



JHANDEWALAS  
FOODS LIMITED

## ANNUAL REPORT 2018-2019





## CORPORATE INFORMATION

### Board Of Directors

Mr. Raakesh B. Kulwal  
Chairman & Managing Director  
DIN No:- 00615150

Mrs. Jinko Devi Koolwal  
Director  
DIN No:- 02531975

Mr. Nand Lal Pancharia  
Independent Director  
DIN No:- 07951887

Mr. Harsh Agarwal  
Independent Director  
DIN No:- 07972445

### Chief Financial Officer

Mr. Pankaj Kumar Mathur

### Company Secretary & Compliance Officer

Mrs. Annu Sharma

### Statutory Auditors

#### M/S MSG & Associates

Chartered Accountants  
421-422, OK Plus, Malviya Nagar, Malviya  
Industrial Area, Jaipur-302017  
Contact No:- 941408697

### Secretarial Auditor

M/s Arms And Associates LLP  
24 KA, 1, Jyoti Nagar, Jaipur

### Registered Office

B-70, 1<sup>st</sup> Floor, Upasana House, Janta Store,  
Bapu Nagar, Jaipur, Rajasthan-302015  
CIN : L15209RJ2006PLC022941

### Registrar & Transfer Agent

Bigshare Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road, Marol,  
Andheri East, Mumbai-400059

### Annual General Meeting Day, Date & Time

Monday 30<sup>th</sup> September 2019  
11:00 AM

### Venue

B-70, 1<sup>st</sup> Floor, Upasana House, Janta Store,  
Bapu Nagar, Jaipur, Rajasthan-302015

### Book Closure

23<sup>rd</sup> September 2019 To 30<sup>th</sup> September 2019

### Bankers To The Company

State Bank Of India  
SMS Highway, Chaura Rasta, Jaipur-302001  
Kotak Mahindra Bank  
E-4, E-5, Subhash Nagar, Shopping Centre,  
Jhotwara Road, Jaipur-302012

## CONTENTS

Notice .....	1
Management Discussion and Analysis .....	3
Directors' Report .....	6
MD/CFO Certification to the Board .....	30
Independent Auditor's Report .....	31
Balance Sheet .....	36
Statement of Profit & Loss .....	37
Cash Flow Statement .....	38
Notes to the Financial Statement .....	39
Route Map .....	49
Proxy Form .....	50



## NOTICE

Notice is hereby given that the 13th Annual General Meeting of the members of Jhandewalas Foods Limited will be held on Monday, 30th September 2019 at 11.00 A.M. at B-70,1<sup>st</sup> Floor, Upasana House, Janta Store, Bapu Nagar Jaipur RJ 302015 to transact the following businesses:

### Ordinary Business

1. To consider and adopt:

**(a) the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Directors and Auditors thereon: and**

2. **To appoint Mrs. JINKO DEVI KOOLWAL (DIN:02531975), who retires by rotation as a Director and being eligible, offer herself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. JINKO DEVI KOOLWAL (DIN: 02531975), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

3. **To appoint statutory auditor of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 (the “Act”) and as per the recommendation of audit committee and board of directors for the appointment of M/s M S G & Associates, Chartered Accountants, (FRN.: 010254C) who have

been appointed as an Auditor in the Extra Ordinary General Meeting held on 29<sup>th</sup> June, 2019 to fill the casual vacancy created by resignation of M/s. J K Sarawgi & Company, Chartered Accountants, be and are hereby approved as Statutory Auditors of the Company for the financial year 2019-2020 to 2023-2024 from the conclusion of this Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Board of Directors in consultation with the Auditors plus applicable tax and reimbursement of out-of-pocket expenses in connection with the audit and the remuneration may be paid on a progressive billing basis to be agreed between the Auditors and the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution.”

For Jhandewalas Foods Limited

Place: Jaipur  
Date: 03rd Sep, 2019

**Raakesh B Kulwal**  
DIN:00615150  
Managing Director

### Registered Office:

B-70, 1st Floor, Upasana House, Janta Store Bapu Nagar  
Jaipur - 302015, Rajasthan  
CIN: L15209RJ2006PLC022941  
Website: www.namans.co.in  
E-mail: acc.jfpl@gmail.com  
Tel: 0141-2574935

### NOTES

- **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ANNEXED TO THIS REPORT. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.**
- The Register of Members and Transfer Books of the Company will remain closed from 23<sup>rd</sup> September, 2019 to 30<sup>th</sup> September, 2019 (both days inclusive) for the purpose of the 13<sup>th</sup> Annual General Meeting or any adjournment thereof.
- Notice of AGM and the Annual Report are being sent to those members, whose name appeared in the register of members / list of beneficial owners as received from

NSDL/CDSL, as at the close of business hour on Tuesday, September 03<sup>rd</sup> 2019. Notice and Annual Report are also available on the website of the Company.

- For the convenience of Members and for proper conduct of the meeting, venue of the meeting will be regulated by attendance slip, which is enclosed with the Annual Report. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue.
- Members desiring any information relating to the accounts are requested to write to the Company at an early date so as to enable the arrangement to keep the information ready.
- As per Notification issued by Ministry of Corporate Affairs dated 19<sup>th</sup> of March, 2015 with reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB and Chapter XC of SEBI (ICDR) Regulations, 2009 are exempted from E-Voting provisions. Also, no such provision is available in SME Equity Listing Agreement. Company is covered under Chapter XB as it is a SME Company and listed on SME platform of BSE Limited.



Therefore Company is providing postal ballot facility to its shareholders.

- Members are requested to bring their copies of the Annual Report to the Meeting.
- The Ministry of Corporate Affairs has taken a Green Initiative in Corporate Governance by issuing circulars allowing paperless compliances by companies through electronic mode. Further, as per recent circular issued by the Securities Exchange Board of India (SEBI) and consequent changes in the listing agreement, Companies can send Annual Report in electronic mode to Members who have registered their e-mail address for the purpose. The Members holding shares in electronic form are requested to register their e-mail

address with their respective Depository Participant(DP).Accordingly, the company is sending the electronic copy of Annual Report to the shareholders whose email-id are registered with their respective DP. However, any member seeking to have hard copy of the Annual Report may send their request to the designated mail id of Company Secretary to have the same.

- All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days up to the date of the Annual General Meeting
- Members and/or proxies are requested to bring with them the attendance slip and hand it over at the entry gate.

**FORM NO. MGT.12**

**Polling Paper**

**[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]**

Name of the Company: **JHANDEWALAS FOODS LIMITED**

Registered office:**B-70, FIRST FLOOR, UPASANA HOUSE, JANTA STORE, BAPU NAGAR, JAIPUR-302015**

**BALLOT PAPER**

S No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	To consider and adopt audited financial statement of year ended march 31 <sup>st</sup> , 2019			
2	To appoint Mrs. Jinko Devi Koolwal who retires by rotation as a director and being eligible for re-appointment			
3	To appoint statutory auditor of the company and fix their remuneration			

Place:

Date:

(Signature of the shareholder)





## MANAGEMENT DISCUSSION AND ANALYSIS

### A. The Industry:

The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment. The Indian gourmet food market is currently valued at US\$ 1.3 billion and is growing at a Compound Annual Growth Rate (CAGR) of 20 per cent. India's organic food market is expected to increase by three times by 2020.

#### Government Initiatives

The Government of India aims to boost growth in the food processing sector by leveraging reforms such as 100 percent foreign direct investment (FDI) in marketing of food products and various incentives at central and state government level along with a strong focus on supply chain infrastructure. In Union Budget 2018-19, the Government of India has set up a dairy processing infra fund worth Rs 10,000 crore. Considering the fact that the development of food industry benefits the most interiors of the country by giving boost to the agricultural sector, the government initiatives to promote the industry is assured.

(<https://www.ibef.org/industry/indian-food-industry.aspx> & <https://www.indiabudget.gov.in/budget2018-2019/ub2018-19/bs/bs.pdf>)

### B. SWOT Analysis:

#### Strengths

- Abundant availability of diverse types of raw material and varied agro-climatic zones.
- Leading producer of various agricultural commodities such as milk, fruits and vegetables, marine products, etc.
- Priority sector status for agro-processing given by the central Government
- Growing domestic market
- Proximity to growing international markets like Gulf, Middle East etc. with a sea route.

#### Weaknesses

- Lack of adequate infrastructural facilities, viz., Power, Road & Rail connectivity, Storage, etc.
- Large number of intermediaries in the supply chain leading to wastage and price rise at each level.
- Capital intensive - High requirement of working capital because of the seasonal nature of raw material.
- Lack of established linkages between R&D labs and the industry.

