As at March 31, 2022			
	Less than 1 year	1-5 years	More than 5 year	Total
<b>Non-derivative:</b>				
Borrowings including interest accrued	9,661.21	2,601.30	-	12,262.51
Lease liabilities	317.56	1,221.06	797.37	2,335.99
Trade payables	4,086.45	-	-	4,086.45
Trade deposits from customers	163.48	-	-	163.48
Other current financial liabilities	2,429.50	-	-	2,429.50
<b>Total</b>	<b>16,658.20</b>	<b>3,822.36</b>	<b>797.37</b>	<b>21,277.93</b>

Particulars	As at March 31, 2021			
	Less than 1 year	1-5 years	More than 5 year	Total
<b>Non-derivative:</b>				
Borrowings including interest accrued	7,037.86	1,183.55	-	8,221.41
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	2,015.67	-	-	2,015.67
<b>Total non-derivative financial liabilities</b>	<b>13,154.60</b>	<b>1,266.27</b>	<b>-</b>	<b>14,420.87</b>

---Space intentionally left blank---

**Bikaji Foods International Limited****Notes to Standalone Financial Statements for the year ended March 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**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	As at	As at
	March 31, 2022	March 31, 2021
Equity	2,495.10	2,431.33
Other Equity	79,769.56	57,997.36
<b>Total equity (i)</b>	<b>82,264.66</b>	<b>60,428.69</b>
Total borrowings	12,231.05	8,210.60
Less: Cash and bank balances (including deposits with banks)	18,237.94	11,496.04
<b>Total debt (ii)</b>	<b>(6,006.89)</b>	<b>(3,285.44)</b>
<b>Overall financing (iii)= (i)+(ii)</b>	<b>76,257.77</b>	<b>57,143.25</b>
<b>Gearing ratio (ii)/(iii)</b>	<b>-7.88%</b>	<b>-5.75%</b>

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.

**(b) Dividend distribution**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Dividend paid INR 2 per share (Previous year: INR 2 per share) before stock split from INR 10 each to INR 1 each	499.90	486.27

The dividend declared by the Company is based on profits available for distribution as reported in the standalone financial statements of the Company. On September 03, 2022 the Board of Directors of the Company has proposed a dividend of face value of INR 0.10 per share of INR 1 each in respect of the year ended March 31, 2022 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of approximately INR 249.51 lakhs.

**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). During the year ended March 31, 2022, closure proceeding of the subsidiary was initiated by the Management and accordingly name of the Company was been applied for striking off with relevant authorities 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. Various solar plant owner has jointly 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 22.50 lakhs (previous year 112.49 lakhs) in the net carrying value of such asset during the year and management believes that the recoverable value of such asset exceed the net carrying value as on reporting date, therefore, no further impairment is required in the books of account.

**Note: 46 Impact of Covid-19**

The World Health Organization 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 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, 2022 and has concluded that there are no adjustments have been made to the Standalone Financial Statements. Given the uncertainties associated with nature, condition and duration of COVID-19, the Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

**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 year in which, the Code becomes effective and the related rules to determine the financial impact are published.

**Note 48: Employee Stock Options Plan (ESOP)**

The Shareholders of the company vide its special resolution dated October 22, 2021 in extraordinary general meeting (EGM) approved Bikaji ESOP-I 2021 & Bikaji ESOP-II 2021 ("The Plan") for granting the plan in form of equity shares of maximum 50 lakhs stock options and linked to the completion of a minimum period of continued employment to the eligible employees of the Company, which is being monitored and supervised by the nomination and remuneration committee of the Board of Directors from time to time subject to the term & conditions specified in the plan & employee stock option agreement/grant letter. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The stock option granted vest over a period of 1 year/ 2 years, as the case may be, from the date of grant in proportions specified in the respective ESOP Plans & such stock options may be exercised by the employee after vesting period within 7 years from the date of Vest.

Information in respect to employee stock option granted upto March 2022 under the plan are as follows:-

Year	Date of grant	Numbers of options	Vesting year	Exercise year	Exercise price INR per share
2021-22	January 7, 2022	563,667	One year from the date of grant	7 years from the date of vesting	165
2021-22	January 7, 2022	281,833	Two years from the date of grant	7 years from the date of vesting	165
2021-22	January 7, 2022	205,050	One year from the date of grant	7 years from the date of vesting	1

**(i) Movement in employee stock option during the year :**

Particulars	BIKAJI ESOP-I 2021		BIKAJI-ESOP-II 2021	
	Number of options	Weighted average exercise price INR	Number of options	Weighted average exercise price INR
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	845,500	165	205,050	1
Forfeited / lapsed during the year	10,500	165	24,100	1
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	835,000	165	180,950	1
Exercisable option at the end of the year	-	-	-	-

**(ii) Fair value on grant date :**

The fair value at grant date is determined using the Black- Scholes valuation method which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the average dividend yield and the risk free interest rate for the term of the option. The significant assumptions used to ascertain fair value of each option in accordance with Black scholes model.

Particular	Year ended March 31, 2022	
	BIKAJI ESOP-I 2021	BIKAJI-ESOP-II 2021
Weighted average fair value of the options at the grant dates (INR)	115.65	210.38
Dividend yield (%)	0.91	0.91
Risk free interest rate (%)	5.78 - 6.08	5.78
Expected life of share options (years)	4.51 - 5.51	4.51
Expected volatility (%)	45.81 - 46.57	45.81
Weighted average share price (INR)	220.04	220.04
Weighted average remaining contractual life (days)	2473 to 2838	2473
Exercise price	165.00	1.00

The Risk free interest rate being considered for the calculation is the interest rate applicable for the maturity equal to expected life of the stock option based on the zero coupon yield curve for the clearing corporation of India limited. The dividend yield for the year ended is derived by dividing the dividend for the year ended with the current market price.

(iii) During the year ended March 31, 2022, the Company recorded an employee stock compensation expense of INR 267.78 lakhs ( previous year INR Nil) in the Statement of Profit and Loss and the balance in share options outstanding account as at March 31, 2022 is INR 267.78 lakhs (previous year INR Nil).

49 Ratio Analysis and its elements

Ratio	Formula	Particulars		March 31, 2022		March 31, 2021		Ratio as on	Ratio as on	Variation	Reason (if variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	March 31, 2022	March 31, 2021		
Current Ratio	Current Assets / Current Liabilities	Current Assets = Inventories + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Loans + Bank balances other than cash and cash equivalents + Other financial assets	Current Liability = Short term borrowings + Lease liabilities + Trade Payables + Other financial Liability + Provisions + Other Current Liability	33,958.48	18,370.29	23,281.38	15,474.74	1.85	1.50	22.87%	Not applicable
Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing + Short-term borrowings	Equity= Share capital + Other equity	12,231.04	82,264.66	8,210.60	60,428.69	0.15	0.14	9.43%	Not applicable
Debt Service Coverage Ratio	Earnings available for debt service / Debt Service	Net Operating Income = Net profit after taxes + Non-cash operating expenses + Interest	Debt Service = Interest & Lease Payments + Principal Repayments	12,874.71	1,495.41	12,912.89	1,680.11	8.61	7.69	12.02%	Not applicable
Return on Equity Ratio	Total comprehensive (loss) / Average Shareholder's Equity	Total comprehensive (loss) = Net Profits after taxes + Other Comprehensive (loss)	Average Shareholder's Equity	8,593.90	71,346.67	8,087.21	56,628.18	0.12	0.14	-15.66%	Not applicable
Inventory Turnover Ratio	Net Sales / Average Inventory	Net Sales = Revenue from contract with customers	(Opening Inventory + Closing Inventory) / 2	159,589.95	6,298.32	130,586.76	4,634.25	25.34	28.18	-10.08%	Not applicable
Trade Receivables Turnover Ratio	Net Sales / Average Trade Receivables	Net Sales = Revenue from contract with customers	(Opening Trade Receivables + Closing Trade Receivables) / 2	159,589.95	6,168.06	130,586.76	4,424.55	25.87	29.51	-12.33%	Not applicable
Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	Average Trade Payable for goods = (Opening Trade Payables+ Closing Trade Payables) / 2	117,921.89	3,995.69	95,443.92	2,667.45	29.51	35.78	-17.52%	Not applicable
Net Capital Turnover Ratio	Net Sales / Average Working Capital	Net Sales = Revenue from contract with customers	Average Working Capital = ((Opening Current assets - Opening Current liabilities) + (Closing Current assets - Closing Current liabilities))/2	159,589.95	11,697.42	130,586.76	9,405.20	13.64	13.88	-1.74%	Not applicable
Net Profit Ratio	Net Profit / Net Sales	Net Profit = Total Comprehensive Income/(loss)	Net Sales = Revenue from contract with customers	8,593.90	159,589.95	8,087.21	130,586.76	5.38%	6.19%	-13.05%	Not applicable
Return on Capital Employed	EBIT / Capital Employed	EBIT = Earnings (Total Comprehensive (loss) before interest and taxes)	Capital Employed = Tangible Net worth + Total debt	12,299.96	97,655.28	11,093.63	70,280.98	12.60%	15.78%	-20.21%	Not applicable
Return on Investment	Income/(Loss) generated from investment/Time weighted average investment	Income/(Loss) generated from investment	Time weighted average investment	442.96	12,340.88	-1,249.79	4,151.43	3.59%	-30.11%	-111.92%	variation on account of notional gain/loss arised due to fair valuation of investments as per the requirement of Ind AS 109 "Financial Instruments"

**Bikaji Foods International Limited****Notes on Standalone Financial Statements for the year ended March 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**Note 50 : Initial Public Offering (IPO)**

The Company is under the process of getting its securities listed on the Stock Exchange. As part of the proposed offering, The Company filed its Draft Red Herring Prospectus ("DRHP") in connection with the filing of an Offer Document for proposed issue of the equity shares (the "Equity Shares") by Bikaji Foods International Limited (the "Company") with the Securities and Exchange Board of India ("SEBI") and the Registrar of Companies, Jaipur on February 22, 2022. Further, the Company is in the process of filing Red Herring Prospectus ("RHP") in the financial year 2022-23 and believes that the company will be listed on NSE & BSE in financial year 2022-23.

**Note 51 : Others**

- a).The Company has not traded or invested in Crypto currency or Virtual Currency for the financial year 2021-22.
- b).The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act,
- c).The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 during the year 2021-22.
- d).The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- e).The Company does have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year.
- f).The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- g).The Company has not been declared Wilful Defaulter (as defined by RBI circular) by any bank or financial institution or other lenders.
- h).The company has not revalued its Property plant & equipment during the year 2021-22.
- i). The Company has used the borrowings from Banks for the specific purpose for which it was taken at the balance sheet date.

**Note 52 : Material development subsequent to the Balance Sheet date**

The Board of directors of the Company is approved the investment in Vindhyawasini Sales Private Limited vide resolution dated September 2, 2021. The Company has acquired all equity shares of Vindhyawasini Sales Private Limited from its existing shareholders on April 1, 2022 by obtaining Form SH-4 for transferring the equity shares in the name of the Company. Further Board of directors of the Company has passed the resolution dated June 7, 2022 & approved the share transfer w.e.f. April 1, 2022.

**Note 53**

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

**Note 54**

The Company avails the short term credit facility from bank on the basis of security of Inventory & book debts & filed its quarterly return/statement with the banks for the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 & March 31, 2022 & the same are in agreement with books of accounts other than those below:

Further the Company has submitted the revised quarterly statement/return with the banks for the aforesaid quarters subsequent to March 31, 2022 & the same are in agreement with books of accounts.

Quarter	Name of Bank	Particulars of Security Provided	Amount as reported in the quarterly return/ statement (INR in lakhs)	Amount as per Books of Account (INR in lakhs)	Difference (INR in lakhs)	Reason for material discrepancies
Quarter I	State Bank of India	Inventory	5,242.71	5,576.28	(333.58)	Difference is pertaining majority on account of opening Goods-in transit as on March 31, 2021 and the same has not been updated in the books of account as at June 30, 2021 appropriately.

**Bikaji Foods International Limited**  
**Notes on Standalone Financial Statements for the year ended March 31, 2022**  
**(All amounts in INR lakhs, unless otherwise stated)**

		Debtors	5,866.06	5,904.26	(38.19)	> Forex Adjustments were not considered while submitting statements to Banks & some entries are posted after the customer wise Statements are filed with banks.
Quarter II	State Bank of India	Inventory	6,981.68	7,196.47	(214.79)	Difference is pertaining majorly on account of opening Goods-in transit as on March 31, 2021 and the same has not been updated in the books of account as at September 30, 2021 appropriately.
		Debtors	10,805.40	9,564.06	1,241.34	Major Differences on account of following reasons: - 1. Amount received through cheque from customers and not deposited into banks and kept as cheques in hand 2. Balance pertaining to branch office has been considered twice inadvertently in stock statements as at Sep 30, 2021 submitted by the Company. 3. Adjustment of debit and credit notes issued by the Company subsequent to September 30, 2021 and not considered by the Company at the time of submission of statements to bank as on September 30, 2021 4. Balance pertaining to advances to vendors inadvertently added in debtor balances while submitting statement to banks as on September 30, 2021
Quarter III	State Bank of India	Inventory	5,484.55	5,642.98	(158.43)	Difference is pertaining majorly on account of inventories at some of the locations (Kolkata, Bangalore and Guwahati) were erroneously not included in the stock statement with the banks as on December 31, 2021
Quarter IV	State Bank of India & HDFC Bank limited	Debtors	8,897.08	8,549.09	348.00	Major Differences on account of following reasons: - 1. Balance pertaining to inter corporate deposits inadvertently added in debtor balances while submitting statement to banks as on March 31, 2022 2. Adjustment of debit and credit notes issued by the Company subsequent to March 31, 2022 and not considered by the Company at the time of submission of statements to bank as on March 31, 2022.

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

For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.: 105047W

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

**Manish Surana**  
Partner  
Membership No.: 077597  
Place: Bikaner  
Date: September 03, 2022

**Amit Mitra**  
Partner  
Membership No.: 094518  
Place: Gurugram  
Date: September 03, 2022

**Shiv Ratan Agarwal**  
Chairman  
DIN: 00192929  
Place: Bikaner  
Date: September 03, 2022

**Deepak Agarwal**  
Managing Director  
DIN: 00192890  
Place: Bikaner  
Date: September 03, 2022

**Rishabh Jain**  
Chief Financial Officer  
PAN: AEAPJ1574L  
Place: Bikaner  
Date: September 03, 2022

**Divya Navani**  
Company Secretary  
Membership No.: 026014  
Place: Bikaner  
Date: September 03, 2022

**M Surana & Company**  
Chartered Accountants  
13-14, Surana Building  
Rani Bazar, Industrial Area  
Bikaner, Rajasthan 334001

**M S K A & Associates**  
Chartered Accountants  
The Palm Springs Plaza  
Office No. 1501-B, 15th floor  
Sector-54, Golf Course Road  
Gurugram, Haryana 122001

## **INDEPENDENT AUDITORS' 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 Subsidiary Company (Holding Company and its Subsidiary Company together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, 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 Subsidiary Company, 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, 2022, of consolidated profit, consolidated changes in equity and 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 Auditors' 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.

### **Material Uncertainty Related to Going Concern**

We draw attention Note 52 to the Consolidated Financial Statements wherein it is stated that the Subsidiary Company, Petunt Food Processors Private Limited, has net working capital deficit of INR 358.54 Lakhs as of March 2022. The said condition indicates the existence of a material uncertainty about the Subsidiary Company's ability to continue as a going concern. However, the Holding Company has confirmed to provide financial and operational support for at least next 12 months from the date of Balance Sheet. In view of the above, the financial statements of the Subsidiary Company have been prepared on going concern basis.