#### Opportunities

- Diversification into cultivation of high value agricultural crops by the farmers
- Setting up of Special Economic Zones (SEZs), Agri-Export Zones (AEZs) and mega food parks for providing the needed infrastructure for small scale units.
- Rising income levels and changing consumption patterns of Indian population
- Emerging scope for functional foods, geriatric foods, low fat foods, etc.
- Opening of global markets
- Rationalisation of food laws and enabling policies of GOI & State Governments for development of the sector. Increased demand for ethnic food in most of the countries due to increased NRI population in those countries.

#### Threats

- Preferences for fresh food than chilled or frozen.
- Competition from other countries/players (<https://www.nabard.org/auth/writereaddata/file/NSP%20on%20Food%20and%20Agro%20Processing.pdf>)

#### Challenges being faced:

##### i. Huge investments in setting up distribution network and promoting brands:

With our future growth strategy of expanding our product range and customer and geographical reach, we need to invest in setting up a strong distribution network. Brand is an important variable which influences the buying decision of a customer, especially in packaged food industry. Though we are an established Brand, we need to make substantial investments towards our brand building and thus further strengthen the brand recognition and preference of the customers.

##### ii. Spending on advertisements is aggressive:

Spending on advertisements and promotional activities need to be quite aggressive in the FMCG/ packaged food industry which is characterized as quite competitive in India.

##### iii. Inadequate Infrastructure Facilities:

Development of processed food industry is dependent on infrastructure facilities like storage and transportation. Our country still needs to develop such primary facilities a lot.

#### Risk & Concerns

To sustain and grow in global market one must be ready for some level of uncertainty. Greater the uncertainty, higher the risk. The risk management function is integral to the Company and its objectives include ensuring that



critical risks are identified, continuously monitored and managed effectively in order to protect the Company's business. The Company operates in an environment which is affected by various factors some of which are Controllable while some are outside the control of the company. The Company proactively takes reasonable steps to identify and monitor the risk and makes efforts to mitigate significant risks that may affect it. Some of the risks that are potentially significant in nature and need careful monitoring are listed here under

- i. **Procurement Risk:** Adequate and uninterrupted availability of key raw materials at the right prices is crucial for the Company. Our raw materials are agri and allied natural products thus production of our products depends on the vagaries of nature. Therefore, any disruption in the supply due to a natural or other calamity or violent changes in the cost structure could adversely affect the Company's ability to reach its consumers with the right value proposition.
- ii. **Competition from existing Brands:** The Branded segment of food industry in India is witnessed by strong hold of a few multinational as well as Indian majors with deep pockets. Their Heavy investment on network and Brand strengthening or any probability of price war poses risk to our company. However ours are established brands and enjoy customer loyalty on account of long history of consistently delivering quality products at reasonable price.
- iii. **Competition from unorganized sector:** Another characteristic of this industry is the presence of unorganized sector offering products in loose/unbranded form which intensifies competition. The Company has strengthen its distribution channel and has invested significantly in making the brand stronger which helps differentiate their product.
- iv. **Policy risk:** Any sudden change in food security policy and other regulations may hit the profit margins badly. The Company abides by food security policies published by the government to ensure safety as per food quality standards. The products are moved through adequate quality checking procedures.

#### C. Segment wise- product wise performance

The Company is engaged in one business segment i.e. manufacturing of food products like Ghee and mangodi and also engaged in the marketing of Saffron, Poha and Dalia, hence, accordingly there is only single reportable segment.

#### D. Outlook

Annual growth of the Indian consumption market was estimated to be 6.7% during FY 2015-20 and 7.1% during FY2021-25 on the back of better access to information, increasing digitization, rampant e-commerce growth and changing lifestyles. Case in point:

consumer spending is likely to increase to USD 3.6 trillion by 2020, the bulk of it taking place in segments like food, household, transport and communications. The Indian packaged food industry is worth US\$ 39.7 billion and expected to reach US\$ 65.41 billion by 2020. (Source: IBEF & <http://ficci.in/sector-details.asp?sectorid=15>)

#### E. The Way Forward

With the increasing demand of packaged food, the industry is set to grow. We are leveraging on the growing opportunities and have started our journey to transform our self from a 'Ghee company' to a food conglomerate. Also we need to prepare our self to face the growing competition in the industry.

- i. **Product Expansion:** We are an established Ghee brand in Rajasthan and are continuously adding other food products in our kitty. We are manufacturing 'Mangodi' at our existing facilities in Jaipur. Along with we are marketing other food products namely Groundnut Oil (Brand 'Polki'), Saffron, Rice flakes (*Poha*), *SoanPapdi* (a famous India Dessert), and *Papad*. Additionally we have launched Nachos Corn Chips, and Pasta (Brand 'YummYoo'). We are also venturing into ready to eat segment with *Upma*, *Poha* and *Biriyani*. These products will also be sold under the brand 'YummYoo' to primarily target the youth and kids segment.
- ii. **Market Expansion:** We are expanding our footprints by venturing into new markets. We are expending to newer geographies of India – Delhi, Uttar Pradesh, Gujarat, Maharashtra and Haryana to name a few. On a regular basis we organize marketing and promotional activities like Participation in trade fairs, distributors' and caterers' meet, hoardings and print media advertisements, canopies etc. We have also associated our self with online market places. We are also increasing our institutional sales by associating our self with corporate clients; Haldiram's & Ghasitaram's being the latest addition. Our product is also available in Central Police Canteen and ArdhSainik Canteen.
- iii. **Product Extension:** We have been continuously extending our product line by introducing variants to our existing products. We are already selling Ghee under three variants and introduced chotu pack under 50g and 100g of Naman's & Godhenu cow ghee.
- iv. **Stronger Distribution Channel:** We have a strong distribution team, with a network of about 11000 retailers. We continuously engage with them and make our relationship stronger. We on a regular basis organize events like Distributors' meet, recognition of performing distributors.
- v. **Diversified sales platforms:** We are diversifying our sales platforms and are getting associated with



new age retailers – Online market places like Amazon, Flipkart, Paytm, Daily needs, Big Basket and Grofers and retail chains like Big Bazaar, Reliance Fresh etc.

- vi. **Stronger management team:** Our management team is a mix of experience and youth energy. We are continuously enriching our self with qualified and experienced management team and workforce.

**F. Internal Control System and their adequacy / corporate governance**

The Company has a well-established and comprehensive internal control system. Documents, policies and authorization guidelines comply with the level of responsibility and standard operating procedures specific to the respective businesses. Observation made in internal audit reports on business processes, systems, procedures and internal control and implementation status of recommended remedial measures by Internal Auditors are regularly presented to and reviewed by the Audit Committee of the Board. The system of internal control is being improved to ensure that all assets are safe and protected against loss from unauthorized use or disposition, and that all transactions are authorized, recorded and reported correctly. The Company regularly conducts internal check, using external and internal resources to monitor the effectiveness of internal control in the organization. It strictly adheres to corporate policy with respect to financial reporting and budgeting functions. The Audit Committee of the Board of Directors deals with significant control issues and instructs further areas to be covered.

**G. Discussion on Financial performance**

The year has been a year of turbulent for us. The turnover of the company declined to Rs 15488.93 lacs from Rs 17787.79 lacs as compared to last year with reduction of 12.92%. Due to decline in turnover and increased raw material prices, the company recorded a loss of Rs 1586.92 lacs as against a profit of Rs 316.73 lacs in the previous year.

Further during the year the company has also booked a loss of Rs.633.06 lakhs on account of Diminution in

value of stocks related to previous year, which also constituted a major part of loss.

The Directors are of the opinion that the Company will take better care of their stock in future so that it will not come up with such losses and the financials would give better picture of Company's performance.

**H. Human resources**

Your Company believes in working as a team to meet targets and hence puts emphasis on providing equal opportunities to all employees. The HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. Our Company believes in creating a meritocracy and adequately rewarding its performing employees. As of 31<sup>st</sup> March, 2019, the Company had over 83 employees on its payroll.

**Cautionary statement**

The management discussion and analysis report contains forward-looking statements, which may be identified by the use of words in that direction or connoting the same. All statements that address expectation or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results are forward-looking statements. The Company's actual results, performance or achievement could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly demand, modify or revise any forward looking statements, on the basis of any subsequent development, information or events.

For & on behalf of the Board  
Sd/-

**RAAKESH B KULWAL**

Chairman & Managing Director  
DIN: 00615150

Jaipur  
3<sup>rd</sup> September 2019



## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 13th Annual Report and audited financial accounts for the year ended 31<sup>st</sup> March, 2019. The performance of the Company for the year ended on March 31, 2019 is summarized below;

### 1. Financial Highlights

(Amt. In Lakh)

Particulars	2018-19	2017-18
Total Income	15497.18	17797.09
Total Expenditure	16657.86	17288.26
Profit/(Loss) Before Exceptional Items, Prior Period Items and Tax	<b>(1160.68)</b>	<b>508.83</b>
Exceptional Items	-	-
Profit/(Loss) Before Prior Period Items and Tax	<b>(1160.68)</b>	<b>508.83</b>
Prior Period Items	633.06	-
<b>Profit/(Loss) Before Tax</b>	<b>(1793.74)</b>	<b>508.83</b>
Less: Tax Expenses (including deferred tax)	(206.82)	189.53
MAT Credit Aailed	-	-
Tax Adjustments	-	<b>2.57</b>
Profit /(Loss) After Tax (PAT)	<b>(1586.92)</b>	<b>316.73</b>

### 2. Brief description of the Company's working during the year/State of Company's affair

The Company is carrying out the manufacturing of food products like Ghee and Mangodi. We are also engaged in the marketing of Saffron, Poha and Dalia. Our products portfolio includes Ghee, Godhenu Cow Ghee, Naman's Gold Ghee, Poha, Mangodi, Daliya, Boondi Raita, Papad and Polki Refined Groundnut Oil and are marketed under its own brand name "Naman's" and "Godhenu".

During the year under review, there has been unexpected fluctuation in Raw material prices and our suppliers of material suspended the supply of material which affected our production and which in turn decreased the revenue from 17797.09 lakhs to 15497.18 lakhs as compared with the previous year. As a result of increase in prices of raw material and un-ability to pass on the increase in the market due to increased competition, the Company incurred a loss of Rs.1586.92 lacs after tax during the year under review as against net profit of Rs.316.73 lakhs in the previous year.

During the year the company has booked a loss of Rs.633.06 lakhs on account of Diminution in value of stocks related to previous year.

Management is taking all necessary steps to boost demand of its products in the market and making all efforts to procure the raw material at competitive rates so that performance of company is improved in future.

### 3. Board of Directors

In accordance with the provisions of section 149, 152 and other applicable provisions of the Companies Act, 2013, one third of the such of Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM.

In accordance with the provision of section 168 and other applicable provisions of the Companies Act, 2013

Mr. Sanjay Sethi (DIN:07652384) resigned from the board as an Independent Director w.e.f. 05<sup>th</sup> October, 2018, apart from this there is no change in the Board of Directors of the Company.

### 4. Number of Meetings of the Board

During the Financial Year 2018-19, the Company held 14 (Fourteen) Board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below.





S.No	Date of Meeting
1.	21 <sup>st</sup> May, 2018
2.	30 <sup>th</sup> May, 2018
3.	30 <sup>th</sup> July, 2018
4.	16 <sup>th</sup> August, 2018
5.	13 <sup>th</sup> September, 2018
6.	17 <sup>th</sup> September, 2018
7.	01 <sup>st</sup> October, 2018
8.	25 <sup>th</sup> October, 2018
9.	30 <sup>th</sup> October, 2018
10.	31 <sup>st</sup> October, 2018
11.	14 <sup>th</sup> November, 2018
12.	31 <sup>st</sup> December, 2018
13.	15 <sup>th</sup> January, 2019
14.	7 <sup>th</sup> March, 2019

S. No.	Name of Director	No. of Board Meetings Attended	Attendance of the last AGM held on 14.09.2018
1.	RAAKESH B KULWAL DIN:00615150	14	Present
2.	JINKO DEVI KOOLWAL DIN: 02531975	14	Present
3.	SANJAY SETHI DIN:07652384	11	Absent
4.	NAND LAL PANCHARIA DIN:07951887	11	Absent
5.	HARSH AGARWAL DIN:07972445	14	Present

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### 5. Key Managerial Personnel

The following are the Key Managerial Personnel of the Company:

S.No.	Name of Person	Designation
1.	Raakesh B Kulwal	Chairman & Managing Director
2.	Jinko Devi Koolwal	Director
3.	Pankaj Kumar Mathur	Chief Financial Officer
4.	Annu Sharma	Company Secretary

There was appointment of Ms. Annu Sharma as Company Secretary in place of Khushbu Agarwal w.e.f. 01<sup>st</sup> October, 2018, apart from that there was no change in the KMP's of the Company.

The Board of Directors of Company is a balanced one with an optimum mix of Executive and Non Executive Directors. They show active participation at the board

and committee meetings, which enhances the transparency and adds value to their decision making..

#### 6. Committees of the Board

The Board of Directors have the following committees:

1. Audit Committee
2. Nomination and Remuneration/Compensation Committee
3. Stakeholder/Investors Grievance Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided as under:

##### (a) Audit committee:

The Audit Committee comprised of 3 members as on 31<sup>st</sup> March, 2019. Meeting of the Members of Audit Committee held twice dated 21<sup>st</sup> May, 2018 and 06<sup>th</sup> March, 2019 and the detail of the composition of the Audit committee along with their meetings held/attended is as follows:

Name of Director	Designation	No. of Meetings Attended
Sanjay Sethi	Non-Executive & Independent Director	1 of 1
N.L.Pancharia	Non-Executive & Independent Director	2 of 2
Raakesh B. Kulwal	Executive & Non-Independent Director	2 of 2
Harsh Agarwal	Chairman and Non-Executive Independent Director	1 of 2

##### (b) Nomination and Remuneration Committee:

The Committee comprised of 3 members as on 31<sup>st</sup> March, 2019. Meeting of the Members of Nomination And Remuneration Committee held one's dated 6<sup>th</sup> March 2019 and the detail of the composition of the Nomination And Remuneration committee along with their meetings held/attended is as follows

Name of Director	Designation	No. of Meetings Attended
Harsh Agarwal	Chairman & Independent Director	1 of 1
N.L. Pancharia	Non-Executive & Independent Director	1 of 1
Jinko Devi Koolwal	Non-Executive Director	1 of 1

##### (c) Stakeholder committee:

The Committee comprised of 3 members as on 31<sup>st</sup> March, 2019. Meeting of the Members of Stakeholder Committee held one's dated 06<sup>th</sup> february, 2019 the detail of the composition of the Stakeholder committee along with their meetings held/attended is as follows:



Name of Director	Designation	No. of Meetings Attended
Harsh Agarwal	Chairman & Independent Directors	1 of 1
Jinko devi Koolwal	Non-Executive Director	1 of 1
Raakesh B. Kulwal	Executive & Non-Independent Director	1 of 1

**7. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Compensation and Stakeholder/ Investor's Grievance Committees.

During the year, in terms of the requirements of the Companies Act, 2013 and Listing Regulations, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Directors. The exercise was led by the Independent Director of the Company. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience, performance of specific duties and obligations, governance issues etc.

There results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the Evaluation, the Board and Committees have agreed on an action to further improve the effectiveness and functioning of the Board and Committees. The Chairman of respective Board Committees also shared the results of evaluation with the respective Committee Members

**8. Declaration by an Independent Director(s) and re-appointment, if any**

All Independent Directors have given declarations that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**9. Finance & Accounts**

Your Company prepares its Financial Statements in compliance with the requirements of the Companies Act, 2013 and Accounting Standards. The estimates and judgments relating to the Financial Statements are made on a going concern basis, so as to reflect in a true and fair manner. The form and substance of transactions reasonably present the Company's state of affairs, profits/ loss and cash flows for the year ended March 31, 2019.

**10. Auditors**

**(a) Statutory Auditor**

The Statutory Auditors of the Company M/s. J K Sarawgi & Company, Chartered Accountants, (Firm Registration Number: 006836C) has resigned on 04<sup>th</sup> May 2019.

In order to fill the casual vacancy created by their resignation the Company has appointed M/s M S G & Associates, Chartered Accountants, (FRN.:010254C) in the Extra Ordinary General Meeting held on 29<sup>th</sup> June, 2019 until the conclusion of ensuing Annual General Meeting.

Further it is proposed to appoint M/s M S G & Associates, Chartered Accountants, (FRN.:010254C) for the term period of Five Financial years i.e. from 2019-2020 to 2023-2024 from the conclusion of ensuing AGM.

The Company has received consent letter from M/ s. M S G & Associates, Chartered Accountants, (FRN.: 010254C) , to the effect their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act 2013.

**REPORTING OF FRAUDS BY AUDITORS**

For the Financial year 2018-19, the Statutory Auditor has not reported any instances of frauds committed in the Company by its Officers or Employees.

**(b) Secretarial Auditor**

In terms of Section 204 of Companies Act, 2013 and rules made there under, the Company have M/s Arms & Associates LLP, a firm of Company Secretaries in Practice as a Secretarial Auditor of the Company. The Secretarial Audit Report submitted by them in the prescribed form MR-3 is enclosed as ANNEXURE 'B' and forms part of this report.

**(c) Internal Audit**

Our company's Internal Auditor is M/s Khandelwal Nitin & Associates.

**(d) Cost Auditor**

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, our Company was not required to appoint Cost Auditors for the previous Financial Year.

**11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.



All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

**12. Vigil Mechanism/Whistle Blower Policy**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company <http://www.namans.co.in>

**13. Extract of Annual Return**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT 9 as a part of this Annual Report as ANNEXURE 'A'.