Our opinion is not modified in respect of this matter.

### **Information Other than the Consolidated Financial Statements and Auditors' 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 auditors' 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 judgments 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.

### **Auditors' 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 auditors' 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 Auditors’ responsibilities for Audit of the Consolidated Financial Statements.

#### **Other Matters**

1. We did not audit the financial statements of Subsidiary Company, Petunt Food Processors Private Limited, whose financial statements reflect total assets of INR 4,485.41 Lakhs as at March 31, 2022, total revenues of INR 2,282.67 Lakhs and net cash inflows amounting to INR 83.89 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements is audited by other auditor “Vishal Chaturvedi & Co.” 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 such Subsidiary Company 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 Company, is based solely on the reports of the other auditor.
2. One of the Subsidiary Company, Bikaji Foods (London) Limited, was dissolved on July 20, 2021, therefore did not require consolidation.

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 auditors.

#### **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 Flows 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 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, 2022 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 are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 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”.

- g. With respect to the other matters to be included in the Auditors' 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:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note 37 to the Consolidated Financial Statements.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - 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 Company.
  - iv.
    - a. The respective Managements of the Holding Company and its Subsidiary Company have represented to us that, to the best of their knowledge and belief as stated in Note no. 53(i), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or the Subsidiary Company to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or the Subsidiary Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b. The respective Managements of the Holding Company and its Subsidiary Company have represented to us that, to the best of their knowledge and belief as stated in Note no. 53(ii), no funds have been received by the Holding Company or the Subsidiary Company from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or the Subsidiary Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management of the Holding Company in this regard, nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.
  - v. On the basis of our verification and on consideration of the reports of the statutory auditors of Subsidiary Company that are Indian companies under the Act, interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013. Further, the subsidiary company has neither declared nor paid any dividend during the year.

2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information and explanations given to us, the remuneration paid by the Holding Company and its Subsidiary Company is within the limits prescribed under Section 197 of the Act and the rules thereunder.
3. According to the information and explanations given to us, the details of unfavorable/adverse remarks made by the respective auditors of the Subsidiary Company in the Companies (Auditor's Report) Order (CARO) Reports of the companies included in the Consolidated Financial Statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Holding /Subsidiary Company/ Associate)	Clause number of the CARO Report
1.	Bikaji Foods International Limited	U15499RJ1995PLC010856	Holding Company	(ii)(b), iii(e),
2.	Petunt Food Processors Private Limited	U15549KA2017PTC106402	Subsidiary Company	xvii, xix

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

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 105047W

**Manish Surana**  
Partner  
Membership No.: 077597  
UDIN: 22077597AQVQCK5329

**Amit Mitra**  
Partner  
Membership No.: 094518  
UDIN: 22094518AQVOFS6378

Place: Bikaner  
Date: September 03, 2022

Place: Gurugram  
Date: September 03, 2022

**M Surana & Company**  
Chartered Accountants  
13-14, Surana Building  
Rani Bazar, Industrial Area  
Bikaner, Rajasthan 334001

**M S K A & Associates**  
Chartered Accountants  
The Palm Springs Plaza  
Office No. 1501-B, 15th floor  
Sector-54, Golf Course Road  
Gurugram, Haryana 122001

## **ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BIKAJI FOODS INTERNATIONAL LIMITED**

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

- Identify and assess the risks of material misstatement of the 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 company 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 auditors' 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 auditors' 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 M Surana & Company**  
**Chartered Accountants**  
ICAI Firm Registration No.: 015312C

**For M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No.: 105047W

**Manish Surana**  
Partner  
Membership No.: 077597  
UDIN: 22077597AQVQCK5329

**Amit Mitra**  
Partner  
Membership No.: 094518  
UDIN: 22094518AQVOFS6378

Place: Bikaner  
Date: September 03, 2022

Place: Gurugram  
Date: September 03, 2022

**M Surana & Company**  
Chartered Accountants  
13-14, Surana Building  
Rani Bazar, Industrial Area  
Bikaner, Rajasthan 334001

**M S K A & Associates**  
Chartered Accountants  
The Palm Springs Plaza  
Office No. 1501-B, 15th floor  
Sector-54, Golf Course Road  
Gurugram, Haryana 122001

## **ANNEXURE B TO THE INDEPENDENT AUDITORS' 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, 2022.

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

#### **Opinion**

In conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended March 31, 2022, 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.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its Subsidiary Company, which are companies incorporated in India, have, in all material respects, an adequate 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, 2022, 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").

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

The respective Board of Directors of the Holding Company and its Subsidiary Company, which are companies 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. 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and 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 adequate 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 adequacy of 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 auditors 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the 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 and its Subsidiary Company, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

A company'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 company'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 company; (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 company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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.

**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 in so far as it relates Subsidiary Company, which are companies incorporated in India, is based on the corresponding reports of Vishal Chaturvedi & Co. of such Subsidiary Company incorporated in India.

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

**For M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No.: 105047W

**Manish Surana**  
Partner  
Membership No.: 077597  
UDIN: 22077597AQVQCK5329

**Amit Mitra**  
Partner  
Membership No.: 094518  
UDIN: 22094518AQVOFS6378

Place: Bikaner  
Date: September 03, 2022

Place: Gurugram  
Date: September 03, 2022

Bikaji Foods International Limited  
Consolidated Balance Sheet as at March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	47,893.02	40,711.51
Capital work-in-progress	4	4,944.35	3,607.71
Investment property	5	370.84	370.84
Intangible assets	6	115.89	190.17
Right-of-use asset	39	2,699.16	985.38
Financial assets			
Investment	7	12,634.55	6,879.74
Other financial assets	8	2,813.14	1,704.50
Loans	12	1,380.64	-
Other assets	9	2,437.33	3,371.43
Income tax assets (net)	10	672.09	314.21
<b>TOTAL NON-CURRENT ASSETS</b>		<b>75,961.01</b>	<b>58,135.49</b>
<b>CURRENT ASSETS</b>			
Inventories	11	7,289.15	5,676.81
Financial assets			
Trade receivables	13	7,330.56	4,730.88
Cash and cash equivalents	14	250.45	175.90
Bank balances other than cash and cash equivalents	15	8,768.48	8,564.76
Loans	12	131.85	122.20
Other financial assets	16	7,908.19	2,001.11
Other assets	17	2,573.20	2,306.79
<b>TOTAL CURRENT ASSETS</b>		<b>34,251.88</b>	<b>23,578.45</b>
<b>TOTAL ASSETS</b>		<b>1,10,212.89</b>	<b>81,713.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	18	2,495.10	2,431.33
Other equity	19	79,580.06	58,134.64
<b>Total equity attributable to shareholders</b>		<b>82,075.16</b>	<b>60,565.97</b>
Non-controlling interest		(6.80)	183.94
<b>TOTAL EQUITY</b>		<b>82,068.36</b>	<b>60,749.91</b>
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	20	4,105.44	1,420.56
Lease liabilities	39	1,586.75	82.72
Provisions	21	13.54	191.99
Deferred tax liabilities (net)	22	3,274.52	2,932.39
Other liabilities	26	142.08	125.44
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>9,122.33</b>	<b>4,753.10</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	20	10,017.24	7,194.67
Lease liabilities	39	264.83	45.36
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises;		867.26	510.55
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,414.08	3,735.41
Other financial liabilities	24	2,669.89	2,320.37
Other liabilities	26	1,514.55	1,117.75
Provisions	21	274.35	289.68
Current tax Liabilities (net)	25	-	997.14
<b>TOTAL CURRENT LIABILITIES</b>		<b>19,022.20</b>	<b>16,210.93</b>
<b>TOTAL LIABILITIES</b>		<b>28,144.53</b>	<b>20,964.03</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,10,212.89</b>	<b>81,713.94</b>

Summary of significant accounting policies. 2  
The accompanying notes are an integral part of Consolidated Financial Statements.  
As per our report of even date

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

For M S K A & Associates  
Chartered Accountants  
Firm Registration No.: 105047W

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

Manish Surana  
Partner  
Membership No.: 077597  
Place: Bikaner  
Date: September 03, 2022

Amit Mitra  
Partner  
Membership No.: 094518  
Place: Gurugram  
Date: September 03, 2022

Shiv Ratan Agarwal  
Chairman  
DIN: 00192929  
Place: Bikaner  
Date: September 03, 2022

Deepak Agarwal  
Managing Director  
DIN: 00192890  
Place: New Delhi  
Date: September 03, 2022

Rishabh Jain  
Chief Financial Officer  
PAN: AEAPJ1574L  
Place: Bikaner  
Date: September 03, 2022

Divya Navani  
Company Secretary  
Membership No.: 026014  
Place: Bikaner  
Date: September 03, 2022

Bikaji Foods International Limited  
Consolidated Statement of Profit and Loss for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
<b>Revenue:</b>			
Revenue from operations	27	1,61,096.14	1,31,074.91
Other income	28	1,048.96	1,146.22
<b>Total income</b>		<b>1,62,145.10</b>	<b>1,32,221.13</b>
<b>Expenses:</b>			
Cost of materials consumed	29	1,13,604.05	90,925.70
Purchase of stock-in-trade		4,306.89	3,115.52
Changes in inventories of finished goods and stock-in-trade	30	(882.37)	(351.70)
Employee benefits expense	31	9,006.78	6,987.51
Depreciation, amortisation and impairment expenses	32	3,833.11	3,311.96
Finance costs	33	669.09	299.49
Other expenses	34	21,106.29	15,921.43
<b>Total expenses</b>		<b>1,51,643.84</b>	<b>1,20,209.91</b>
<b>Profit before tax</b>		<b>10,501.26</b>	<b>12,011.22</b>
<b>Tax expense:</b>			
Current tax	22	2,757.29	3,097.53
Deferred tax	22	141.16	(119.77)
<b>Profit after tax</b>		<b>7,602.81</b>	<b>9,033.46</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Net gain / (loss) on equity instrument through other comprehensive income		701.46	(1,134.29)
Remeasurement gain/(loss) on defined benefit plans		100.36	(49.87)
Income tax (charge) / benefit relating to items that will not be reclassified to profit or loss	22	(200.97)	298.04
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations		-	9.42
Income tax (charge) relating to items that will be reclassified to profit or loss	22	-	(2.37)
<b>Total other comprehensive income / (loss) for the year (net of tax)</b>		<b>600.85</b>	<b>(879.07)</b>
<b>Total comprehensive income</b>		<b>8,203.66</b>	<b>8,154.39</b>
<b>Profit after tax is attributable to</b>			
Owners of the holding Company		7,795.15	9,020.60
Non-controlling interest		(192.34)	12.86
<b>Other comprehensive income is attributable to</b>			
Owners of the holding Company		599.25	(879.07)
Non-controlling interest		1.60	-
<b>Total comprehensive income is attributable to</b>			
Owners of the holding Company		8,394.40	8,141.53
Non-controlling interest		(190.74)	12.86
<b>Earnings per equity share [Equity shares of face value of INR 1 each]</b>			
Basic INR (adjusted)	34(c)	3.15	3.71
Diluted INR (adjusted)	34(c)	3.15	3.71

Summary of significant accounting policies. 2

The accompanying notes are an integral part of Consolidated Financial Statements.

As per our report of even date

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

For M S K A & Associates  
Chartered Accountants  
Firm Registration No.: 105047W

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

Manish Surana  
Partner  
Membership No.: 077597  
Place: Bikaner  
Date: September 03, 2022

Amit Mitra  
Partner  
Membership No.: 094518  
Place: Gurugram  
Date: September 03, 2022

Shiv Ratan Agarwal  
Chairman  
DIN: 00192929  
Place: Bikaner  
Date: September 03, 2022

Deepak Agarwal  
Managing Director  
DIN: 00192890  
Place: New Delhi  
Date: September 03, 2022

Rishabh Jain  
Chief Financial Officer  
PAN: AEAPJ1574L  
Place: Bikaner  
Date: September 03, 2022

Divya Navani  
Company Secretary  
Membership No.: 026014  
Place: Bikaner  
Date: September 03, 2022

Bikaji Foods International Limited  
Consolidated Statement of Cash Flow for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	10,501.26	12,011.22
Adjustments for:		
Depreciation, amortisation and impairment expenses	3,833.11	3,311.96
Foreign exchange loss, net	6.86	(14.81)
Gain on Lease Modification	(12.19)	(4.42)
Interest income	(683.00)	(686.51)
Liabilities written off/back to the extent no longer required	(157.62)	(421.44)
Amortisation of deferred grant income	(27.10)	(2.56)
Finance costs	669.09	299.49
Fair value adjustment on Investment	350.34	113.63
Provision for doubtful debts	36.97	52.47
Bad debts/ advances written off	42.69	4.60
Security deposits written off	20.00	-
Amortisation of Security Deposit	3.41	4.22
Interest income on Security Deposit	(8.98)	(15.09)
Excess provision written back of slow moving inventory	(20.97)	-
Provision for slow moving inventory	-	112.96
Provision for refund liabilities	18.09	53.18
Share Based Payment Expense	267.78	-
Loss on sale of property, plant and equipments (net)	1.03	7.55
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>14,840.77</b>	<b>14,826.45</b>
Adjustments for:		
(Increase) in trade receivables	(2,686.20)	(516.70)
(Increase)/decrease in other current financial assets	(975.13)	105.68
(Increase) in other current assets	(266.41)	(1,012.85)
(Increase) in inventories	(1,591.37)	(2,127.58)
(Increase) in other non-current financial assets	(34.52)	(196.82)
(Increase) in other non-current assets	(124.46)	(269.33)
Increase in trade payables	66.51	2,668.60
Increase in other current financial liabilities	174.99	394.50
Increase/(decrease) other liabilities	422.45	(160.18)
Increase/(decrease) in provisions	33.07	(268.90)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>9,859.70</b>	<b>13,442.87</b>
Tax paid (net of refund, including interest)	(4,112.31)	(1,726.31)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>5,747.39</b>	<b>11,716.56</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipments including capital work in progress (net of capital advance and capital creditors)	(10,766.95)	(7,443.11)
Purchase of capital asset included in right of use of assets	(137.88)	-
Consideration paid (net of cash acquired) on business combination (Refer Note 46)	-	328.06
Sale of Investment in equity instrument	-	5.48
Sale of property, plant and equipment	122.14	68.98
Loan given	(1,390.29)	479.25
Investment in deposits	(6,165.70)	(1,197.98)
Interest received	580.90	834.70
Investment in Other Instruments	(5,403.69)	(4,483.00)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(23,161.47)</b>	<b>(11,407.62)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceed from issue of shares (including security premium)	15,000.00	-
Issue expenses paid	(7.50)	-
Proceeds from long term borrowings	4,799.60	490.00
Repayments of long term borrowings	(1,176.24)	(2,345.10)
Proceeds from short term borrowings (net)	1,168.54	1,842.50
Grant received	-	198.85
Dividend paid	(499.90)	(486.27)
Principal paid on lease liabilities	(102.73)	(299.70)
Interest paid	(653.81)	(289.09)
Payment made on account of buy back of shares	(1,518.31)	-
Interest paid on lease liabilities	(128.79)	(14.96)
<b>NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES (C)</b>	<b>16,880.86</b>	<b>(903.77)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(533.22)</b>	<b>(594.83)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>(2,292.60)</b>	<b>(1,707.20)</b>
<b>EXCHANGE DIFFERENCE ON TRANSLATION OF FOREIGN OPERATIONS</b>	<b>-</b>	<b>9.42</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>(2,825.82)</b>	<b>(2,292.61)</b>

Bikaji Foods International Limited  
Consolidated Statement of Cash Flow for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Reconciliation of cash and cash equivalents</b>		
Cash and Bank Balances as per Balance Sheet		
Balance with banks		
- On current accounts (refer note 14)	235.88	159.84
In grant escrow account	-	43.58
Cash on hand (refer note 14)	14.57	16.06
Cheques in had (refer note 14)	-	-
Loans repayable on demand (refer note 20)	(2,700.00)	(2,000.00)
Bank overdraft (refer note 20)	(15.55)	-
Book overdraft (refer note 20)	(360.72)	(512.08)
<b>Cash and cash equivalents at the end of the period</b>	<b>(2,825.82)</b>	<b>(2,292.60)</b>
<b>Movement in financial liabilities:</b>		
<b>Non-current and Current borrowings</b>		
Opening balance	2,584.08	3,052.95
Additions through business acquisitions (Refer note 46)	-	1,386.23
Repayment of Borrowing	(1,176.24)	(2,345.10)
Proceeds from borrowings	5,709.60	490.00
<b>Closing balance</b>	<b>7,117.44</b>	<b>2,584.08</b>
<b>Reconciliation of Non-current and current borrowings</b>		
Secured term loans from banks (refer note 20)	4,105.44	1,420.56
Current maturities of long term loan (refer note 20)	1,612.00	673.52
Short term loan against fixed deposits (refer note 20)	1,400.00	490.00
<b>Total Non-current and current borrowings</b>	<b>7,117.44</b>	<b>2,584.08</b>
<b>Movement in Lease liabilities</b>		
Opening Balance	128.08	164.77
<b>Cash Movements</b>		
Payment of lease liabilities	(231.53)	(310.47)
<b>Non Cash Movements</b>		
Recognition of lease liabilities	1,901.86	97.21
Additions through business acquisitions (Refer note 46)	-	1,469.83
Interest expense for the year	128.79	14.96
Lease liabilities written back	(63.44)	(1,303.80)
Gain on Lease Modification	(12.18)	(4.42)
<b>Closing Balance of Lease Liabilities</b>	<b>1,851.58</b>	<b>128.08</b>
<b>Reconciliation of Lease liabilities</b>		
Lease liabilities - non Current	1,586.75	82.72
Lease liabilities - Current	264.83	45.36
<b>Total Lease liabilities</b>	<b>1,851.58</b>	<b>128.08</b>

Summary of significant accounting policies.

2

As per our report of even date

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

For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.: 105047W

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

**Manish Surana**  
Partner  
Membership No.: 077597  
Place: Bikaner  
Date: September 03, 2022

**Amit Mitra**  
Partner  
Membership No.: 094518  
Place: Gurugram  
Date: September 03, 2022

**Shiv Ratan Agarwal**  
Chairman  
DIN: 00192929  
Place: Bikaner  
Date: September 03, 2022

**Deepak Agarwal**  
Managing Director  
DIN: 00192890  
Place: New Delhi  
Date: September 03, 2022

**Rishabh Jain**  
Chief Financial Officer  
PAN: AEAPJ1574L  
Place: Bikaner  
Date: September 03, 2022

**Divya Navani**  
Company Secretary  
Membership No.: 026014  
Place: Bikaner  
Date: September 03, 2022

**Bhaji Foods International Limited**  
**Consolidated Statement of Changes in Equity for the year ended March 31, 2022**  
 (All amounts in INR lakhs, unless otherwise stated)

Particulars	Equity Share Capital:							Total
	As at April 01, 2020	As at April 01, 2020	As at April 01, 2020	As at April 01, 2020	As at April 01, 2020	As at April 01, 2020	As at April 01, 2020	
Changes in equity share capital during the year	2,431.33							2,431.33
As at March 31, 2021	2,431.33							2,431.33
Add: proceeds from issue of equity shares	68.17							68.17
Less: Buy-back of equity shares	(4.40)							(4.40)
As at March 31, 2022	2,495.10							2,495.10
<b>Other Equity</b>								
	As at April 1, 2020	193.09	193.09	49,500.20	9,020.60	984.21	50,484.85	50,484.85
Profit for the year								9,033.46
Add: Acquired through acquisition								16.45
Less: write offs								(0.09)
Non-recapital contribution made to non wholly owned subsidiary								(154.63)
Net dividend paid								(486.27)
Net loss on equity instrument through other comprehensive income "net of tax"								(848.78)
Net loss on equity instrument through other comprehensive income "net of tax"								(37.32)
Foreign Currency translation income for the year "net of tax"								7.05
Addition due to business combination								149.23
As at March 31, 2021	20,437.26	193.09	37,212.23	57,991.81	7,795.15	135.43	58,134.64	58,134.64
Profit for the year								7,602.81
Amount transferred to capital redemption reserve upon buy back								(127.28)
Written off of Reserve created in previous year related to one subsidiary which has been struck off in current year								(7.40)
Proceeds from issue of equity shares								14,931.83
Buy-back of equity shares during the year								(1,227.87)
Withholding tax paid on buy-back of equity shares during the year								(286.04)
Dividend paid								(499.90)
Share issue expenses								(7.50)
Net gain/ (loss) on equity instrument through other comprehensive income (net of tax)								524.92
Employee stock option expense								267.78
Remeasurement gain/ (loss) on defined benefit plans (net of tax)								74.33
As at March 31, 2022	33,847.68	188.69	44,461.93	78,919.71	7,795.15	660.35	79,580.06	79,580.06

Summary of significant accounting policies.

The accompanying notes are an integral part of Consolidated Financial Statements.

As per our report of even date

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

**Manish Surana**  
 Partner  
 Membership No.: 07997  
 Place: Bikaner  
 Date: September 03, 2022

**For and on behalf of the Board of Directors of**  
**Bhaji Foods International Limited**  
 CIN : U15499RJ1999PLC010856

**Shiv Bhan Agrawal**  
 Chairman  
 DIN: 00192979  
 Place: Bikaner  
 Date: September 03, 2022

**Rishabh Jain**  
 Chief Financial Officer  
 PAN: AEAPJ1574L  
 Place: Bikaner  
 Date: September 03, 2022

**Deepak Agarwal**  
 Managing Director  
 DIN: 00192890  
 Place: New Delhi  
 Date: September 03, 2022

**Divya Navani**  
 Company Secretary  
 Membership No.: 026014  
 Place: Bikaner  
 Date: September 03, 2022

## 1. General information

Bikaji Foods International Limited (the 'Parent Company' or 'Holding 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 - 334006. (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, 2022 were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on September 03, 2022.

## 2. Significant Accounting Policies

Significant accounting policies adopted by the Company are as under:

### 2.1 Basis of preparation of Consolidated 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 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.

**Subsidiaries considered in the Consolidated Financial Statement:**

Name of Company	Country of incorporation	Ownership interest (in %) (Direct)
		March 31, 2022
Petunt Foods Processors Private Limited	India	51.22

**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 financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the consolidated 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.

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

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

The operating cycle is the time between the acquisition of assets for processing and their realization 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 recognized 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.

For sale of goods wherein performance obligation is not satisfied, any amount received in advance is recorded as contract liability and recognized as revenue when goods are transferred to customers. Any amount of income accrued but not billed to customers in respect of such contracts is recorded as a contract asset. Such contract assets are transferred to Trade receivables on actual billing to customers.

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

**b) 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 statement of profit and 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.

Leasehold improvement are depreciated on a straight-line basis over the period of lease.

**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.

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

The management has estimated, supported by assessment by company's professionals, that the useful life of the following categories of assets are lower than that indicated in Schedule II, based on usage profile of the respective asset category:

Category	Useful lives estimated by the management
Furniture and fixtures	6 Years
Plant and machinery	25 Years

Individual assets costing INR 5,000 or less are fully depreciated in the period 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.

The useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as change in accounting estimates.

**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.

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 and loss in the period of derecognition.

**F) Intangible asset**

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

<u>Intangible assets</u>	<u>Useful life</u>
Trademarks	10 Years
ERP software licences	5 Years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation method and period 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 period 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 period they occur.

**J) Employee Benefits**

**a) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the 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 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.

**c) Share based payment arrangements**

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the consolidated Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share option's outstanding account.

**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 recognized 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 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 recognized in Other Comprehensive Income or Statement of Profit and Loss are also recognized in Other Comprehensive Income or Statement of Profit and Loss, respectively).

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year 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 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 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 financial statements of the Company is shown in note 39 of the consolidated financial statements.

**(i) Right-of-use assets**

The Company recognizes 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 recognized, 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 recognizes 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 recognized 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 recognized 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.

Further, the Parent Company, through an irrevocable election at initial recognition, has measured certain investments in compulsorily convertible preference share ("instruments") at FVTOCI. These instruments are neither held for trading nor are contingent consideration recognized under a

business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such instruments are recognized in OCI. However, the Parent Company recognizes dividend income from such instruments in the Statement of Profit and Loss, after conversion into equity shares, when the right to receive payment is established, it is probable that the economic benefits will flow to the Parent Company and the amount can be measured reliably.

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.

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 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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

**Judgments**

Assessment of liability as remote, contingencies or liability/ provision

In preparing these consolidated 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 financial statements.

**W) Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

**Ind AS 103 - Reference to Conceptual Framework:**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

**Ind AS 16 - Proceeds before intended use:**

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual years beginning on or after April 1, 2022.

**Ind AS 37 - Onerous Contracts:**

**Costs of Fulfilling a Contract** The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

**Ind AS 109 - Annual Improvements to Ind AS (2021):**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

**Ind AS 116 - Annual Improvements to Ind AS (2021):**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Group is assessing the impact of these changes and will accordingly incorporate the same in the Consolidated financial statements for the year ending March 2023.

**X) 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.

**Bikaji Foods International Limited**  
**Notes to Consolidated Financial Statements for the year ended March 31, 2022**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 3: Property, plant and equipment**

Particulars	Land (Freehold) *	Factory building ^	Other building	Plant & equipment^	Furniture and fixtures	Leasehold improvement	Vehicles ^	Office equipment	Computers and peripherals	Total
<b>Gross block at cost</b>										
As at April 01, 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	-	-	-	(91.69)	-	-	(27.79)	-	-	(119.48)
<b>As at March 31, 2021</b>	<b>322.68</b>	<b>14,676.18</b>	<b>336.91</b>	<b>36,235.24</b>	<b>1,340.15</b>	<b>-</b>	<b>1,262.51</b>	<b>308.10</b>	<b>331.27</b>	<b>54,813.04</b>
Additions	111.40	633.28	557.86	8,454.30	78.37	727.64	210.93	150.63	51.06	10,975.47
Written off of plant and equipment in earlier year related to one subsidiary which has been struck off in current year	-	-	-	(127.28)	-	-	-	-	-	(127.28)
Disposals / adjustments	-	-	-	(170.53)	-	-	(42.06)	(0.07)	-	(212.66)
<b>As at March 31, 2022</b>	<b>434.08</b>	<b>15,309.46</b>	<b>894.77</b>	<b>44,391.73</b>	<b>1,418.52</b>	<b>727.64</b>	<b>1,431.38</b>	<b>458.66</b>	<b>382.33</b>	<b>65,448.57</b>
<b>Accumulated depreciation and impairment</b>										
As at April 01, 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)
<b>As at March 31, 2021</b>	<b>-</b>	<b>2,139.28</b>	<b>53.62</b>	<b>10,161.63</b>	<b>603.48</b>	<b>-</b>	<b>707.00</b>	<b>154.67</b>	<b>281.85</b>	<b>14,101.53</b>
Depreciation Charge for the year	-	524.14	13.02	2,585.99	182.86	15.15	137.40	31.34	31.11	3,521.01
Impairment charge for the year #	-	-	-	22.50	-	-	-	-	-	22.50
Disposals / adjustments	-	-	-	(65.92)	-	-	(23.57)	-	-	(89.49)
<b>As at March 31, 2022</b>	<b>-</b>	<b>2,663.42</b>	<b>66.64</b>	<b>12,704.20</b>	<b>786.34</b>	<b>15.15</b>	<b>820.83</b>	<b>186.01</b>	<b>312.96</b>	<b>17,555.55</b>
<b>Net block</b>										
As at March 31, 2022	434.08	12,646.04	828.13	31,687.53	632.18	712.49	610.55	272.65	69.37	47,893.02
As at March 31, 2021	322.68	12,536.90	283.29	26,073.61	736.67	-	555.51	153.43	49.42	40,711.51

**Notes:**

# Solar energy generation plants having gross book value of INR 773.56 lakhs (net carrying value as on March 31, 2022 is INR 48.29 lakhs) have been impaired by INR 22.50 lakhs during the year (previous year INR 112.49 lakhs) (refer note 44).

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

^^ The Group had reclassified certain investment property as owner occupied during the year ended March 31, 2021 due to change in use by the Company (refer note 5).

\* All immovable properties are in name of the Group. However, there are certain immovable properties aggregating carrying value of INR 194.92 lakhs (previous year INR 203.15 lakhs) are still being carried in erstwhile name of the Parent Company i.e. Shivdeep Industries Limited.

Bikaji Foods International Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**Note 4: Capital work-in-progress**

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening balance	3,607.71	288.23
Acquired through business combination (Refer note 46)	-	38.30
Add: Additions during the year	12,360.98	6,587.36
Less: Capitalised during the year	(11,024.34)	(3,306.18)
<b>Closing balance #</b>	<b>4,944.35</b>	<b>3,607.71</b>

# Capital work-in-progress majority comprises expenditure for new production facilities/ lines.

Ageing of Capital work-in progress is as below

As at March 31, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,305.42	581.50	57.43	-	4,944.35
	<b>4,305.42</b>	<b>581.50</b>	<b>57.43</b>	<b>-</b>	<b>4,944.35</b>

As at March 31, 2021

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,550.28	57.43	-	-	3,607.71
	<b>3,550.28</b>	<b>57.43</b>	<b>-</b>	<b>-</b>	<b>3,607.71</b>

**Note 5: Investment property**

Particulars	Other Buildings	Land (freehold) *	Total
<b>Gross block at cost</b>			
As at April 01, 2020	160.89	370.84	531.73
Additions	-	-	-
Transfer to property, plant and equipment^^	(160.89)	-	(160.89)
<b>As at March 31, 2021</b>	<b>-</b>	<b>370.84</b>	<b>370.84</b>
<b>As at March 31, 2022</b>	<b>-</b>	<b>370.84</b>	<b>370.84</b>
<b>Accumulated depreciation</b>			
As at April 01, 2020	10.93	-	10.93
Charge for the year	-	-	-
Transfer to property, plant and equipment^^	(10.93)	-	(10.93)
<b>As at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net block</b>			
<b>As at March 31, 2022</b>	<b>-</b>	<b>370.84</b>	<b>370.84</b>
<b>As on March 31, 2021</b>	<b>-</b>	<b>370.84</b>	<b>370.84</b>

\* All immovable properties are in name of the Group. However, there are certain immovable properties aggregating carrying value of INR 98.08 lakhs (previous year: INR 98.08 lakhs) are still being carried in erstwhile name of the parent Company i.e. Shivdeep Industries Limited.

^^ The Parent Company has reclassified certain Investment Property as owner occupied during the year ended March 31, 2021 pursuant to change in use by the Company at net carrying value. (Refer note 3).

**Footnote: (a) Fair value**

Particulars	As at	
	March 31, 2022	March 31, 2021
Fair value	2,214.70	2,130.60

The fair value of investment property has been determined by external, independent registered property valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017, 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 categorized 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.