**14. 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.

**15. Acceptance of Deposits**

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

**16. Particulars of loans, guarantees or investments**

The provisions of Section 186 of the Companies Act, 2013 does not apply to the Company during the period under review.

**17. Particulars of contracts or arrangements with related parties**

All transactions entered with the Related Parties during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of section 188 of the Companies Act, 2013 and rules made there under ANNEXURE-E

Related party transactions have been disclosed under the Note No. 27 - significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18". A statement in summary form of transactions with related parties in the ordinary course of business and on arm's length basis is placed before the Audit committee for review and recommendation to the Board for their approval.

None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis or fair value.

The policy on Related Party Transactions and materiality dealing with related party transactions as approved by the Board of Directors has uploaded on the website of the company at <http://www.namans.co.in>

**18. Corporate Governance**

The provision as per Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable to Company

**19. Environment and Safety**

The Company is conscious of the importance of environmentally clean and safe operations. The Company Policy requires conduct of operations in such a manner, so as to ensure of all concerned, compliances, environmental regulations and preservation of natural resources.

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company has been employing women employees in various cadres within the factory premises. Your Company has set up Internal Complaints Committee for implementation of said policy. Complaints received, if any are regularly monitored by women line supervisors who directly report to the Chairman & Managing Director. During the financial year 2018-19 your company has not received any complaint of harassment and hence no compliant is outstanding as on March 31, 2019 for redressal.

**20. RESERVES**

For the period under review the Board is not transferring any amount to General Reserve Account of the Company

**21. DIVIDEND**

In view of loss incurred during the year ,your Directors do not recommend any dividend during the Financial Year 2018-19.

**22. CAPITAL STRUCTURE**

During financial year, there was no change in the capital structure of Company.

**23. RISK MANAGEMENT POLICY**

Your Company has an elaborate Risk Management procedure, which is based on the three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Some of the identified risks relate to competitive intensity and cost volatility.

To sustain and grow in global market one must be ready for some level of uncertainty. Greater the uncertainty, higher the risk. The risk management function is integral to the Company and its objectives include ensuring that



critical risks are identified, continuously monitored and managed effectively in order to protect the Company's business. The Company operates in an environment which is affected by various factors some of which are controllable while some are outside the control of the company. The Company proactively takes reasonable steps to identify and monitor the risk and makes efforts to mitigate significant risks that may affect it. Some of the risks that are potentially significant in nature and need careful monitoring are listed hereunder:

Macroeconomic Factors, Political Factors, Product portfolio, Competition from product launches, Talent acquisition & retention, Continuance and growth of channel partners, High dependence on suppliers, Geographic concentration, Changes in government policy and legislation, Raw Material Price Increase, Foreign Exchange Fluctuation

**24. Corporate Social Responsibility**

The provisions of Corporate Social Responsibility are not applicable to the Company for the FY 2018-19.

**25. PROHIBITION OF INSIDER TRADING**

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

**26. INVESTOR GRIEVANCE REDRESSAL**

The number of complaints received and resolved to the satisfaction of investors during the year under review. There were no pending complaint or share transfer cases as on 31st March 2019, as per the certificate given by RTA.

**27. MEETINGS OF INDEPENDENT DIRECTORS**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director.

During the year under review, the independent directors met on 30.01.2019 inter alia, to discuss:

1. Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
2. Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non- Executive directors.
3. Evaluation of 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.

**28. Director's Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that-

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis and
- (v) that the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) that 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.

**29. Transfer of Amounts to Investor Education and Protection Fund**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**30. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report as required under regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in the separate section forming part of this Annual Report.

**31. Statutory Information**

As per section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies(Accounts)Rules,2014, the information on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed in ANNEXURE 'C' an integral part of this report.

In terms of provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided hereunder. Further, the disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the





Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed in ANNEXURE 'D' an integral part of this report.

The Business Responsibility Reporting as required under Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to your company for the financial year 2018-19.

### 32. GENERAL

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. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings.
4. There were no frauds found which have been reported to the Audit Committee/ Board members as well as to the Central Government. Further, there was no fraud reported by auditors under section 143 (12) of the Companies Act, 2013.

### 33. LISTING OF SHARES

Your Company's shares are listed at SME platform of BSE Limited and the annual listing fees for the year 2019-20 has been duly paid.

### 34. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY AUDITOR IN HIS REPORT

During the year under review there was no qualification, reservation or adverse remarks or disclaimer made by Statutory Auditor in his report.

But the Secretarial Auditor has given the following opinions in his report:

1. We cannot comment on formation and holding of the Committee's Meetings during the year under review, as we were not provided with the Signed Copy of Minutes or Attendance Register of the Meetings.

2. The Company has delayed in uploading the Financial Statements for both the half year's ending on 31st March 2018 and 30th September, 2018 and Annual Financial Statements for the Financial Year ending on 31st March, 2018 as required under Regulation 33 of SEBI (LODR) Regulations, 2015.
3. There was mismatch in the Profit for the Financial Year ended on 31st March 2018 filed with Registrar of Companies and Income Tax Department, because of the re-valuation of the Stock.
4. As per the Financial Statements filed with the Registrar of Companies for the financial year ended on 31st March 2018, the provisions of Section 135 of the Companies Act 2013 were applicable on the Company, but the Company has not spent any amount on the CSR Activities during the period under review.
5. The Company has not formed the CSR Committee as required under Section 135 of the Companies Act, 2013 and rules made thereunder;
6. The Company has given amount of Rs. 93,324/- to M/s. Jhanvi Jhandewalas Real Estate Developers Private Limited, a Company under same management.

#### Director's Explanation on the Auditor's Observation:

Your Directors have taken note of the opinions given by the Secretarial Auditor and giving assurance to make the shortcomings good in the upcoming year and we have instructed the secretarial department to provide adequate records to the auditors in future in order to conduct audit in an efficient and effective manner

### 35. Appreciation and Acknowledgments

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation your company has been receiving from its Suppliers, Retailers, and Dealers & Distributors and other associated with the Company. The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Government & Regulatory Authorities and Stock Exchange for their continued support.

For & on behalf of the Board  
SD/-

**RAAKESH B. KULWAL**

Chairman & Managing Director

DIN:00615150

Jaipur

3<sup>rd</sup> September, 2019

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on 31/03/2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]**I. REGISTRATION AND OTHER DETAILS:**

1. CIN	L15209RJ2006PLC022941
2. Incorporation Date	14/08/2006
3. Name of the Company	JHANDEWALAS FOODS LIMITED
4. Category / Sub-Category of the Company	Public Company Limited by Shares
5. Address of the Registered office and contact details	B-70, Upasana House, 1st Floor, Janta Store, Bapu Nagar, JAIPUR - 302015, RAJASTHAN, INDIA
6. Whether listed Company	Yes
7. Name, Address and Contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PRIVATE LIMITED. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059

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

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

S.No.	Name and Description of main Products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Ghee	10504	79
2.	Poha / Rice		14

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

S.No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	NIL	NIL	NIL	NIL	NIL



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters*</b>	-	-	-	-	-	-	-	-	-
<b>(1) Indian</b>	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	5375406	-	5375406	52.39	5375406	-	5375406	52.39	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other..(Promoter Group)	1973777	-	1973777	19.24	1973777	-	1973777	19.24	-
<b>Sub-total (A) (1):-</b>	<b>7349183</b>	-	<b>7349183</b>	<b>71.63</b>	<b>7349183</b>	-	<b>7349183</b>	<b>71.63</b>	-
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)( 2)</b>	<b>7349183</b>	-	<b>7349183</b>	<b>71.63</b>	<b>7349183</b>	-	<b>7349183</b>	<b>71.63</b>	-
<b>B. Public Shareholding</b>	-	-	-	-	-	-	-	-	-
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>	-	-	-	-	-	-	-	-	-
<b>a) Bodies Corp.</b>	-	-	-	-	-	-	-	-	-
i) Indian	692226	-	692226	6.75	587500	-	587500	5.73	-1.02
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1lakh	1775877	-	1775877	17.31	1453056	-	1453056	14.16	-3.15
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	268000	-	268000	2.61	507000	-	507000	4.94	2.33
c) Others (Clearing Members&NRI's)	175072	-	175072	1.71	363619	-	363619	3.55	1.84
<b>Sub-total (B)(2):-</b>	<b>2911175</b>	-	<b>2911175</b>	<b>28.37</b>	<b>2911175</b>	-	<b>2911175</b>	<b>28.37</b>	-
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>2911175</b>	-	<b>2911175</b>	<b>28.37</b>	<b>2911175</b>	-	<b>2911175</b>	<b>28.37</b>	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>10260358</b>	-	<b>10260358</b>	<b>100.00</b>	<b>10260358</b>	-	<b>10260358</b>	<b>100.00</b>	-