Bikaji Foods International Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**Note 6: Intangible assets**

Particulars	Trade marks	Computer software	Total
<b>Gross block at cost</b>			
As at April 01, 2020	62.19	221.61	283.80
Additions through business acquisitions (Refer note 46)	-	1.41	1.41
Additions	-	77.58	77.58
Disposals/ adjustments	-	-	-
As at March 31, 2021	62.19	300.60	362.79
Additions	-	48.85	48.85
Disposals/ adjustments	-	-	-
As at March 31, 2022	62.19	349.45	411.64
<b>Accumulated amortisation</b>			
As at April 01, 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
As at March 31, 2021	28.66	143.96	172.62
Charge for the year	5.73	117.40	123.13
As at March 31, 2022	34.39	261.36	295.75
<b>Net block</b>			
As at March 31, 2022	27.80	88.09	115.89
As at March 31, 2021	33.53	156.64	190.17

---Space intentionally left blank---

**Note 7: Financial assets - investments**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investments at fair value through OCI (FVTOCI)</b>		
<b>Unquoted</b>		
28,13,050 CCPS ( Previous year 28,13,050 CCPS) of INR 10 each in Hanuman Agro Foods Private Limited	1,163.20	462.97
<b>Total FVTOCI investments</b>	<b>1,163.20</b>	<b>462.97</b>
<b>Investments at fair value through profit and loss (FVTPL)</b>		
<b>Unquoted</b>		
Investment in mutual fund	104.86	101.37
Investment in equity shares	5.00	5.00
Investment in Compulsory Convertible Preference Shares (CCPS)*	739.40	16.40
Investment in Compulsory Convertible Debentures (CCD)	9,139.92	5,114.00
Investment in Optional Convertible Debentures (OCD)	1,482.17	450.00
Investment in convertible note	-	730.00
<b>Total FVTPL investments</b>	<b>11,471.35</b>	<b>6,416.77</b>
<b>Total investments</b>	<b>12,634.55</b>	<b>6,879.74</b>
Aggregate book value of unquoted investments	12,634.55	6,879.74
Aggregate amount of impairment in value of investments	(353.82)	(1,249.29)
Aggregate amount of gain in value of investments	704.94	1.37

\*During the year 2020-21, the Parent Company invested in convertible note of Shop Kirana E - Trading Private Limited which got converted into compulsorily convertible preference shares dated March 11, 2022 amounting to INR 730 lakhs.

**Note 8: Other financial assets**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Carried at amortised cost</b>		
Security deposits	326.63	306.54
Bank deposits with original maturity period of more than 12 months #	946.09	1,397.96
Balances with banks held as margin money #	1,540.42	-
<b>Total</b>	<b>2,813.14</b>	<b>1,704.50</b>
# Represent deposits under lien by bank against bank guarantees and letters of credit		

**Note 9: Other assets**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Capital advances</b>		
Considered good	1,683.10	2,741.66
Considered doubtful	27.26	27.26
Less: Allowance for doubtful advance	(27.26)	(27.26)
<b>Other than capital advances</b>		
Prepaid expenses	103.76	72.66
Balance with government authorities #	650.47	557.11
<b>Total</b>	<b>2,437.33</b>	<b>3,371.43</b>

# Represents writ petition filed by the Parent Company before Jodhpur High Court for transitioning CENVAT credit in respect of capital goods purchased during April 01, 2016 to June 30, 2017 in pre-GST period. Certain goods manufactured by the Parent 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 internal assessment, management believes that the Parent Company has good chances of winning this matter in their favour.

**Note 10: Income tax assets (net)**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Income tax (net of provision for tax of INR 12,531.72 lakhs (March 31, 2021 INR 6,676.90 lakhs)	672.09	314.21
<b>Total</b>	<b>672.09</b>	<b>314.21</b>

**Note 11: Inventories ^**  
(At cost or net realisable value, whichever is lower)\*

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Raw materials	2,383.80	1,974.72
Packing materials	2,797.27	2,574.38
Finished goods		
- In Stock	884.67	599.48
- Goods in transit	885.68	276.49
Stock in trade	-	12.01
Stores and spares	337.73	239.73
<b>Total</b>	<b>7,289.15</b>	<b>5,676.81</b>

During the year ended March 31, 2022, there is a reversal of provision for slow moving inventory for an amount of INR 20.97 lakhs and during the year ended March 31, 2021, there was a creation of provision for slow moving inventory for an amount of INR 112.96 lakhs.

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

\* For stores and spares, refer accounting policies.

**Note 12: Loans**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Carried at amortised cost</b>		
<b>Non-current Loan</b>		
Loans Receivables considered good - Unsecured	1,380.64	-
<b>Total</b>	<b>1,380.64</b>	<b>-</b>
<b>Current Loan</b>		
Loan Receivables considered good - Unsecured	131.85	122.20
<b>Total</b>	<b>131.85</b>	<b>122.20</b>

The loans have been given in accordance with terms and conditions of the underlying agreements executed with body corporates as per their request for urgent financial assistance. The fundings provided during the year have been duly authorised by the Board of Directors pursuant to Board Meeting convened on September 02, 2021. These loans are provided at interest rate between 8% to 9% p.a (previous year : 11%)

---Space intentionally left blank---

Note 13: Trade receivables ^

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables - Unsecured	7,479.25	4,842.60
Less: Allowance for expected credit losses	(148.69)	(111.72)
<b>Total</b>	<b>7,330.56</b>	<b>4,730.88</b>
Breakup of trade receivables:		
- Related parties #	258.39	30.10
- Others	7,072.17	4,700.78
<b>Total</b>	<b>7,330.56</b>	<b>4,730.88</b>

^ 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).

Ageing of trade receivables as at March 31, 2022

Particular	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - unsecured	470.37	6,320.58	418.17	94.73	26.71	-	7,330.56
<b>Total</b>	<b>470.37</b>	<b>6,320.58</b>	<b>418.17</b>	<b>94.73</b>	<b>26.71</b>	<b>-</b>	<b>7,330.56</b>

Ageing of trade receivables as at March 31, 2021

Particular	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	309.83	4,221.77	156.64	25.23	17.41	-	4,730.88
<b>Total</b>	<b>309.83</b>	<b>4,221.77</b>	<b>156.64</b>	<b>25.23</b>	<b>17.41</b>	<b>-</b>	<b>4,730.88</b>

Note 14: Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- In current accounts	235.88	159.84
Cash on hand	14.57	16.06
<b>Total</b>	<b>250.45</b>	<b>175.90</b>

Note 15: Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Bank deposits with original maturity period of more than 3 month and less than 12 months	6,134.67	7,770.18
Balance with Bank held as Margin Money#	2,633.81	751.00
In grant escrow account^	-	43.58
<b>Total</b>	<b>8,768.48</b>	<b>8,564.76</b>

# Represents deposits under lien by bank against bank guarantees and letters of credit

^ represents earmarked balances i.e. Escrow account Government grant which can be utilised for payment of eligible vendors of Property, plant and equipment only.

Bikaji Foods International Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Note 16: Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Carried at amortised cost		
Security deposits		
Considered good	20.46	13.08
Others		
Bank deposits with original maturity period of more than 12 months and residual maturity less than 12 Month*	6,257.56	1,424.71
Balance with Bank held as Margin Money#	42.00	45.00
IPO Expenses recoverable**	845.65	91.50
Advance recoverable	213.60	-
Interest accrued on bank deposits and others	528.92	426.82
<b>Total</b>	<b>7,908.19</b>	<b>2,001.11</b>

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

	As at March 31, 2022	As at March 31, 2021
** Includes payment to auditors	118.30	31.97

\*\*During the year ended March 31, 2022, the Parent Company has incurred expenses of INR 754.15 lakhs aggregating up to INR 845.65 lakhs as on March 31, 2022 towards various services received in connection with proposed initial public offer of its equity shares through offer for sale by existing shareholders. As per the offer agreement between the Parent Company and the selling shareholders, the selling shareholders shall reimburse the aforesaid expenses in proportion to their holdings to be sold on listing of the Parent Company's equity shares. Pending such listing of the Parent Company's equity shares and identification of proportionment of such expenses between the Company and selling shareholders, the aforesaid amount has been considered as a receivable and reported as IPO expenses recoverable.

Note 17: Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to vendors	898.00	1,629.93
Prepaid expenses	353.62	119.94
Balance with government authorities	1,066.87	370.26
Government grant (exports incentive) receivable ^	154.90	113.11
Employees advances (unsecured, considered good)	99.81	73.55
<b>Total</b>	<b>2,573.20</b>	<b>2,306.79</b>

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

----Space intentionally left blank----

**Note 18: Equity share capital**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Authorised share capital#</b>		
300,000,000 equity shares (Previous year 25,000,000 equity shares) of INR 1 each (Previous year INR 10 each) *	3,000.00	2,500.00
<b>Total</b>	<b>3,000.00</b>	<b>2,500.00</b>
<b>Issued, subscribed and fully paid up share capital</b>		
24,950,9880 equity shares (Previous year 24,313,306 equity shares) of INR 1 each (Previous year INR 10 each) **	2,495.10	2,431.33
<b>Total</b>	<b>2,495.10</b>	<b>2,431.33</b>

# During the year, the authorized share capital was increased from 25,000,000 equity shares of INR 10 each amounting to INR 2,500 Lakhs to 300,000,000 equity shares of INR 1 each amounting to INR 3,000 Lakhs which was duly approved by the board of Directors of the Group in meeting dated September 2, 2021 and by the shareholders of the Parent Company in extraordinary general meeting held on October 22, 2021.

\* The Parent company effected a ten-for-one stock split of the Equity share of the Parent Company. The stock split was approved by the board of Directors of the Group in meeting dated September 2, 2021 and by the shareholders in extraordinary general meeting on October 22, 2021. The face value and authorized shares of Equity shares were also adjusted as a result of the stock split.

^ Refer note 18(e) below.

**(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:**

Particulars	March 31, 2022		March 31, 2021	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Balance at beginning of the year	243.13	2,431.33	243.13	2,431.33
Add: Issued during the year *	6.82	68.17	-	-
Add: Equity shares raising a shares split from INR 10 to INR 1 per shares^	2,249.55	-	-	-
Less: Buy-back of equity shares	(4.40)	(4.40)	-	-
<b>Balance at end of the year</b>	<b>2,495.10</b>	<b>2,495.10</b>	<b>243.13</b>	<b>2,431.33</b>

\* The Parent Company has issued 6,81,682 equity shares of INR 10 each at a premium of INR 2,190.44 each, total amounting INR 15,000 Lakhs under preferential allotment dated August 11, 2021. The share capital was issued to meet fund requirement for its business and expansion.

^The issued, subscribed & paid up capital consisting of 2,49,94,988 lakhs equity shares of the parent company having face value of INR 10 each shall stand sub division into 24,99,49,880 equity shares having face value of INR 1 each w.e.f October 22, 2021 without altering the aggregate amount of such capital & shall rank pari passu in all respect & carry the same right as to the existing fully paid up equity shares of INR 10 each of the parent company.

**(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 1 per share (previous year INR 10 each). 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	March 31, 2022		March 31, 2021	
	Number of shares (in lakhs)	% of Holding as at	Number of shares (in lakhs)	% of Holding as at
Shiv Ratan Agarwal	882.43	35.37%	88.43	36.37%
Shiv Ratan Agarwal HUF	612.03	24.53%	61.20	25.17%
Deepak Agarwal	414.06	16.59%	41.98	17.27%
IIFL Special Opportunities Fund	199.96	8.01%	19.99	8.22%
India 2020, Maharaja Limited	181.66	7.28%	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) Shares bought back during the immediately preceding five years.

During the year, the Parent Company completed the buyback of 4,40,000 equity shares of INR 1 each (fully paid-up) at a price of INR 280.06 per equity share aggregating to INR 1,232.26 lakhs (excluding transaction costs and applicable taxes). Consequent to the extinguishment, an amount of INR 4.40 lakhs representing the face value of these shares has been reduced from the share capital of the Company, with corresponding transfer of an equivalent amount to Capital Redemption Reserve as per the requirement of Section 68 of companies Act, 2013.

(f) Details of promoters' shareholding percentage in the Parent Company is as below:

Name of Promoter	As at March 31 2022			As at March 31, 2021		
	Number of shares (in lakhs)	% of Holding	% of change	Number of shares (in lakhs)	% of Holding	% of change
Shiv Ratan Agarwal	882.43	35.37%	-1.00%	88.43	36.37%	-
Shiv Ratan Agarwal (HUF)	612.03	24.53%	-0.64%	61.20	25.17%	-
Deepak Agarwal	414.06	16.59%	-0.67%	41.98	17.27%	-
Deepak Kumar Agarwal (HUF)	0.17	0.01%	0.00%	0.02	0.01%	-
<b>Total</b>	<b>1,908.69</b>	<b>76.50%</b>	<b>-2.31%</b>	<b>191.63</b>	<b>78.82%</b>	<b>-</b>

(g) Shares reserved for issue under options:

For details of shares reserved for issue under the Share based payment plan of the Group, please refer note 49.

**Note 19: Other equity**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Securities premium</b>		
Opening Balance	20,437.26	20,437.26
Add: Security premium on issue of equity shares	14,931.83	-
Less: buy-back of equity shares during the year	(1,227.87)	-
Less: Withholding tax paid on buy-back of equity shares during the year	(286.04)	-
Less: share issue expenses during the year	(7.50)	-
<b>Closing Balance (A)</b>	<b>33,847.68</b>	<b>20,437.26</b>
<b>General reserve</b>		
Opening Balance	193.09	193.09
Less: transfer to capital redemption reserve (refer note 18 (e))	(4.40)	-
<b>Closing Balance (B)</b>	<b>188.69</b>	<b>193.09</b>
<b>Capital reserve</b>		
Opening Balance	149.23	-
Added during the year	-	149.23
<b>Closing Balance (C)</b>	<b>149.23</b>	<b>149.23</b>
<b>Retained earnings</b>		
Opening Balance	37,212.23	28,869.85
Add: Profit during the year	7,795.15	9,020.60
Non reciprocal capital contribution made to non wholly owned subsidiary	-	(154.63)
Add / (Less): Remeasurement gain / (loss) on defined benefit plans (net of taxes)	74.33	(37.32)
Less : Written off of Reserve created in previous year related to one subsidiary which has been struck off in current year	(119.88)	-
<b>Total (I)</b>	<b>44,961.83</b>	<b>37,698.50</b>
<b>Less appropriation:</b>		
Dividend paid INR 2 per share (Previous year: INR 2 per share) before stock split from INR 10 each to INR 1 each	(499.90)	(486.27)
<b>Total appropriation (II)</b>	<b>(499.90)</b>	<b>(486.27)</b>
<b>Closing balance (I) - (II) = (D)</b>	<b>44,461.93</b>	<b>37,212.23</b>
<b>Other comprehensive Income (OCI)</b>		
Opening Balance	135.43	984.21
Add : Net gain/ (loss) on equity instrument on through other comprehensive income, (net of taxes)	524.92	(848.78)
<b>Closing Balance (E)</b>	<b>660.35</b>	<b>135.43</b>
<b>Foreign Currency Translation Reserve (F)</b>		
Opening Balance	7.40	0.35
Add : Movement in OCI (net) during the period, (net of taxes)	-	7.05
Less : Written off of Reserve created in previous year related to one subsidiary which has been struck off in current year	(7.40)	-
<b>Closing Balance (F)</b>	<b>-</b>	<b>7.40</b>
<b>Employee stock option reserve</b>		
Balance at the beginning of the year	-	-
Add: Employee stock option expense	267.78	-
<b>Closing balance (G)</b>	<b>267.78</b>	<b>-</b>
<b>Capital redemption reserve (refer note 18 (e))</b>		
Opening balance	-	-
Addition	4.40	-
<b>Closing balance (H)</b>	<b>4.40</b>	<b>-</b>
<b>Total (A) + (B) + (C) + (D) + (E) + (F) + (G) + (H)</b>	<b>79,580.06</b>	<b>58,134.64</b>

**Securities premium:** Where the Group 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". 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 Companies Act, 2013.

**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 includes remeasurement gain/loss on defined benefits (net of taxes) that will not be reclassified to statement of Profit and loss and the accumulated profits earned by the Group 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 Group has paid a dividend of INR 2 per share (previous year INR 2 per shares) amounting to INR 499.90 lakhs (previous year INR 486.27 lakhs) for the year ended March 31, 2022 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 Group to its shareholders were subjected to withholding tax as applicable.

**Other comprehensive income (OCI):** Other comprehensive income includes net gain / (loss) on equity instrument through other comprehensive income.

**Employee stock option reserve:** The Group offers ESOP under which options to subscribe for the Group's share have been granted to certain employees and senior management. The share based premium reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

**Capital redemption reserve:** The Companies Act, 2013 requires that when a Group purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013.

**Foreign Currency Translation Reserve:** This represents amount of foreign currency translations on the foreign operations of the Group.

**Note 20: Borrowings**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Secured</b>		
<b>Non-current borrowing</b>		
<b>Secured</b>		
<b>Term loan</b>		
- From bank {Refer note (A) 1. (a) and (b) below}	4,105.44	1,367.85
- From others {Refer note (A) 1. (C) below}	-	52.71
	<u>4,105.44</u>	<u>1,420.56</u>
<b>Current borrowing</b>		
<b>Secured</b>		
<b>Loans repayable on demand from bank</b>		
Cash credit (Refer note 2 below)	4,289.69	4,031.15
<b>Other term loans</b>		
Bank Overdraft (Refer note 3 below)	15.55	-
Short term loan against fixed deposits (Refer note 3 below)	1,400.00	490.00
Current maturities of long term borrowings (Refer note A and B below)	1,612.00	673.52
<b>Unsecured</b>		
<b>Loans repayable on demand from bank</b>		
Working capital demand loan (Refer note 4 below)	2,700.00	1,000.00
Packing credit limit (Refer point 4 below)	-	1,000.00
	<u>10,017.24</u>	<u>7,194.67</u>
<b>Total</b>	<u>14,122.68</u>	<u>8,615.23</u>

**(A) Borrowings include:**

**1. Term loans from bank**

**(a) Term loans from SBI and HDFC**

Term loan from State Bank of India ('SBI') 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 & hypothecation of plant & machinery at Village Dorakahara Bhahkajan, Mouzamadartola, Kamrup, Assam. Interest is charged in the range of 7.40% to 8.60%.

Term loan taken by subsidiary has interest of 7.40% p.a. for the year ended March 31, 2021 and is secured as follows:-

Primary security: Hypothecation over stocks, receivables and plant and machinery, and Collateral security: Fixed deposit of INR 25 lakhs

During the year ended March 31, 2022, term Loan from HDFC Bank Limited is secured by way of exclusive charge on Plant & Machinery situated at Karni Industrial Area, Bikaner. Interest is charged at floating rate (Interest rate ranges of 5.50% to 5.65%).

**(b) Term loan from Citi Bank**

Term loan from Citi bank is taken by the subsidiary Company on which interest is 5.35% p.a. for the year ended March 31, 2022 and March 31, 2021. This loan is secured by way of first charge on moveable fixed assets (Plant and machinery).

**(c) Vehicle Loan**

Vehicle loan relate to vehicle purchased under financing arrangements with financial institution are secured by way of hypothecation of the vehicle. Interest is charged at 9.85% for the year ended March 31, 2022 and March 31, 2021.

**2. Cash Credit**

Cash credit loan is obtained from SBI and Citi Bank. Interest is charged at 7.40% and 4.75%, respectively.

Cash credit from SBI is secured by hypothecation of stock of raw material, packing material and book debts while cash credit loan from Citi bank is unsecured. These are repayable on demand.

**3. Short term loan against Fixed deposit & Bank Overdraft**

- Short term loan has been availed from SBI on which interest is charged at 4.1 % p.a. (Previous year: 5.90% p.a.). It is secured by Fixed Deposit & the period of loan should not exceed the period of fixed deposit.

- Bank overdraft facility has been availed from HDFC Bank on which interest is charged at 4% p.a. (Previous year: Nil). It is secured by Fixed Deposit & the period of loan should not exceed the period of fixed deposit.

**4. Working Capital Demand Loan & Packing Credit Limit**

Working Capital Demand Loan and pre shipment or post shipment export limit are unsecured at 4.75% p.a. for the year ended March 31, 2022 and March 31, 2021, which are repayable on demand. Working capital loan taken by Subsidiary Company on which interest is 5.35% p.a. for the period ended March 31, 2022. This loan is secured by way of first charge over inventory and receivables.

**5. Guarantees by Directors**

Above mentioned term loan and cash credit loans from SBI are further guaranteed of certain directors/ promoters of the Parent Company.

**(B) Terms of repayment**

**March 31, 2022**

Particulars	No. of Instalments outstanding	Instalment amount	Repayment
Term loans from bank (refer point A(1)(a)(i) above)	25.00	42.00	Monthly
Term loans from bank (refer point A(1)(a)(i) above)	49.00	37.05	Monthly
Term loans from bank (refer point A(1)(a)(ii) above)	12.00	208.33	6 month moratorium & 12 Quarterly instalments
Term loans from bank (refer point A(1)(a)(i) above)	16.00	62.50	16 equal quarterly instalments post 12 months moratorium, to be serviced from 15th month from the date of drawdown.
Short term loan against Fixed deposit & Bank Overdraft	1.00	1,415.55	Commensurate with maturity of underlying deposits under lien
Term loans from bank (refer point A(1)(a)(i) above)	16.00	43.75	16 equal quarterly instalments post 12 months moratorium, to be serviced from 15th month from the date of drawdown.
Vehicle Loan*	8.00	1.73	Monthly and INR 50 lakhs as single payment thereafter

**March 31, 2021**

Particulars	No. of instalments outstanding	Instalment amount	Repayment
Short term loan against fixed deposits	1.00	49.00	Commensurate with maturity of underlying deposits under lien
Term loans from bank	13.00	125.00	Quarterly
Term loans from bank	16.00	62.50	Quarterly
Vehicle Loan*	20.00	1.73	Monthly and INR 50 lakhs as single payment thereafter

\*In case of above vehicle loan, instalments are Equalised Monthly Instalments and include interest.

**Note 21: Provisions**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Non-current provisions</b>		
Provision for employee benefits		
- Gratuity	13.54	191.99
<b>Total</b>	<u>13.54</u>	<u>191.99</u>
<b>Current provisions</b>		
Provision for employee benefits		
- Gratuity	171.39	115.64
- Compensated absences	87.96	159.04
<b>Others</b>		
-Provision for sales tax liability *	15.00	15.00
<b>Total</b>	<u>274.35</u>	<u>289.68</u>
<b>Total</b>	<u>287.89</u>	<u>481.67</u>

**\*Movement of sales tax liability**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Opening Balance	15.00	15.00
Closing Balance	<u>15.00</u>	<u>15.00</u>

Pertains to provision made towards sales tax on branded namkeen case against the Parent Company. Refer note 37 (a) for details.

Note 22: Deferred tax liability (net)

In compliance of Ind AS 12 "Income Tax " the Group 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	As at
	March 31, 2022	March 31, 2021
Opening Balance	2,932.39	3,347.84
Tax expense/(income) during the year recognised in the statement of profit and loss	141.16	(119.77)
Tax expense/ (income) during the year recognised in other comprehensive income	200.97	(295.68)
Closing Balance	<u>3,274.52</u>	<u>2,932.39</u>

Movement during the year ended March 31,2022

Particulars	April 1, 2021	Recognised /(reversed) in Profit and loss statement	Recognised /(reversed) in	March 31, 2022
			other comprehensive income	
Deferred tax (asset)/liability in relation to :				
Property, plant and equipments	3,294.60	239.93	-	3,534.53
Items allowed on payment basis	(218.92)	(66.62)	-	(285.54)
Fair value adjustments on investments	(64.39)	(42.55)	176.54	69.60
Remeasurement (loss) on defined benefit plan	(78.90)	10.40	24.43	(44.07)
Net deferred tax liability	<u>2,932.39</u>	<u>141.16</u>	<u>200.97</u>	<u>3,274.52</u>

Movement during the year ended March 31,2021

Particulars	April 1, 2020	Recognised /(reversed) in Profit and loss statement	Recognised /(reversed) in	March 31, 2021
			other comprehensive income	
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	(218.92)
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)	(78.90)
Net deferred tax liability	<u>3,347.84</u>	<u>(119.77)</u>	<u>(295.68)</u>	<u>2,932.39</u>

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

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
(a) Income tax expenses recognised in the statement of profit and loss		
Current tax		
Current tax on profit for the year	2,757.29	3,097.53
Total current tax expense (A)	<u>2,757.29</u>	<u>3,097.53</u>
Deferred tax		
Deferred tax charge/(benefit)	141.16	(119.77)
Total deferred tax credit (B)	<u>141.16</u>	<u>(119.77)</u>
Income tax expense reported in the statement of profit and loss (A) + (B)	<u>2,898.45</u>	<u>2,977.76</u>
(b) OCI Section - Income tax related to items recognised in OCI during in the year:		
Tax impact on net (loss)/ gain on remeasurements of defined benefit plans	(200.97)	298.04
Income tax (charged)/ benefit recognised to OCI	<u>(200.97)</u>	<u>298.04</u>
(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
Profit before tax	10,501.26	12,011.22
Income tax rate	25.17%	25.17%
Amount of tax at Company's tax rate (A)	<u>2,642.96</u>	<u>3,022.98</u>
Adjustment		
Loss /(gain) of subsidiary*	393.00	(260.23)
CSR expenditure	190.44	183.25
Charity and donation	37.17	61.90
Others	395.36	(164.60)
Total adjustment	<u>1,015.97</u>	<u>(179.68)</u>
Income tax rate	25.17%	25.17%
Tax impact of adjustment (B)	<u>255.50</u>	<u>(45.22)</u>
Income tax expense recognised in the statement of profit and loss (A)+(B)	<u>2,898.46</u>	<u>2,977.76</u>

\*Non recognition of deferred tax assets in absence of reasonable certainty.

Note 23: Trade payables

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (refer footnote)	867.26	510.55
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,414.08	3,735.41
<b>Total</b>	<b>4,281.34</b>	<b>4,245.96</b>

Trade payables are non-interest bearing and are normally settled in 0 to 30 days terms.

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

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

Particulars	As at	As at
	March 31, 2022	March 31, 2021
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	867.26	510.55
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 (Refer note 24)	-	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 - included in creditors for capital goods (Refer note 24)	0.38	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 - included in creditors for capital goods (Refer note 24)	2.60	2.21

Ageing of trade payables as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - total outstanding dues of micro enterprises and small enterprises	453.79	411.18	0.85	1.44	-	867.26
Undisputed dues - total outstanding dues of creditors other than micro enterprises and small enterprises	1,450.28	1,302.76	102.70	7.93	0.60	2,864.27
	<b>1,904.07</b>	<b>1,713.94</b>	<b>103.55</b>	<b>9.37</b>	<b>0.60</b>	<b>3,731.53</b>
Add: Unbilled dues						549.81
Total trade payable						<b>4,281.34</b>

Ageing of trade payables as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - total outstanding dues of micro enterprises and small enterprises	410.07	85.57	-	14.91	-	510.55
Undisputed dues - total outstanding dues of creditors other than micro enterprises and small enterprises	2,006.09	1,415.37	63.97	5.15	0.48	3,491.06
	<b>2,416.16</b>	<b>1,500.94</b>	<b>63.97</b>	<b>20.06</b>	<b>0.48</b>	<b>4,001.61</b>
Add: Unbilled dues						244.35
Total trade payable						<b>4,245.96</b>

---Space intentionally left blank---

**Note 24: Other financial liabilities**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
(Unsecured unless otherwise stated)		
Accrued employees liabilities	951.83	789.54
Book overdraft #	360.72	512.08
Creditors for capital goods	1,157.60	854.54
Trade deposits from customers	163.48	150.78
Interest payable on borrowings	36.26	13.43
<b>Total</b>	<b>2,669.89</b>	<b>2,320.37</b>

# This represent amounts of cheques issued in excess of balances in certain bank accounts, which were presented for payment by parties subsequent to the year end.

**Note 25: Current tax liabilities (net)**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Income tax provision (net of advance tax INR Nil (Previous year: INR 2097.58 lakhs))	-	997.14
	-	<b>997.14</b>

**Note 26: Other liabilities**

**Current**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Statutory dues	727.06	464.06
Contract liabilities	679.40	519.00
Accounting for refund liabilities #	80.99	63.85
Unspent grant liability*	-	43.58
Deferred grant income	27.10	27.26
<b>Total</b>	<b>1,514.55</b>	<b>1,117.75</b>

**Non Current**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Deferred grant income	142.08	125.44
<b>Total</b>	<b>142.08</b>	<b>125.44</b>

# 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.

\* Represents amount of government grant received by the Subsidiary Company in advance of fulfillment of recognition conditions for setting up of a new unit for processing of snack products at India Food Park.

**Note 27: Revenue from operations**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Sale - food products</b>		
Finished goods	1,54,460.87	1,27,466.07
Traded goods	5,237.74	3,224.89
Sale of raw material	524.18	-
Sale of Packing material	5.96	-
Sale of services	578.03	124.68
<b>Other operating revenue</b>		
Scrap sales	199.32	145.79
Consultancy income	1.86	0.37
Government grants		
Export benefits*	88.18	113.11
<b>TOTAL</b>	<b>1,61,096.14</b>	<b>1,31,074.91</b>

\*Export benefits are government grants and include following:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Merchandise Exports from India Scheme (MEIS)	-	104.21
Duty free import authorisation scheme (DFIA)	46.39	-
Remission of Duties and Taxes on Exported Products (RoDTEP)	41.79	8.90
<b>Total</b>	<b>88.18</b>	<b>113.11</b>

There are no unfulfilled conditions or contingencies attached to these benefits.