**(ii) Shareholding of Promoters**

S.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Raakesh B Kulwal	698288	6.81	-	698288	6.81	-	-
2	Jinko Devi Koolwal*	4677118	45.58	-	4677118	45.58	-	-
	<b>Total</b>	<b>5375406</b>	<b>52.39</b>	<b>-</b>	<b>5375406</b>	<b>52.39</b>	<b>-</b>	<b>-</b>

**Shareholding of Promoters Group:**

S.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Raakesh Kumar Koolwal HUF	1175	0.01	0	1175	0.01	0	-
2	BhanwarLalKoolwal	1396619	13.61	0	1396619	13.61	0	-
3	RenuKoolwal	574808	5.60	0	574808	5.60	0	-
4	HimanshiKoolwal	1175	0.01	0	1175	0.01	0	-

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



YES



NO

Details of Change in Promoters' Shareholding

S.No.	Promoters Name	Shareholding at the beginning/end of the year			Changes during the year			Cumulative Shareholding during the year	
		Date	No. of Shares	% of total Shares of the company	Date	(+)Increase/ (-)Decrease	Reason	No. of Shares	% of total Shares of the company
1	-	-	-	-	-	-	-	-	-





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

S.No.	Top ten Shareholders Name	Shareholding at the beginning/end of the year			Changes during the year			Cumulative Shareholding during the year	
		Date	No. of Shares	% of total Shares of the company	Date	(+)Increase/ (-)Decrease	Reason	No. of Shares	% of total Shares of the company
1	Guiness Securities Limited	01-Apr-2018	338,000			0	Transfer	338,000	3.29
					6-Apr-18	50000	Transfer	388,000	3.78
					13-Apr-18	-12000	Transfer	376,000	3.66
					20-Apr-18	8000	Transfer	384,000	3.74
					27-Apr-18	-4000	Transfer	380,000	3.70
					4-May-18	-24000	Transfer	356,000	3.47
					11-May-18	18000	Transfer	374,000	3.65
					18-May-18	-360000	Transfer	14,000	0.14
					25-May-18	44000	Transfer	58,000	0.57
					1-Jun-18	2000	Transfer	60,000	0.58
					8-Jun-18	20000	Transfer	80,000	0.78
					15-Jun-18	4000	Transfer	84,000	0.82
					22-Jun-18	42000	Transfer	126,000	1.23
					29-Jun-18	24000	Transfer	150,000	1.46
					6-Jul-18	16000	Transfer	166,000	1.62
					13-Jul-18	6000	Transfer	172,000	1.68
					20-Jul-18	10000	Transfer	182,000	1.77
					27-Jul-18	8000	Transfer	190,000	1.85
					3-Aug-18	8000	Transfer	198,000	1.93
					10-Aug-18	20000	Transfer	218,000	2.12
					17-Aug-18	4000	Transfer	222,000	2.16
					24-Aug-18	6000	Transfer	228,000	2.22
					31-Aug-18	8000	Transfer	236,000	2.30
					6-Sep-18	10000	Transfer	246,000	2.40
					14-Sep-18	-102000	Transfer	144,000	1.40
					21-Sep-18	2000	Transfer	146,000	1.42
					28-Sep-18	10000	Transfer	156,000	1.52
					5-Oct-18	4000	Transfer	160,000	1.56
					12-Oct-18	4000	Transfer	164,000	1.60
					19-Oct-18	-2000	Transfer	162,000	1.58
					26-Oct-18	10000	Transfer	172,000	1.68
					2-Nov-18	2000	Transfer	174,000	1.70
					9-Nov-18	-38000	Transfer	136,000	1.33
					16-Nov-18	-22000	Transfer	114,000	1.11
					21-Dec-18	-114000	Transfer	0	0.00
					30-Mar-19	0	Transfer	0	0.00
2	GLOBE CAPITAL MARKET LIMITED			31-Mar-18		Transfer	0	0.00	
					11-May-18	6000	Transfer	6,000	0.06
					18-May-18	-6000	Transfer	0	0.00
					20-Jul-18	289000	Transfer	289,000	2.82
			289,000		30-Mar-19	0	Transfer	289,000	2.82



S.No.	Top ten Shareholders Name	Shareholding at the beginning/end of the year			Changes during the year			Cumulative Shareholding during the year	
		Date	No. of Shares	% of total Shares of the company	Date	(+)Increase/ (-)Decrease	Reason	No. of Shares	% of total Shares of the company
3	Arm Research Private limited		0		31-Mar-18		Transfer	0	0.00
					27-Apr-18	1	Transfer	1	0.00
					4-May-18	35999	Transfer	36,000	0.35
					18-May-18	63202	Transfer	99,202	0.97
					1-Jun-18	4798	Transfer	104,000	1.01
					15-Jun-18	14088	Transfer	118,088	1.15
					29-Jun-18	3648	Transfer	121,736	1.19
					6-Jul-18	6071	Transfer	127,807	1.25
					13-Jul-18	990	Transfer	128,797	1.26
					6-Sep-18	15203	Transfer	144,000	1.40
					29-Mar-19	-2000	Transfer	142,000	1.38
			142,000		30-Mar-19	0	Transfer	142,000	1.38
4.	Ways Vinimay Private Limited		0		31-Mar-18		Transfer	0	0.00
					21-Dec-18	114000	Transfer	114,000	1.11
			114,000		30-Mar-19	0	Transfer	114,000	1.11
5.	Biyani Financial Services Pvt Ltd		0		31-Mar-18		Transfer	0	0.00
					18-May-18	100000	Transfer	100,000	0.97
			100,000		30-Mar-19	0	Transfer	100,000	0.97
6.	Kamal Visaria		0		31-Mar-18		Transfer	0	0.00
					1-Jun-18	4000	Transfer	4,000	0.04
					8-Jun-18	16000	Transfer	20,000	0.19
					15-Jun-18	4000	Transfer	24,000	0.23
					6-Jul-18	2000	Transfer	26,000	0.25
					27-Jul-18	6000	Transfer	32,000	0.31
					3-Aug-18	8000	Transfer	40,000	0.39
					10-Aug-18	4000	Transfer	44,000	0.43
					24-Aug-18	6000	Transfer	50,000	0.49
					21-Sep-18	16000	Transfer	66,000	0.64
					28-Sep-18	8000	Transfer	74,000	0.72
					5-Oct-18	-14000	Transfer	60,000	0.58
					12-Oct-18	14000	Transfer	74,000	0.72
					29-Mar-19	14000	Transfer	88,000	0.86
			88,000		30-Mar-19	0	Transfer	88,000	0.86
7.	Ritu jain		0		31-Mar-18		Transfer	0	0.00
					4-May-18	60000	Transfer	60,000	0.58
					18-May-18	26000	Transfer	86,000	0.84
			86,000		30-Mar-19	0	Transfer	86,000	0.84



S.No.	Top ten Shareholders Name	Shareholding at the beginning/end of the year			Changes during the year			Cumulative Shareholding during the year	
		Date	No. of Shares	% of total Shares of the company	Date	(+)Increase/ (-)Decrease	Reason	No. of Shares	% of total Shares of the company
8.	Mitesh Pravinchandra shah		0		31-Mar-18		Transfer	0	0.00
					21-Sep-18	50000	Transfer	50,000	0.49
			50,000		30-Mar-19	0	Transfer	50,000	0.49
9	Subhash rathod		44,000		31-Mar-18	0	Transfer	44,000	0.43
					6-Apr-18	-6000	Transfer	38,000	0.37
					13-Apr-18	-10000	Transfer	28,000	0.27
					20-Jul-18	-8000	Transfer	20,000	0.19
					27-Jul-18	-16000	Transfer	4,000	0.04
					17-Aug-18	-4000	Transfer	0	0.00
					30-Mar-19	0	Transfer	0	0.00
10.	Amit Bhanwarlal Agarwal		42,000		31-Mar-18	0	Transfer	42,000	0.41
					6-Apr-18	-16000	Transfer	26,000	0.25
					18-May-18	-26000	Transfer	0	0.00
					30-Mar-19	0	Transfer	0	0.00