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale - food products	1,66,125.20	1,36,983.38
Adjustments for refund liabilities	(18.09)	(62.87)
Discount and rebates	(6,408.50)	(6,229.55)
<b>Revenue from sale of food products</b>	<b>1,59,698.61</b>	<b>1,30,690.96</b>

The table below represents summary of contract assets and liabilities relating to contract with customers:

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables (Refer note 13)	7,330.56	4,730.88
Contract liabilities (Refer note 26)	679.40	519.00

**Note 28: Other income**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Interest income</b>		
- Bank deposits	750.81	630.91
- On loans and investment	67.81	54.90
- Income tax refund	-	0.70
- Others	8.98	15.09
<b>Other non-operating income</b>		
Liabilities written back to the extent no longer required	157.62	375.47
Excess provision written back of slow moving inventory	20.97	-
Operating lease liabilities written back on modification	-	45.97
Amortisation of deferred grant income	27.10	2.56
Gain on disposal of property, plant and equipment	-	0.02
Net Gain on financial assets at fair value through profit and loss	3.48	1.37
Gain on lease modification	12.19	4.42
Foreign exchange fluctuation gain (net)	-	14.81
<b>TOTAL</b>	<b>1,048.96</b>	<b>1,146.22</b>

**Note 29: Cost of materials consumed**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Raw material</b>		
Inventory at the beginning of the year	1,974.70	1,293.17
Add: Acquired through business combination	-	0.02
Add: Purchases during the year	96,225.92	76,740.50
	<u>98,200.62</u>	<u>78,033.69</u>
Less: Inventory at the end of the year	2,383.80	1,974.70
Cost of raw material consumed (A)	<u>95,816.82</u>	<u>76,058.99</u>
<b>Packing material</b>		
Inventory at the beginning of the year	2,574.44	1,704.34
Add: Acquired through business combination	-	8.81
Add: Purchases during the year	18,010.06	15,728.00
	<u>20,584.50</u>	<u>17,441.15</u>
Less: Inventory at the end of the year	2,797.27	2,574.44
Cost of packing material consumed (B)	<u>17,787.23</u>	<u>14,866.71</u>
TOTAL (A)+(B)	<u>1,13,604.05</u>	<u>90,925.70</u>

**Note 30: Changes in inventories of finished goods and stock-in-trade**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventory at the beginning of the year	887.98	536.28
Less: Inventory at the end of the year	1,770.35	887.98
Changes in inventories of finished goods and stock in trade	<u>(882.37)</u>	<u>(351.70)</u>

**Note 31: Employee benefits expense**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages, bonus and other allowances	7,786.41	6,165.72
Contribution to provident and other funds [refer note 35 (a)]	511.90	360.98
Gratuity expense [refer note 35 (b)]	192.55	233.97
Workmen and staff welfare expenses	248.14	226.84
Share based payment expense	267.78	-
TOTAL	<u>9,006.78</u>	<u>6,987.51</u>

**Note 32: Depreciation, amortisation and impairment expenses**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipments (refer note 3)	3,521.01	3,104.45
Amortisation of intangible assets (refer note 6)	123.13	37.56
Amortisation of right-of-use assets (refer note 39)	262.52	57.46
Less: Amortisation of right-of-use assets capitalised during the year	(96.05)	-
Impairment of property, plant and equipments (refer note 44)	22.50	112.49
TOTAL	<u>3,833.11</u>	<u>3,311.96</u>

Bikaji Foods International Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**Note 33: Finance costs**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest cost on		
- Borrowings (refer note 20)	672.08	283.43
Less: Interest capitalised during the year	(63.24)	-
- Statutory dues	3.51	1.10
- on dues to Micro and Small enterprises	0.38	-
- Lease liabilities (refer note 39)	128.79	14.96
Less: Interest on lease liabilities capitalised during the year	(73.10)	-
- Others	0.67	-
<b>TOTAL</b>	<b>669.09</b>	<b>299.49</b>

**Note 34: Other expenses**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Power and fuel	4,925.55	3,571.81
Job work charges	1,453.18	1,191.66
Store and spares consumed	539.37	558.93
Brokerage and commission	150.20	92.80
Laboratory expenses	45.22	26.98
Repair and maintenance		
Building	203.86	296.47
Plant and machinery	434.98	326.72
Others	95.82	59.71
Advertisement expenses	2,913.00	3,063.78
Sales promotion expenses	919.01	649.78
Freight and forwarding charges	6,083.50	3,832.19
Rent	92.75	58.41
Rates and taxes	196.71	199.09
Insurance expenses	124.63	99.95
Legal and professional charges	680.14	272.73
License/ membership and trade mark expenses	73.17	22.60
Payment to auditors [refer note 34 (a)]	45.83	38.27
Travelling and boarding/ lodging expenses	636.46	345.99
Charity and donation	37.17	61.90
CSR expenses [refer note 34 (b)]	190.44	183.25
Loss on sales of property, plant and equipments	1.03	7.55
Bank charges	56.33	34.01
Sitting fees	26.83	-
Bad debts/ advances written off	42.69	4.60
Provision for doubtful debts (refer note 13)	36.97	52.47
Fair value adjustment on Investment (refer note 7)	353.82	115.00
Security deposit written off	20.00	-
Provision for slow moving inventory	-	112.96
Foreign exchange loss, net	6.86	-
Miscellaneous expenses	720.77	641.82
<b>TOTAL</b>	<b>21,106.29</b>	<b>15,921.43</b>

**Note 34 (a): Payment to auditors**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
- As auditor		
Statutory audit fees	36.30	30.22
Tax audit fees	2.20	2.03
- In other capacity		
Certification & other services ^	3.33	3.02
Reimbursement of expenses	4.00	3.00
<b>TOTAL</b>	<b>45.83</b>	<b>38.27</b>

^ Excludes IPO related expenses INR 118.30 lakhs (Previous year: Nil) disclosed in note 16.

**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 Parent 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, 2022	Year ended March 31, 2021
CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII	175.26	147.30
Amount spent during the year on		
(i) Construction/ acquisition of an asset	-	-
(ii) On purpose other than (i) above	190.44	183.25
Shortfall at the end of the year	-	-
<b>TOTAL</b>	<b>190.44</b>	<b>183.25</b>

Nature of CSR activities undertaken during the current year:	Year ended March 31, 2022
Health Care & Medical Facilities	124.94
Environment Sustainability	20.00
Social Awareness	22.00
Educational & Support Facilities	23.50
<b>Total</b>	<b>190.44</b>

**Note 34 (c): Earnings per share**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax attributable to shareholders of the Parent Company	7,795.15	9,020.60
Weighted average number of equity share (at adjusted face value of INR 1 per share) (Refer footnote i)	2,474.33	2,431.33
Potential equity shares under ESOP scheme (Nos. in lakhs)	3.89	-
Weighted average number of dilutive equity shares	2,478.22	2,431.33
Basic earnings per share	3.15	3.71
Dilutive earnings per share	3.15	3.71
Face value per equity share (adjusted) (Refer footnote i)	1.00	1.00

**Footnote i:** The Parent Company effected a ten-for-one stock split of the Equity share of the Parent Company. The stock split was approved by the board of directors of the Group in meeting dated September 2, 2021 and by the shareholders in extraordinary general meeting on October 22, 2021. The face value and authorized shares of Equity shares were also adjusted as a result of the stock split. All earnings per share related amounts in the consolidated financial statements and notes thereto have been retrospectively adjusted for all periods presented to give effect to this stock split.

Basic EPS amounts are calculated by dividing the profit for the period 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.

---Space intentionally left blank---

Note 35: Employee benefits obligations

(a) Defined contribution plans

i. Provident fund and other fund

The Group makes contribution towards employee's provident fund, employee's state insurance plan scheme and labour welfare fund. Under the schemes, the Group 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, employee's state insurance plan scheme and labour welfare fund 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 Group has recognised following amounts as expense in the statement of profit and loss:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Included in contribution to provident and other funds (refer note 31)		
Employees' state insurance plan	131.90	122.14
Provident fund	379.98	238.84
Labour welfare fund	0.02	-

(b) Defined benefit plan: Gratuity

The Parent Company has a defined benefit gratuity plan. The gratuity scheme of a parent 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. For the year ended March 31, 2022 every employee who has completed a minimum of 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. For the year ended March 31, 2021 every employee except directors of the Company 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. 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	Year ended March 31, 2022	Year ended March 31, 2021
Service cost	169.69	199.43
Net interest cost	22.86	34.54
Past Service Cost	(126.49)	(339.76)
Total defined benefit cost included in profit and loss	66.06	(105.79)
Classified as:		
Other income	(126.49)	(339.76)
Employee benefit expense	192.55	233.97

(ii) Current/ non-current bifurcation

Particulars	As at March 31, 2022	As at March 31, 2021
Current	171.39	115.63
Non-current	13.54	192.00
Net liability recognised in the balance sheet	184.93	307.63

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total amount recognised in other comprehensive income (OCI)	(100.36)	49.87

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate	6.81% - 7.48%	6.82% - 7.07%
Salary escalation rate	10.00%	10.00%
Expected return on plan assets	6.82%	6.61%

(v) Actual return on plan asset

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on plan assets	33.08	21.42
Remeasurements on plan assets	(2.23)	(1.09)
Actual return on plan assets	30.85	20.33

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

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Amount recognised in OCI, beginning of the year	213.58	163.71
Remeasurements due to:		
Effect of change in financial assumptions	(0.23)	58.12
Effect of change in demographic assumptions	(25.96)	32.36
Effect of experience adjustments	(76.40)	(41.70)
Return on plan assets (excluding interest)	2.23	1.09
Total remeasurements recognised in OCI	(100.36)	49.87
Amount recognised in OCI, end of the year	113.22	213.58

(vii) Change in defined benefit obligation during the year

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Defined benefit obligation, beginning of the year	792.73	823.97
Addition through business combination	-	9.09
Service cost	169.69	199.43
Interest cost	55.94	55.96
Actuarial losses		
a. Effect of change in financial assumptions	(0.23)	58.12
b. Effect of change in demographic assumptions	(25.96)	32.36
c. Experience (gain) / losses	(76.40)	(41.70)
Benefits paid from fund	(0.85)	(4.74)
Past service cost	(126.49)	(339.76)
Defined benefit obligation, end of the year	788.43	792.73

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

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Fair value of plan assets, beginning of the year	485.10	324.06
Interest income	33.08	21.42
Contributions	88.40	145.45
Actuarial (losses)	(2.23)	(1.09)
Benefits paid from fund	(0.85)	(4.74)
Fair value of plan assets, end of the year	603.50	485.10

(ix) Reconciliation of balance sheet (Net) amount

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Balance sheet liability, beginning of the year	307.63	499.91
Total charge recognised in profit and loss (net)	66.06	(105.79)
Total remeasurements recognised in OCI	(100.36)	49.87
Contribution during the year	(88.40)	(145.45)
Addition through business combination	-	9.09
Balance sheet liability (Net), end of the year	184.93	307.63

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

Particulars	As at	As at
	March 31, 2022	March 31, 2021
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.

(xi) Demographic assumptions used to determine the defined benefit

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Withdrawal rate	10% - 25%	5% - 20%
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	As at
	March 31, 2022	March 31, 2021
Within 1 year	177.13	119.49
Between 1 and 2 year	138.02	112.73
Between 2 and 3 year	123.36	114.16
Between 3 and 4 year	108.06	108.55
Between 4 and 5 year	100.89	95.87
Beyond 5 years	299.83	333.87

(xiii) Employers best estimate of contribution to defined benefit plan (gratuity) for next reporting period is INR 303.13 lakhs (previous year 484.90).

(xiv). The weighted average duration of defined benefit obligation is 6.88 years for holding company and 15.50 for subsidiary company.

(xv) Sensitivity analysis

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Defined benefit obligation (discount rate + 100 basis points)	(36.56)	(37.13)
Defined benefit obligation (discount rate - 100 basis points)	40.69	41.15
Defined benefit obligation (salary escalation rate + 100 basis points)	43.03	43.41
Defined benefit obligation (salary escalation rate - 100 basis points)	(39.28)	(39.58)

Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group 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.

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 (Whole time director) (w.e.f. September 1, 2021) (Managing Director) (till August 31, 2021)
	Deepak Agarwal (Managing Director) (w.e.f. September 1, 2021) (Director) (till August 31, 2021)
	Sushila Devi Agarwal (Director) (till August 31, 2021)
	Shweta Agarwal (Director)
	Shambhu Dayal Gupta (Chief Financial Officer) (till November 15, 2021) (General Manager-Corpoarte affairs and Finance) ( From November 16, 2021)
	Rishabh Jain (Chief Financial Officer) (w.e.f. November 16, 2021)
	Manoj Verma (Chief Operating Officer) (w.e.f. June 01, 2021)
Relatives of Key Managerial Personnels (KMPs)	Divya Navani (Company Secretary)
	Shiv Ratan Agarwal HUF
	Deepak Kumar Agarwal HUF
	Members of Thadiram Shiv Dayal HUF
	Manju Devi Saraf
	Pawan Kumar Saraf
	Ankit Khandelwal
Priyanka Jain (W.e.f. November 16, 2021)	
Entities under control of Key Managerial Personnels (KMPs)	Indra Devi Gupta
	Basant Vihar Hotel Private Limited Mastkin Foods Private Limited
Entities under significant influence of Key Managerial Personnels (KMPs)	Hanuman Agro Food Private Limited
Entities under control of relatives of Key Managerial Personnels (KMPs)	Babaji Snacks Private Limited
	Haldiram Ethnic Foods Private Limited
	Haldi Ram Products Private Limited
	Haldiram Snacks Private Limited
Entities under significant influence of relatives of Key Managerial Personnels (KMPs)	S. M. Foods Engineering Private Limited
	Haldiram Foods International Private Limited
	Oam Industries India Private Limited

(a) Key managerial personnel compensation

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Short-term benefits*	1,134.72	897.79
Share based payment	19.42	-
<b>Total compensation</b>	<b>1,154.14</b>	<b>897.79</b>

(b) Key managerial personnel's payable	As at	As at
	March 31, 2022	March 31, 2021
Accrued employees liabilities	63.42	36.88

\* Excluding provision for post-employment benefits / gratuity as a separate actuarial valuation is not available.

(b) Transactions with related parties

The following transactions occurred with related parties (including GST, if any):

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
<b>Sale of Goods &amp; Services</b>		
Entities under control of KMPs		
Mastkin Foods Private Limited	137.04	84.00
Basant Vihar Hotel Private Limited	6.55	-
Entities under significant influence of KMPs		
Hanuman Agro Food Private Limited	78.85	-
Entities under control of relatives of KMPs		
Babaji Snacks Private Limited	197.60	-
Haldi Ram Products Private Limited	41.47	-
Haldiram Snacks Private Limited	-	9.09
Relatives of KMPs		
Members of Thadiram Shiv Dayal HUF	2,154.41	1,547.97
<b>Sale of Property, Plant &amp; Equipments</b>		
Entities under control of relatives of KMPs		
Haldiram Ethnic Foods Private Limited	29.53	-
Entities under significant influence of relatives of KMPs		
S. M. Foods Engineering Private Limited	25.99	-
<b>Purchase of Goods &amp; Services</b>		
Entities under control of KMPs		
Basant Vihar Hotel Private Limited	307.24	128.21
Entities under control of relatives of KMPs		
Haldiram Snacks Private Limited	352.86	468.45
Entities under significant influence of relatives of KMPs		
S. M. Foods Engineering Private Limited	107.45	3.26
Oam Industries India Private Limited	4.08	4.47
Haldiram Foods International Private Limited	1,619.15	1,188.32
<b>Dividend</b>		
Key Managerial Personnels (KMPs)	266.63	268.07
Shiv Ratan Agarwal HUF	122.41	122.41
Deepak Kumar Agarwal HUF	0.03	0.03
<b>Loan given to Related Parties</b>		
Entities under control of relatives of KMPs		
Haldi Ram Products Private Limited	-	2,250.00
<b>Amount received back from Related Parties</b>		
Entities under control of relatives of KMPs		
Haldi Ram Products Private Limited	-	2,250.00
<b>Interest income on loan given to related parties</b>		
Entities under control of relatives of KMPs		
Haldi Ram Products Private Limited	-	30.90
<b>Investments</b>		
Entities under significant influence of KMPs:		
Hanuman Agro Foods Private Limited		
Investment in Compulsory Convertible Debentures (CCD)	4,355.31	3,103.00
Advance against investment in Compulsarily Convertible Debentures (CCD)	200.00	-
<b>Compensation to Related Parties</b>		
Relatives of Key Managerial Personnel		
Pawan Kumar Saraf	6.00	6.00
Ankit Khandelwal	6.73	5.12
Indra Devi Gupta	5.44	4.69
Manju Devi Saraf	6.00	6.00

Bikaji Foods International Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Legal and professional Relatives of Key Managerial Personnel Priyanka Jain	1.22	-
Rent paid Key Managerial Personnel Shiv Ratan Agarwal	9.36	9.36
Deepak Agarwal	7.20	7.20
Sushila Devi Agarwal	9.84	9.84
Loan taken from Related Parties Key Managerial Personnel Shiv Ratan Agarwal	150.00	-
Deepak Agarwal	265.00	-
Loan repaid to Related Parties Key Managerial Personnel Shiv Ratan Agarwal	150.00	-
Deepak Agarwal	265.00	-
Employee advance given to Related Parties Key Managerial Personnel Shambhu Dayal Gupta	8.00	-
Expenses paid on behalf of Company Key Managerial Personnel Deepak Agarwal	-	3.80
Reimbursement of expenses paid by Related Party on behalf of Company Key Managerial Personnel Deepak Agarwal	-	3.80
Reimbursement of expenses paid on behalf of Related Party Basant Vihar Hotel Private Limited	51.97	-
Expenses incurred on behalf of related parties Entities under significant influence of KMPs: Hanuman Agro Foods Private Limited	24.86	-

(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	As at March 31, 2022	As at March 31, 2021
<b>Accounts Payables:</b>		
Entities under control of relatives of KMPs Haldiram Snacks Private Limited	10.85	20.38
Entities under significant influence of relatives of KMPs Oam Industries India Private Limited	-	7.49
Haldiram Foods International Private Limited	48.57	70.19
Entities under control of KMPs Basant Vihar Hotel Private Limited	56.51	14.99
<b>Investments:</b>		
Entities under significant influence of KMPs: Hanuman Agro Foods Private Limited		
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI of Hanuman Agro Foods Private Limited	291.31	291.31
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss of Hanuman Agro Foods Private Limited	9,723.31	5,368.00
<b>Advances to Vendors:</b>		
Entities under significant influence of relatives of KMPs S. M. Foods Engineering Private Limited	46.10	60.62
<b>Accounts Receivables:</b>		
Relatives of KMPs Members of Thadiram Shiv Dayal HUF	29.03	25.82
Entities under control of KMPs Mastkin Foods Private Limited	27.65	30.10
Entities under significant influence of KMPs Hanuman Agro Foods Private Limited	78.85	-
Entities under control of relatives of KMPs Haldiram Products Private Limited	41.46	0.02
Haldiram Snacks Private Limited	1.02	1.02
Haldiram Ethnic Foods Private Limited	29.53	-
Entities under significant influence of relatives KMPs S. M. Foods Engineering Private Limited	25.99	-

Entities under significant influence of KMPs

Advance recoverable

Hanuman Agro Foods Private Limited 200.00 -

Amounts recoverable for expenses incurred on behalf of related parties

Hanuman Agro Foods Private Limited 24.86 -

Advances to employees:

Key Managerial Personnel

Shambhu Dayal Gupta 8.00 -

Notes

(a) Outstanding balances at the year end are unsecured and all balances except investment in Optional Convertible Debentures are interest free. The Group 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 personal guarantees to lender for borrowings. Refer Note 20.

(d) All transactions with these related parties are at arm's length basis and are in ordinary course of business. (All the amounts of transactions and balances disclosed in this note are gross and undiscounted)

(e) The Parent Company has provided financial support guarantee to its subsidiary (namely Petunt Food Processors Private Limited) to meet its current obligation as and when required to continue the operation of such subsidiary company as going concern.

Note 37: Contingent liabilities and commitments

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>(A) Contingent liabilities</b>		
In respect of sales tax (refer note a)	115.63	115.63
In respect of stamp duty charges (refer note b)	58.58	54.23
In respect other legal matters (refer note c)	63.35	17.20
In respect of goods and service tax (refer note d)	64.41	-
<b>(B) Commitment</b>		
<b>(i) Capital commitment</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,315.29	3,887.42
<b>(i) Other commitment</b>		
The Parent 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	479.01	244.56

(a) (i) The Parent 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 parent 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, The Parent 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 Parent Company has deposited INR 81.34 lakhs (including interest liability of INR 30 lakhs) during the year ended March 31, 2021. 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 Parent Company has filled application under RVAT for waiver of remaining interest liability which has been approved by the government. Accordingly, the said cases are closed except financial year 2006-07. Based on the management assessment, there is a possibility that the case may be decided in favour of the Parent Company.

(a) (ii) The Parent 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. The parent 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 Parent 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 ended March 31, 2021 Parent Company has received the protest amount of INR 22.00 lakhs deposited against this case. Based on the management assessment, there is a possibility that the case may be decided in favour of the Parent 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 Parent 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 Parent Company.

(c) Represents the best possible estimate by the Management, basis available information, about the outcome of various claims against the Parent 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 parent Company.

(d) Based on favourable decisions in similar cases and discussions with the consultants etc., the Subsidiary Company believes that it has good cases in respect of all the items listed above and hence no provision against these is considered necessary.

Others:

(a) The Parent Company has given a corporate guarantee amounting to INR 1,900 lakhs (previous year INR Nil) in favour of HDFC Bank limited "lendor" on behalf of Vindhya wasini Sales Private Limited towards term loan given by lender for purchasing the tangible assets during the financial year ended March, 2022. The company is in process of revocation of said Corporate guarantee in the near future subject to fulfillment of terms & conditions of lender.

(b) The Parent Company has been sanctioned Production Linked Incentive ("the Scheme") amounting to INR 26,138.9 lakhs during the financial year 2021-22 by Ministry of Food Processing Industries (MOFPI) vide approval letter dated December 03, 2021. Under the scheme, the Parent Company is to make investment of INR 43,873.84 lakhs in eligible capital assets upto March 31, 2023 directly and through Contract manufacturing units and Subsidiaries and balance of INR 1,297 lakhs to be incurred in branding and marketing expenditure. Recently a guideline No. 11-18/3/2021-PLIS Division has been issued by MOFPI which provides the extension in timelines upto March 31, 2024 but it has been communicated that the time extension will be available to those companies which make 80% of total capital investment upto March 31, 2023. Therefore, the Parent Company is committed to make such capital expenditure in the due course of time.

**Note 38: Segment reporting**

The Group primarily operates in the food products segment. The board of directors of the Group, 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 (Disaggregation of revenue)**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
India	1,54,690.75	1,24,429.21
Outside India	6,405.39	6,645.70
<b>TOTAL</b>	<b>1,61,096.14</b>	<b>1,31,074.91</b>

**b. Segment revenue with major customers**

The Group has two customer (i.e. super stockists) during the year ended March 31, 2022 individually accounting for more than 10% of its sale of food products. During the year 25.04% (previous year 21.78%) of the Company's sale of food products was generated from these customers.

**Note 39: Leases**

The Group has taken land and building, shops, flats and godowns on operating leases. These lease arrangements range for a period between 11 months to 5 years except for land where lease period is upto 99 years in case of Parent Company and 11 months to 15.83 years in case of one subsidiary, 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 Group is a lessee is presented below:

**(i) Right-of-use asset**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Balance as at April 01, 2021	985.38	968.19
Additions through business acquisitions (Refer note 46)	-	1,235.28
Addition during the year	2,039.74	97.21
Deletion during the year	(63.44)	(1,257.84)
Amortisation for the year	(262.52)	(57.46)
<b>Balance as at March 31, 2022</b>	<b>2,699.16</b>	<b>985.38</b>

**(ii) Lease liabilities**

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

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Balance as at April 01, 2021	128.08	164.77
Additions through business acquisitions (Refer note 46)	-	1,469.83
Addition	1,901.86	97.22
Deletion	(63.44)	(1,303.81)
Accretion of interest	128.79	14.96
Payments	(231.53)	(310.47)
Gain on lease modification (refer note 28)	(12.18)	(4.42)
<b>Balance as at March 31, 2022</b>	<b>1,851.58</b>	<b>128.08</b>

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Current	264.83	45.36
Non-current	1,586.75	82.72
<b>Total</b>	<b>1,851.58</b>	<b>128.08</b>

Below are the amounts recognised by the Group in statement of profit and loss

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Interest expense on lease liabilities	128.79	14.96
Amortisation expense for right-of-use assets	262.52	57.46
Expense relating to short term leases	92.75	58.41
Less capitalised during the year	(169.15)	-
<b>Total</b>	<b>314.91</b>	<b>130.83</b>

Below are the amounts recognised by the Group in statement of cash flows:

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Total cash outflow for leases	(231.53)	(310.47)

**Contractual maturities of lease liabilities**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Not later than 1 year	317.56	45.36
Later than 1 year but not later than 5 years	1,221.06	82.72
More than 5 years	797.37	-

**Extension options:**

Lease contain extension options exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only on mutual agreement. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group 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 Group 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 of Group 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 than 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. 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 Group's financial instruments are as follows:

**Fair value instruments by category**

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Financial assets carried at amortised cost</b>				
Security deposits	347.09		347.09	319.62
Loans	1,512.49		1,512.49	122.20
Trade receivables	7,330.56		7,330.56	4,730.88
Cash and cash equivalents	250.45		250.45	175.90
Other bank balances	18,083.47		18,083.47	11,859.25
Other financial assets	1,059.25		1,059.25	91.50
<b>Financial assets measured at fair value</b>				
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	1,163.20		1,163.20	462.97
Investment In Mutual-Fund fair value through profit and loss (FVTPL)	104.86		104.86	101.37
Investment in equity instrument fair value through profit and loss (FVTPL)	5.00		5.00	5.00
Investment in Compulsory Convertible Preference Shares (CCPS)	739.40		739.40	16.40
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss (FVTPL)	9,139.92		9,139.92	5,114.00
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss (FVTPL)	1,482.17		1,482.17	450.00
Convertible note	-		-	730.00
<b>Total of financial assets</b>	<b>41,217.86</b>		<b>41,217.86</b>	<b>24,179.09</b>
<b>Financial liabilities carried at amortised cost</b>				
Borrowings				
- Short term	10,053.50		10,053.50	7,208.10
- Long term	4,105.44		4,105.44	1,420.56
Lease liabilities	1,851.58		1,851.58	128.08
Trade payables	4,281.34		4,281.34	4,245.96
Trade deposits from customers	163.48		163.48	150.78
Other current financial liabilities	2,470.15		2,470.15	2,156.16
<b>Total financial liabilities</b>	<b>22,925.49</b>		<b>22,925.49</b>	<b>15,309.64</b>

**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, 2022:**

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
<b>Financial assets carried at amortised cost</b>			
Security deposits	-	-	347.09
Loans	-	-	1,512.49
Trade receivables	-	-	7,330.56
Cash and cash equivalents	-	-	250.45
Other bank balances	-	-	18,083.47
Other financial assets	-	-	1,059.25
<b>Financial assets measured at fair value</b>			
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	-	-	1,163.20
Investment In Mutual-Fund fair value through profit and loss (FVTPL)	104.86	-	-
Investment in equity instrument fair value through profit and loss (FVTPL)	-	-	5.00
Investment in Compulsory Convertible Preference Shares (CCPS)	-	-	739.40
Investment in Compulsory Convertible Debentures (CCD) fair value through profit and loss (FVTPL)	-	-	9,139.92
Investment in Optional Convertible Debentures (OCD) fair value through profit and loss (FVTPL)	-	-	1,482.17
Convertible note	-	-	-
<b>Total of financial assets</b>	<b>104.86</b>	<b>-</b>	<b>41,113.00</b>

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
<b>Financial liabilities carried at amortised cost</b>			
Borrowings			
- Short term	-	-	10,053.50
- Long term	-	-	4,105.44
Lease liabilities	-	-	1,851.58
Trade payables	-	-	4,281.34
Trade deposits from customers	-	-	163.48
Other current financial liabilities	-	-	2,470.15
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>22,925.49</b>

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
<b>Financial assets carried at amortised cost</b>			
Security deposits	-	-	319.62
Loans	-	-	122.20
Trade receivables	-	-	4,730.88
Cash and cash equivalents	-	-	175.90
Other bank balances	-	-	11,859.25
Other financial assets	-	-	91.50
<b>Financial assets measured at fair value</b>			
Investment in Compulsorily Convertible Preference Shares (CCPS) fair value through OCI (FVTOCI)	-	-	462.97
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 Preference Shares (CCPS)	-	-	16.40
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)	-	-	450.00
Convertible note	-	-	730.00
<b>Total of financial assets</b>	<b>101.37</b>	<b>-</b>	<b>24,077.72</b>
<b>Financial liabilities carried at amortised cost</b>			
Borrowings			
- Short term	-	-	7,208.10
- Long term	-	-	1,420.56
Lease liabilities	-	-	128.08
Trade payables	-	-	4,245.96
Trade deposits from customers	-	-	150.78
Other current financial liabilities	-	-	2,156.16
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>15,309.64</b>

Assets for which fair values are disclosed as at March 31, 2022 (refer note 5):

Particulars	Fair value measurement using		
	Level 1	Level 2	Level 3
Investment properties	-	-	2,214.70
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,214.70</b>

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	-	-	2,130.60
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,130.60</b>

Quantitative disclosures of fair value measurement hierarchy as at March 31, 2022:

The Group has invested shares, CCPS, mutual funds, unquoted equity shares, CCD, OCD and convertible notes fair valued at year end.

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 period / year ends as the Management expects any fair value adjustments in value of these instruments to be immaterial to the Consolidated 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	Year ended	Year ended
	March 31, 2022	March 31, 2021
<b>Gain included in 'other income'</b>		
Change in fair value (realised)	-	-
Change in fair value (unrealised)	3.48	1.37
<b>Loss included in 'other expenses'</b>	<b>3.48</b>	<b>1.37</b>
Change in fair value (realised)	-	-
Change in fair value (unrealised)	353.82	115.00
	<b>353.82</b>	<b>115.00</b>
<b>Gain included in 'other comprehensive income'</b>		
Change in fair value (realised)	-	-
Change in fair value (unrealised)	701.46	-
	<b>701.46</b>	<b>-</b>
<b>Loss included in 'other comprehensive income'</b>		
Change in fair value (realised)	-	-
Change in fair value (unrealised)	-	1,134.29
	<b>-</b>	<b>1,134.29</b>
<b>Total fair valuation gain/ (loss)</b>	<b>351.12</b>	<b>(1,247.92)</b>

The Group 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 Group 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 Parent Company. The cash flow projections include specific estimates for 5 years. The expected net cash flows are discounted using a risk adjusted discount rate. Terminal value (earnings post 6th years till perpetuity) has been arrived using the Gordon Growth method. Computation of Option value of OCD as per Black-Scholes-Merton model.	-Risk adjusted market interest rate: 8.5% (previous year 8.50%)	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 debeture face value (at the time of conversion, as per terms of issue) expected to be generated by the Parent Company. The cash flow projections include specific estimates for 0.75 years (previous year: 0.58 years) . The expected net cash flows are discounted using a risk adjusted discount rate.	-Risk adjusted market interest rate: 8.00% (previous year: 8.50%)	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 to -Risk adjusted market interest rate: 8.00% (previous year 8.50%)	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, 2022:

	Increase %	Decrease %	Increase amount	Decrease amount
Value of leased land	+1%	-1%	40.78	(40.78)
Discount rate used for CCD (also included in valuation of CCPS)	+1%	-1%	37.87	(37.87)
Free cash flows	-1%	-1%	47.20	(48.90)
Volatility of stock	+2%	-2%	11.70	(11.90)

Sensitivity to fair value as at March 31, 2021:

	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
Free cash flows	+2%	-2%	2.00	(1.00)
Volatility of stock	+2%	-2%	13.00	(13.00)

----Space intentionally left blank----

**Note 42: Financial risk management**

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

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Consolidated 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 Group 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 group's functional currency. To mitigate the Group's exposure to foreign currency risk, non-INR Cash Flows are monitored in accordance with the Group's risk management policies.