(v) Shareholding of Directors and Key Managerial Personnel

S.No.	Directors and KMP Name	Shareholding at the beginning/end of the year			Changes during the year			Cumulative Shareholding during the year	
		Date	No. of Shares	% of total Shares of the company	Date	(+)Increase/ (-)Decrease	Reason	No. of Shares	% of total Shares of the company
1	Raakesh B Kulwal	01-Apr-2018	698288	6.81		-		698288	6.81
			-	-					
		31-Mar-2019	698288	6.81		-		698288	6.81
2	Jinko Devi Koolwal	01-Apr-2018	4677118	45.58		-		4677118	45.58
			-	-					
		31-Mar-2019	4677118	45.58		-		4677118	45.58



v) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	441,095,547	45,032,791	-	486,128,338
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	216,647	-	-	216,647
<b>Total (i+ii+iii)</b>	<b>441,312,194</b>	<b>45,032,791</b>	<b>-</b>	<b>486,344,985</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	30,393,704	50,048,959	-	80,442,663
Reduction	-	-	-	-
<b>Net Change</b>	<b>30,393,704</b>	<b>50,048,959</b>	<b>-</b>	<b>80,442,663</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	471,489,251	95,081,750	-	566,571,001
ii) Interest due but not paid	2,447,166	631,172	-	3,078,338
iii) Interest accrued but not due	190,217	-	-	190,217
<b>Total (i+ii+iii)</b>	<b>474,126,634</b>	<b>95,712,922</b>	<b>-</b>	<b>569,839,556</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Name of MD/ WTD/ Manager	Gross salary			Stock Option	Sweat Equity	Commission		others, please specify	Total	Ceiling as per the Act
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			as % of profit	others, specify...			
Raakesh B. Kulwal (Managing Director)	1,200,000	-	-	-	-	-	-	-	1,200,000	-
<b>Total</b>	<b>1,200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,200,000</b>	<b>-</b>

B. Remuneration to other directors:

Name of Directors	Fee for attending board/ committee meetings	Commission	Others, please specify	Total Amount
Independent Directors	74,000	-	-	74,000
<b>TOTAL (1)</b>	<b>74,000</b>	<b>-</b>	<b>-</b>	<b>74,000</b>
Other Non-Executive Directors	28,000	-	-	28,000
<b>TOTAL (2)</b>	<b>28,000</b>	<b>-</b>	<b>-</b>	<b>28,000</b>
<b>TOTAL (B)=(1+2)</b>	<b>102,000</b>	<b>-</b>	<b>-</b>	<b>102,000</b>
<b>TOTAL MANAGERIAL REMUNERATION</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Ceiling as per the act (1% of profits calculated under section 198 of Companies act, 2013)	-	-	-	-





C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Key Managerial Personnel	Name	Gross salary			Stock Option	Sweat Equity	Commission		others, please specify	Total
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			as % of profit	others, specify...		
CEO		-	-	-	-	-	-	-	-	-
Company Secretary	Khushbu Agarwal*	39,678								39,678
Company Secretary	Annu Sharma**	111,006	-	-	-	-	-	-	-	111,006
CFO	Pankaj Kumar Mathur	561,696	-	-	-	-	-	-	-	561,696
<b>Total</b>		<b>712,380</b>	-	-	-	-	-	-	-	<b>712,380</b>

\* Resigned as CS on 18/09/2018.

\*\*Appointed as CS on 01/10/2018.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding	U/s 94 & 97 of Companies Act 1956 U/s 61 & 64 of Companies Act 2013	Non-Filing of Form 5 for Increase in Authorized Share Capital	Order Awaited	NCLT	NA
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding	U/s 94 & 97 of Companies Act 1956 U/s 61 & 64 of Companies Act 2013	Non-Filing of Form 5 for Increase in Authorized Share Capital	Order Awaited	NCLT	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

- The Company has paid penalty of Rs. 5000/- for late filing of Financials on the Stock Exchange as per Regulation 33 of the SEBI (LODR) Regulations, 2015

For & on behalf of the Board

Sd/-

**RAAKESH B KULWAL**

Chairman & Managing Director

DIN:00615150

Jaipur, 3<sup>rd</sup> September, 2019



**Form MR-3**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

To, Members  
Jhandewalas Foods Limited  
B-70, 1st Floor, Upasana House,  
Janta Store, Bapu Nagar, Jaipur-302015, RJ

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Jhandewalas Foods Limited (CIN L15209RJ2006PLC022941)** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/ Statutory Compliances and expressing my opinion thereon.

Based on our verification of the **Jhandewalas Foods Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company, has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board process 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 **Jhandewalas Foods Limited** ("The Company") for the financial year ended on 31st March, 2019, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed- **Not applicable to the company as the company has not applied and at the same time has not been granted a certificate of registration under 12(1A) of Securities and Exchange Board of India Act, 1992**
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable as the Company has not issued any securities during the financial year under review.**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable as the Company has not granted any Options to its employees during the financial year under review.**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **Not Applicable as the Company has not issued any debt securities during the financial year 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 as the Company is not registered as Registrar and Transfer Agents with SEBI**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the Company has not applied for delisting of its equity shares from any stock exchange during the financial year under review.**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as the Company has not bought back any of its securities during the financial year under review.**



- vi. The Company is engaged in the business of Manufacturing of Processed Food Products, and we were informed that the following Acts and Regulations are specifically applicable to the Company:
- Food Safety And Standards Act, 2006,
  - Food Safety And Standards Rules, 2011
  - Food Safety And Standards (Packaging and Labeling) Regulations, 2011; and
  - Legal Metrology Act, 2009.
- vii. I have also examined compliance with the applicable clauses of the following and have to report that:
- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India have been complied with.
- (ii) I have checked the compliance with the Listing Agreement entered into by the Company with the Stock Exchange and the provisions of Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations 2015, to the extend applicable during the year under review:

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

- *We cannot comment on formation and holding of the Committee's Meetings* during the year under review, as we were not provided with the Signed Copy of Minutes or Attendance Register of the Meetings.
- The Company has delayed in uploading the Financial Statements for both the half year's ending on 31st March 2018 and 30th September, 2018 and Annual Financial Statements for the Financial Year ending on 31st March, 2018 as required under Regulation 33 of SEBI (LODR) Regulations, 2015.
- There was mismatch in the Profit for the Financial Year ended on 31st March 2018 filed with Registrar of Companies and Income Tax Department, because of the re-valuation of the Stock.
- As per the Financial Statements filed with the Registrar of Companies for the financial year ended on 31st March 2018, the provisions of Section 135 of the Companies Act 2013 were applicable on the Company, but the Company has not spent any amount on the CSR Activities during the period under review.
- The Company has not formed the CSR Committee as required under Section 135 of the Companies Act, 2013 and rules made thereunder;
- The Company has given amount of Rs. 93,324/- to M/s. Jhanvi Jhandewalas Real Estate Developers Private Limited, a Company under same management.

This report is to be read with our letter of even date which is annexed as '**Annexure –B**' and form an integral part of this report.

**We further report that:**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or the consent for shorter notice has been taken whenever required, 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.

Majority decision is carried through while the dissenting members' views are 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 operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs.

For **ARMS and Associates LLP**  
Company Secretaries

SD/-

**(Mitesh Kasliwal)**

FCS 8233 C.P. No.9320

Place: Jaipur  
Date: 03/09/2019



**Annexure-A List of applicable laws to the Company:**

- i. Factories Act, 1960
- ii. Industries (Development and Regulation) Act, 1951
- iii. Labour Laws and other incidental laws related to labour and employees appointed by the company either on its payroll or on contractual basis as related to wages, provident fund, gratuity, ESIC, compensation etc.
- iv. Acts prescribed under prevention and control of pollution.
- v. Acts prescribed under Environmental protection.
- vi. Acts as prescribed under Direct Tax and Indirect Tax.
- vii. Land revenue laws of respective states.
- viii. Labour Welfare Act of respective States.

**ANNEXURE – B**

To,  
The Members,  
Jhandewalas Foods Limited  
B-70, 1st Floor, Upasana House, Janta Store, Bapu Nagar, Jaipur-302015, RJ

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

1. Maintenance of Secretarial records 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 verifications were done on test basis to ensure that correct facts are reflected in 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. Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the Provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **ARMS and Associates LLP**  
Company Secretaries

SD/-

**(Mitesh Kasliwal)**

FCS 8233 C.P. No.9320

Place: Jaipur  
Date: 03/09/2019



## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information under section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2019 is given below and forms part of the Director's Report.

### A) Conservation of energy:

(i) The steps taken or impact on conservation of energy;

The Company is taking due care for using electricity in the office and its branches. The Company usually takes care for optimum utilization of energy. No capital investment on energy conservation equipment made during the financial year.