**Foreign currency risk exposure:**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Financial assets</b>		
Trade receivables		
- USD	13.48	8.54
<b>Total</b>	<b>13.48</b>	<b>8.54</b>
<b>Financial liabilities</b>		
Trade payable		
- USD	0.43	-
<b>Total</b>	<b>0.43</b>	<b>-</b>

**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 March 31, 2022	As at March 31, 2021
<b>Trade Receivables (INR)</b>			
INR	2.00	(20.44)	12.54
	2.00	(20.44)	(12.54)
<b>Trade Payables (INR)</b>			
INR	2.00	(0.65)	-
	2.00	(0.65)	-

**(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 Group's variable rate borrowing is subject to interest rate changes. Below is total outstanding borrowings:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Variable rate borrowings	14,063.44	8,541.93
Fixed rate borrowings	59.24	73.30
<b>Total borrowings</b>	<b>14,122.68</b>	<b>8,615.23</b>

**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	Effect on profit or loss	
	As at March 31, 2022	As at March 31, 2021
Interest rates increase by 0.5%	70.32	42.71
Interest rates decrease by 0.5%	(70.32)	(42.71)

Bikaji Foods International Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

(B) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group 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 Group subject to the Group'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 Group 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 period:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Opening balance	111.72	49.32
Additions through business acquisitions	-	9.93
Additions	36.97	52.47
Closing balance	<u>148.69</u>	<u>111.72</u>

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group'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 Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group 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	As at			
	March 31, 2022			
	Less than 1 year	1-5 years	More than 5 years	Total
<b>Non-derivative:</b>				
Borrowings including interest accrued	10,053.50	4,105.44	-	14,158.94
Lease liabilities	317.56	1,221.06	797.37	2,335.99
Trade payables	4,281.34	-	-	4,281.34
Trade deposits from customers	163.48	-	-	163.48
Other current financial liabilities	2,470.15	-	-	2,470.15
<b>Total non-derivative financial liabilities</b>	<u>17,286.03</u>	<u>5,326.50</u>	<u>797.37</u>	<u>23,409.90</u>

Particulars	As at			
	March 31, 2021			
	Less than 1 year	More than 1 year	More than 5 year	Total
<b>Non-derivative:</b>				
Borrowings including interest accrued	7,208.10	1,420.56	-	8,628.66
Lease liabilities	45.36	82.72	-	128.08
Trade payables	4,246.00	-	-	4,246.00
Trade deposits from customers	150.78	-	-	150.78
Other current financial liabilities	2,156.16	-	-	2,156.16
<b>Total non-derivative financial liabilities</b>	<u>13,806.40</u>	<u>1,503.28</u>	<u>-</u>	<u>15,309.68</u>

**Note 43: Capital management policies and procedures**

**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 Group'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 Group monitors the return on capital, as well as the level of dividends to equity shareholders. The Group 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 Group'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 Group monitors capital based on the following gearing ratio:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Equity	2,495.10	2,431.33
Other Equity	79,573.26	58,318.58
<b>Total equity (i)</b>	<b>82,068.36</b>	<b>60,749.91</b>
Total borrowings	14,122.68	8,615.23
Less: Cash and bank balances (including deposits with banks)	18,333.92	12,035.15
<b>Total debt (ii)</b>	<b>(4,211.24)</b>	<b>(3,419.92)</b>
<b>Overall financing (iii)= (i)+(ii)</b>	<b>77,857.12</b>	<b>57,329.99</b>
<b>Gearing ratio (ii)/(iii)</b>	<b>-5.41%</b>	<b>-5.97%</b>

No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2022 and March 31, 2021.

**(b) Dividend distribution**

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Dividend paid INR 2 per share (Previous year: INR 2 per share) before stock split from INR 10 each to	499.90	486.27

The dividend declared by the Parent Company is based on profits available for distribution as reported in the financial statements of the Parent Company. On September 03, 2022 the Board of Directors of the Parent Company has proposed a dividend of INR 0.10 per share of face value of INR 1 each in respect of the year ended March 31, 2022 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of approximately INR 249.51 lakhs.

**Note 44: Impairment of Solar Plant**

The Parent Company has solar energy generation plants located at Kolayat and Gajner, Rajasthan. These plants were setup in 2013 and 2014, respectively. Various solar plant owner has jointly 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 Parent Company has not recognised revenue from solar plants. Further, the dispute on PPA has led the Parent 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 22.50 lakhs (previous year 112.49 lakhs) in the net carrying value of such asset during the year and management believes that the recoverable value of such asset exceed the net carrying value as on reporting date, therefore, no further impairment is required in the books of account.

**Note: 45 Impact of Covid-19**

The World Health Organization 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 Group's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Group'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 Group.

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, 2022 and has concluded that there are no adjustments have been made to the Consolidated Financial Statements. Given the uncertainties associated with nature, condition and duration of COVID-19, the Group continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

**Note: 46 Business Combination**

On 3 February 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:

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	1,467.25
Capital Work In Progress	38.30
Intangible Assets including	0.82
Right of use - Assets (Leases)	1,235.28
Inventories	13.62
Trade receivables	85.17
Cash and cash equivalents	446.06
Other financial assets	70.47
Other current assets	405.15
<b>Total assets acquired (A)</b>	<b>3,762.12</b>

Bikaji Foods International Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**(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
<b>Total liabilities assumed (B)</b>	<b>3,478.43</b>
<b>Net Identifiable Assets (A - B)</b>	<b>283.69</b>
<b>Non controlling interest</b>	<b>16.45</b>
<b>Net assets attributable to the Company</b>	<b>267.23</b>
<b>Calculation of capital reserve</b>	
Purchase Consideration	118.00
Less:- Net Identifiable Assets Acquired	267.23
<b>Capital Reserve</b>	<b>149.23</b>

**Revenue and profit contribution**

The acquired business contributed INR 242.95 lakhs and INR 26.37 lakhs towards revenue and profit of the Group for the period February 03, 2021 to March 31, 2021  
----Space intentionally left blank----

Note 47: Additional information as required under Schedule III of the Act, of enterprises consolidated as subsidiary company:

For the year ended March 31, 2022

Particulars	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	100.01%	82,074.16	105.17%	7,995.81	99.45%	597.57	104.75%	8,593.38
Subsidiary Incorporated in India:								
Petunt Food Processors Private Limited	-0.01%	(5.80)	-5.17%	(393.00)	0.55%	3.28	-4.75%	(389.72)
Total	100.00%	82,068.36	100.00%	7,602.81	100.00%	600.85	100.00%	8,203.66

For the year ended March 31, 2021

Particulars	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%	60,870.07	97.12%	8,773.23	100.00%	(879.07)	96.81%	7,894.16
Subsidiary Incorporated in India:								
Petunt Food Processors Private Limited	-0.40%	(241.04)	2.88%	260.23	0.00%	-	3.19%	260.23
Subsidiary incorporated outside India:								
Bikaji Foods (London) Limited	0.20%	120.88	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	60,749.91	100.00%	9,033.46	100.00%	(879.07)	100.00%	8,154.39

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 Group will assess the impact of the Code and will give appropriate impact in the Consolidated Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 49: Employee Stock Options Plan (ESOP)

The Shareholder of the Parent Company vide its special resolution dated October 22, 2021 in extraordinary general meeting (EGM) approved Bikaji ESOP-I 2021 & Bikaji ESOP-II 2021 ("The Plan") for granting the plan in form of equity shares of maximum 50 lakhs stock options and linked to the completion of a minimum period of continued employment to the eligible employees of the Group, which is being monitored and supervised by the nomination and remuneration committee of the Board of Directors from time to time subject to the term & conditions specified in the plan and employee stock option agreement/grant letter. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The stock option granted vest over a period of 1 year / 2 years, as the case may be, from the date of grant in proportions specified in the respective ESOP Plans and such stock options may be exercised by the employee after vesting period within 7 years from the date of Vest.

Information in respect to employee stock option granted upto March 2022 under the plan are as follows:-

Year	Date of grant	Numbers of options granted	Vesting year	Exercise year	Exercise price INR per share
2021-22	January 7, 2022	5,63,667	One year from the date of grant	7 years from the date of vesting	165
2021-22	January 7, 2022	2,81,833	Two years from the date of grant	7 years from the date of vesting	165
2021-22	January 7, 2022	2,05,050	One year from the date of grant	7 years from the date of vesting	1

(i) Movement in employee stock option during the year :

Particulars	BIKAJI ESOP-I 2021		BIKAJI-ESOP-II 2021	
	Number of options	Weighted average exercise price INR	Number of options	Weighted average exercise price INR
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	8,45,500	165	2,05,050	1
Forfeited / lapsed during the year	10,500	165	24,100	1
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	8,35,000	165	1,80,950	1
Exercisable option at the end of the year	-	-	-	-

(ii) Fair value on grant date :

The fair value at grant date is determined using the Black-Scholes valuation method which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the average dividend yield and the risk free interest rate for the term of the option. The significant assumptions used to ascertain fair value of each option in accordance with Black scholes model.

Particulars	Year ended March 31, 2022	
	BIKAJI ESOP-I 2021	BIKAJI-ESOP-II 2021
Weighted average fair value of the options at the grant dates (INR)	115.65	210.38
Dividend yield (%)	0.91	0.91
Risk free interest rate (%)	5.78 - 6.08	5.78
Expected life of share options (years)	4.51 - 5.51	4.51
Expected volatility (%)	45.81 - 46.57	45.81
Weighted average share price (INR)	220.04	220.04
Weighted average remaining contractual life (days)	2473 to 2838	2,473.00
Exercise price	165.00	1.00

The Risk free interest rate being considered for the calculation is the interest rate applicable for the maturity equal to expected life of the stock option based on the zero coupon yield curve for the clearing corporation of India limited. The dividend yield for the year ended is derived by dividing the dividend for the year ended with the current market price.

(iii) During the year ended March 31, 2022, the Company recorded an Share based payment expense of INR 267.78 lakhs ( previous year INR Nil) in the Statement of Profit and Loss and the balance in share options outstanding account as at March 31, 2022 is INR 267.78 lakhs (previous year INR Nil).

Note 50: Material development subsequent to the Balance Sheet date

The Board of directors of the Parent Company is approved the investment in Vindhyaasini Sales Private Limited vide resolution dated September 2, 2021. The Parent Company has acquired all equity shares of Vindhyaasini Sales Private Limited from its existing shareholders on April 1, 2022 by obtaining Form SH-4 for transferring the equity shares in the name of the Parent Company. Further Board of directors of the Parent Company has passed the resolution dated June 7, 2022 & approved the share transfer w.e.f. April 1, 2022.

**Note 51 : Initial Public Offering (IPO)**

The Parent Company is under the process of getting its securities listed on the Stock Exchange. As part of the proposed offering, The Parent Company filed its Draft Red Herring Prospectus ("DRHP") in connection with the filing of an Offer Document for proposed issue of the equity shares (the "Equity Shares") by Bikaji Foods International Limited (the "Parent Company") with the Securities and Exchange Board of India ("SEBI") and the Registrar of Companies, Jaipur on February 22, 2022. Further, the Parent Company is in the process of filing Red Herring Prospectus ("RHP") in the financial year 2022-23 and believes that the Parent Company will be listed on NSE & BSE in financial year 2022-23.

**Note 52 : Others**

- (a).The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (b).The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (c).The Group does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (d).The Group has not traded or invested in Crypto currency or Virtual Currency for the financial year 2021-22.
- (e) The Group has not revalued its property, plant and equipment during the year 2021-22.
- (f) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (g) The Group has not been declared Willful Defaulter (as defined by RBI circular) by any bank or financial institution or other lender.
- (h) (i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or  
 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:  
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

**Note 53**

The Subsidiary Company, Petunt Food Processors Private Limited, has a net working capital deficit of INR 358.54 lakhs as of March 31, 2022. Further, net worth of the Subsidiary has also eroded during the year ended March 31, 2022. However, the financial statements of the Subsidiary company have been prepared on a going concern basis, since the Subsidiary is incorporated during the Financial year 2017-18 and the management believes the Subsidiary company to be profitable in near future. Further, the Subsidiary company has also received a support letter from its Holding Company to provide financial support to continue as going concern. Accordingly, financial statements of the subsidiary company are prepared on a going concern basis and such Subsidiary is not material to the Group.

**Note 54**

The Parent Company avails the short term credit facility from bank on the basis of security of Inventory & book debts & filed its quarterly return/statement with the banks for the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 & March 31, 2022 & the same are in agreement with books of accounts other than those below:  
 Further the Parent Company has submitted the revised quarterly statement/return with the banks for the aforesaid quarters subsequent to March 31, 2022 & the same are in agreement with books of accounts.

Quarter	Name of Bank	Particulars of Security Provided	Amount as reported in the quarterly return/statement (INR in lakhs)	Amount as per Books of Account (INR in lakhs)	Difference (INR in lakhs)	Reason for material discrepancies
Quarter I	State Bank of India	Inventory	5,242.71	5,576.28	(333.58)	Difference is pertaining majorly on account of opening Goods-in-transit as on March 31, 2021 and the same has not been updated in the books of account as at June 30, 2021 appropriately.
Quarter II	State Bank of India	Inventory	6,981.68	7,196.47	(214.79)	Difference is pertaining majorly on account of opening Goods-in-transit as on March 31, 2021 and the same has not been updated in the books of account as at September 30, 2021 appropriately.
		Debtors	10,805.40	9,564.06	1,241.34	Major Differences on account of following reasons: - 1. Amount received through cheque from customers and not deposited into banks and kept as cheques in hand 2. Balance pertaining to branch office has been considered twice inadvertently in stock statements as at Sep 30, 2021 submitted by the Company. 3. Adjustment of debit and credit notes issued by the Parent Company subsequent to September 30, 2021 and not considered by the Company at the time of submission of statements to bank as on September 30, 2021 4. Balance pertaining to advances to vendors inadvertently added in debtor balances while submitting statement to banks as on September 30, 2021
Quarter III	State Bank of India	Inventory	5,484.55	5,642.98	(158.43)	Difference is pertaining majorly on account of inventories at some of the locations (Kolkata, Bangalore and Guwahati) were erroneously not included in the stock statement with the banks as on December 31, 2021
Quarter IV	State Bank of India & HDFC Bank Limited	Debtors	8,897.08	8,549.09	348.00	Major Differences on account of following reasons: - 1. Balance pertaining to inter corporate deposits inadvertently added in debtor balances while submitting statement to banks as on March 31, 2022 2. Adjustment of debit and credit notes issued by the Parent Company subsequent to March 31, 2022 and not considered by the Company at the time of submission of statements to bank as on March 31, 2022.

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

For M S K A & Associates  
Chartered Accountants  
Firm Registration No.: 105047W

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

Manish Surana  
Partner  
Membership No.: 077597  
Place: Bikaner  
Date: September 03, 2022

Amit Mitra  
Partner  
Membership No.: 094518  
Place: Gurugram  
Date: September 03, 2022

Shiv Ratan Agarwal  
Chairman  
DIN: 00192929  
Place: Bikaner  
Date: September 03, 2022

Deepak Agarwal  
Managing Director  
DIN: 00192890  
Place: New Delhi  
Date: September 03, 2022

Rishabh Jain  
Chief Financial Officer  
PAN: AEAPJ1574L  
Place: Bikaner  
Date: September 03, 2022

Divya Navani  
Company Secretary  
Membership No.: 026014  
Place: Bikaner  
Date: September 03, 2022