(ii) the steps taken by the company for utilising alternate sources of energy;

- No Alternate source utilized during the year

(iii) the capital investment on energy conservation equipments;

- There is no capital investment made by the company on energy conservation equipments

### (B) Technology absorption:

(i) the efforts made towards technology absorption;

Nil

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

Nil

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

Nil

(iv) The expenditure incurred in Research and Development:

Nil

### (C) Foreign exchange earnings and Outgo

Particulars	2018-19	2017-18
Earnings in foreign Exchange	Nil	Nil
Outgo in foreign Exchange	Nil	Nil

For & on behalf of the Board

Sd/-

**RAAKESH B KULWAL**

Chairman & Managing Director

DIN: 00615150

Jaipur, 3<sup>rd</sup> September, 2019





**Statement of Disclosure of Remuneration under Section 197 of the  
Companies Act, 2013 and Rule 5(1) of Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2018-19, the percentage increase in remuneration of Executive Directors, Chief Financial Officer and Company Secretary during the financial year 2018-19

S.No.	Name of Director/KMP	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in remuneration for the FY 2018-2019
1.	RAAKESH B KULWAL	6.60	NIL
2.	JINKO DEVI KOOLWAL	N.A.	N.A
3.	PANKAJ KUMAR MATHUR		NIL
4.	KHUSHBU AGARWAL*		NIL
5.	ANNU SHARMA**		Appointed in 2018-19

\*Resigned as CS on 18/09/2018

\*\*Appointed as CS on 01/10/2018

**Note:**

- (a) The Non-Executive Directors of the Company are not entitled for sitting fees and commission as per statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Directors is therefore not considered for the above purpose.
- (b) The median remuneration of employees of the company was Rs.15,160.
2. The percentage increase/(Decrease) in the median remuneration of Employees for the financial year was (11.15)%.
3. The Company has 83 permanent Employees on the rolls of Company as on March31,2019.
4. The explanation on the Relationship between average increase in remuneration and company performance:  
The remuneration paid is determined keeping in view the industry benchmark, the relative performance of the Company to the industry performance and review of remuneration packages of employees/managerial personnel of other organizations. During the year, similar approach was followed to establish the remuneration increases to the employees. Variable compensation is an integral part of Company's total remuneration Package and is directly linked to business performance. Salary increases during the year were in line with the Company's performance as well as that of the Company's market competitiveness.
5. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:  
In line with Company's remuneration philosophy, merit increases and annual variable pay-outs of its Key Managerial Personnel are directly linked to respective KMP's performance as well as business performance. Considering the respective KMP's performance and business performance of the Company, appropriate reward by way of merit increase and/or salary increase and/or variable pay have been awarded to the Key Managerial Personnel for the current year.
6. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:  
The market capitalization of the Company as on March 31, 2019 was Rs. 25.55 Crores. The price earnings ratio of the Company was Rs. (1.61) per share as at March 31, 2019. The closing price of the Company at BSE Limited on March 31, 2019 being Rs. 24.90/- per equity share of face value of Rs. 10/- each



7. Comparison of remuneration of each Key Managerial Personnel against the performance of the Company:

S.No.	Name of Director/ KMP	Remuneration for financial year 2018-19 (Amount in Rs.)	% of Gross Revenue for FY 2018-19	% of PBT for FY 2018-19
1.	RAAKESH B KULWAL	12,00,000	0.077%	(0.669%)
2.	JINKO DEVI KOOLWAL	-	-	-
3.	PANKAJ KUMAR MATHUR	5,61,696	0.036%	(0.313%)
4.	KHUSHBU AGARWAL (Upto 18 <sup>th</sup> September 2018)	39,678	0.003%	(0.022%)
5.	ANNU SHARMA (w.e.f 1st October 2018)	1,11,006	0.007%	(0.062%)

8. The key parameters for any variable component of remuneration:  
Variable compensation is an integral part of our total remuneration package for all employees including Directors. Variable Pay is directly linked to business performance. At the start of the year, the Management sets business and financial targets for the Company. These are drawn from the organizational strategic plan and are then reviewed for consistency and stretch.
9. The ratio of the remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year :NIL
10. It is here by affirmed that the remuneration paid during the year is as per the remuneration policy of the Company.

For & on behalf of the Board

Sd/-

**RAAKESH B KULWAL**

Chairman & Managing Director

DIN: 00615150

Jaipur, 3<sup>rd</sup> September, 2019



## AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis.

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	As per Annexure 1
b)	Nature of contracts/arrangements/transaction	As per Annexure 2
c)	Duration of the contracts/arrangements/transaction	Regular Basis
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Date of approval by the Board	NA
f)	Amount paid as advances, if any	NIL



Annexure 1

(A)	Key Management Personnel & Director	
	Name of the Director	Designation
	Raakesh B Kulwal	Chairman & Managing Director
	Jinko Devi Koolwal	Director
	Sanjay Sethi	Independent Director
	Nand Lal Pancharia	Independent Director
	Harsh Agarwal	Independent Director
	Pankaj Kumar Mathur	Chief Financial Officer
	Annu Sharma	Company Secretary
(B)	Relative of Key Management Person & Directors	
	Name of the Relative	Relationship
	Harinarain Gyarsilal	
	Renu Koolwal	
(C)	Enterprises having Common Key management personnel and/or their relatives	
	Jhanvi Jhandewalas Real Estate Developers	
	Jhanvi Jhandewalas Real Estate Developers P.Ltd	
	Himanshi Foods (Prop.Renu Koolwal)	

Annexure 2 :

(Amount in RS.)

Name of Enterprises	Salary Paid	Rent Paid	Sale and Purchase of Goods	Advance/ Repayment	Amount Receivable /(Payable) as at 31 <sup>st</sup> March 2019
Raakesh B Kulwal	12,00,000	0.00	0.00	0.00	0.00
Harinarain Gyarsilal	0.00	0.00	561,983,437.00	0.00	209,669,051.00
Himanshi Foods (Prop.RenuKoolwal)	0.00	0.00	7,579,468.00	0.00	51,803,903.00
Renu Koolwal	0.00	0.00	0.00	0.00	(258,790.00)
Jhanvi Jhandewalas Real Estate Developers	0.00	0.00	0.00	0.00	10,50,000.00
Jhanvi Jhandewalas Real Estate Developers P.Ltd	0.00	0.00	0.00	93,324.00	93,324.00

For & on behalf of the Board

Sd/-

**RAAKESH B KULWAL**

Chairman & Managing Director

DIN: 00615150

Jaipur, 3<sup>rd</sup> September, 2019

**SHAREHOLDER INFORMATION****General Body Meeting**

Details of Last Annual General Meetings and the summary of Special Resolutions passed therein as under:

Financial Year	Date and Time	Venue
2018-19	14 <sup>th</sup> September 2018	Registered Office

No special resolution was passed by the company last year through Postal Ballot. No special resolution is proposed to be conducted through Postal Ballot in the ensuing Annual General Meeting.

**Extra-Ordinary General Meeting**

During the year Your Company held Extra-Ordinary General Meeting as under;

Financial Year	Date and Time	Venue
2019-20	29 <sup>th</sup> June 2019	Registered Office

**Annual General Meeting for the financial year 2019-20**

DAY AND DATE	Monday, 30 <sup>th</sup> September, 2019
TIME	11.00 A.M.
VENUE	B-70, 1st Floor, Upasana House, Janta Store, Bapu Nagar, Jaipur-302015
FINANCIAL YEAR	2018-19
BOOK CLOSURE DATE	23 <sup>rd</sup> September 2019 to 30 <sup>th</sup> September 2019

**Tentative Calendar for Financial Year ending 31<sup>st</sup> March, 2020**

The tentative dates of meeting of Board of Directors for consideration of Half yearly financial results for the financial year ending March 31, 2020 are as follows:

S.No.	Particular of Quarter	Tentative Dates
1.	Half Yearly Results	In or before the second week of November, 2019
2.	Annual Results	In or before the fourth week of May, 2020

**Dividend**

The Board of Directors of the Company does not recommend dividend for the financial year 2018-19

**Distribution of Shareholding as on March 31, 2019**

Category	Category of shareholder	No. of Shareholders	No. of fully paid up equity Share held
(I)	(II)	(III)	(IV)
(A)	Promoter & Promoter Group	6	7,349,183
(B)	Public	580	2,911,175
(C)	Non Promoter-Non Public	0	0
(C1)	Shares underlying DRs	0	0
(C2)	Shares held by Employee Trusts	0	0
	<b>Total</b>	<b>586</b>	<b>10,260,358</b>





### Reconciliation of Share Audit Report

As stipulated by SEBI, a qualified Chartered Accountant carries out to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's Shares are Listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of total number of shares in Dematerialized form (held with CDSL and NSDL).

### Details of Shares Listed on Stock Exchange as on March 31, 2019

Name and Address of Stock Exchange	Stock Code
BSE Limited Floor 25, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400 001	540850

The Annual Listing Fees for the financial year 2019-20 has been paid to the Stock Exchange.

### Means of Communication to Shareholders

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, thoughts, ideas and plans to all stakeholders which promotes management-shareholder relations. The Company regularly interacts with shareholders through multiple channel of communication such as results announcement, annual report, media releases, Company's website.

1. The Unaudited half yearly results are announced within Forty-Five days of the close of the half year. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the SEBI (LODR) Regulation, 2015.
2. The approved financial results are forth with sent to the stock exchange and displayed on the Company's website-  
<http://www.namans.co.in>
3. Managerial Discussion and Analysis forms part of the Annual Report, which is sent to the Shareholders of the Company.
4. The half yearly results, Shareholding pattern, quarterly/half yearly/yearly compliances and all other corporate communication to the stock exchange viz. BSE Limited of India are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.
5. A Separate dedicated section under "Investor" on the Company's website gives relevant information of interest to the investors/public like shareholding pattern, half yearly results, etc.

### Share transfer system

As all the shares are held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the system and a certificate to that effect is issued.

### Nomination

Nomination facility in respect of shares held in electronic form is available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form can be obtained from the Company's Registrar and Transfer Agent.

### Service of Document through Electronic mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Transfer Agent,



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## MD/CFO CERTIFICATION TO THE BOARD

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To  
The Board of Directors,  
Jhandewalas Foods Limited

I, Pankaj Kumar Mathur, CFO (Chief Financial Officer) of Jhandewalas Foods Limited hereby certify that:

- a) I have reviewed Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2019 and that to the best of our knowledge and belief;
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct;
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies
- d) We have indicated to the Auditors and the Audit committee that;
  - There have been no significant changes in internal control over financial reporting during the year;
  - There have been no significant changes in accounting policies during the year and
  - There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Jaipur  
Date: 3<sup>rd</sup> September, 2019

Sd/-  
**Pankaj Kumar Mathur**  
CFO

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### Declaration by the Managing Director to Compliance with the Code of Business Conduct and Ethics

I hereby confirm that, all the Directors and Senior Management Personnel have affirmed compliance with Jhandewalas Foods Limited Code of Business conduct and Ethics for the year ended March 31,2019.

Jaipur, 3<sup>rd</sup> September ,2019

For Jhandewalas Foods Limited  
**Rakesh B. Kulwal**  
Chairman & Managing Director



## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**M/S JHANDEWALAS FOODS LIMITED**

### Opinion

We have audited the financial statements of M/S JHANDEWALAS FOODS LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its profit/loss 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

### Key Audit Matter

*Value of closing stock as on 31.03.2018 is adjusted and shown in prior period item amounting Rs.6,33,05,766.00, as diminution in value of closing stock due to substandard quality, the figure is taken as per the valuation certificate received from the outside expert.*

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate

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

In preparing the financial statements, management 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 management 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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control except "*Diminution of inventories amounting to Rs. 6,33,05,766/-*"
- 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
  - 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 pending litigations and the impact on its financial position - refer note 26 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.

**For M/S MSG & ASSOCIATES**  
Chartered Accountants  
FRN: 010254c  
Sd/-  
**MAHENDRA BALANI**  
(PARTNER)  
Membership No. 076396

Place:- Jaipur  
Date:-03/09/2019

**The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".**

We report that:

- i. a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the company.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and noticed the amount of Rs 6,33,05,766.00 on account of diminution in value of stock due to sub standard quality as on 31.03.2018 which is shown as prior period item in profit and loss account.
- iii. As informed, the company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(a), 3 (iii)(b) and 3 (iii)(c) of the order are not applicable to the Company.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi. As per information & explanation given by the management, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. And we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii. a. According to the records of the company, undisputed statutory dues including, Investor Education and Protection Fund, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities except TDS Employees' State Insurance, Provident Fund According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2019 for a period of more than six months from the date they became payable. The details of such are as follows.

Nature of Dues	Period	Amount Demand/Due
ESIC	F.Y 2018-2019	1,79,801.00
PF	F.Y 2018-2019	3,93,327.00
INCOME TAX ACT 1961(TDS)	F.Y 2018-2019	9,06,659.70
INCOME TAX ACT 1961(TDS)	F.Y 2009 -2019	5,46,500.00

- b. According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes. Except

S.No.	Name of The Statue	Nature of Dues	Amount In Lakhs	Period to which the amount relates	Forum where dispute is pending
1	Rajasthan Value added tax act, 2003	VAT	93.72	F.Y 2009-10	Commercial taxes Officer, Special Circle-X , Jaipur-II
2.	Rajasthan Value added tax act, 2003	VAT	8.56	F.Y 2012-13	Commercial taxes officer, Special Circle-X , Jaipur-II
3	Central Sales Tax act, 1956	CST	0.15	F.Y 2012-13	Commercial taxes officer, Special Circle-X , Jaipur-II
4	Central Sales Tax act, 1956	CST	7.79	F.Y.2013-14	Commercial taxes officer, Special Circle-X , Jaipur-II
5	Central Sales Tax act, 1956	CST	4.63	F.Y2015-16	Commercial taxes officer, Special Circle-X , Jaipur-II
6	Rajasthan Value added tax act, 2003	VAT	48.47	F.Y 2015-16	Commercial taxes officer, Special Circle-X , Jaipur-II
7	Rajasthan Value added tax act, 2003	VAT	48.47	F.Y2016-17	Commercial taxes officer, Special Circle-X , Jaipur-II
8.	Central Sales Tax act, 1956	CST	0.64	F.Y2016-17	Commercial taxes officer, Special Circle-X , Jaipur-II





Income Tax

S.No.	Name of The Statute	Nature of Dues	Amount In Lakhs	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act 1961	IT	0.054	2012-13	Assesing Officer
2.	Income Tax Act 1961	IT	0.63	2014-15	Assesing Officer
3.	Income Tax Act 1961	IT	3.41	2015-16	Assesing Officer
4.	Income Tax Act 1961	IT	5.03	2015-16	Assesing Officer
5.	Income Tax Act 1961	IT	2.77	2017-18	Assesing Officer

viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company. Except -

NAME OF BANK	Amount outstanding as on 31.03.2019
Kotak Mahindra Bank	Rs.53,87,849.00
SIDBI	Rs. 18,97,359.00

- ix. Based on our audit procedures and according to the information given by the management, the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and term loans have been applied for the purpose for which they were obtained.
- x. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.. Therefore, paragraph 3(xiv) of the order is not applicable to the company.
- xv. According to the information and explanations given to us, the company has not entered into non-cash transactions with directors or persons connected with him during the year.
- xvi. According to the information and explanations given to us , the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For M/S MSG & ASSOCIATES**

Chartered Accountants

FRN: 010254c

Sd/-

**MAHENDRA BALANI**

(PARTNER)

Membership No. 076396

Place:- Jaipur

Date:-03/09/2019



### **Report on Internal Financial Controls with reference to financial statements**

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

We have audited the internal financial controls over financial reporting of M/S JHANDEWALAS FOODS LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting 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.

**For M/S MSG & ASSOCIATES**  
Chartered Accountants  
FRN: 010254c  
Sd/-  
**MAHENDRA BALANI**  
(PARTNER)  
Membership No. 076396

Place:- Jaipur  
Date:-03/09/2019



## Balance Sheet as at 31st March 2019

	Note No.	As at March 31, 2019	As at March 31, 2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	102,603,580	102,603,580
(b) Reserves and Surplus	2	64,147,456	222,839,351
		<b>166,751,036</b>	<b>325,442,931</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long -term borrowings	3	81,128,360	100,680,904
(b) Deferred tax liabilities (Net)	4	2,262,271	2,293,754
(c) Other long term liabilities	5	-	-
(d) Long-term provisions	6	2,276,764	2,307,562
		<b>85,667,395</b>	<b>105,282,220</b>
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	7	435,364,668	348,460,287
(b) Trade Payables	8	107,480,476	58,889,078
(c) Other current liabilities	9	61,293,330	42,501,952
(d) Short -term provisions	10	153,516	20,794,683
		<b>604,291,990</b>	<b>470,646,000</b>
<b>TOTAL</b>		<b>856,710,421</b>	<b>901,371,151</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Fixed assets	11	44,488,888	37,981,814
(b) Non-current investment		-	-
(c) Long-term Loans and advances	12	2,301,815	2,243,525
(d) Other non-current assets	13	4,482,765	4,136,892
		<b>51,273,468</b>	<b>44,362,231</b>
<b>(2) Current Assets</b>			
(a) Inventories	14	249,830,717	358,206,036
(b) Trade receivables	15	506,538,129	461,172,059
(c) Cash and cash equivalents	16	18,073,031	15,266,623
(d) Short-term loans and advances	17	3,830,747	2,730,611
(e) Other current assets	18	27,164,329	19,633,591
		<b>805,436,953</b>	<b>857,008,920</b>
<b>TOTAL</b>		<b>856,710,421</b>	<b>901,371,151</b>

Summary of significant accounting policies &amp; notes to accounts 27

The Notes No. 1 to 27 are an integral part of these financial statements

As per our report of even date attached

For M.S.G. &amp; Associates

Chartered Accountant

FR No.010254C

Mahendra Balani

(Partner)

Membership No.: 076396

Place : Jaipur

Date: 3<sup>rd</sup> September, 2019

For and on behalf of the Board of Directors

Raakesh B Kulwal

(Chairman &amp; Managing Director)

DIN:00615150

Jinko Devi Koolwal

(Director)

DIN:02531975

Pankaj Kumar Mathur

Chief Financial Officer

Annu Sharma

Company Secretary



## Statement of Profit &amp; Loss for the year ended March 31, 2019

	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I. Revenue	19	1,548,893,562	1,778,778,766
II. Other Income	20	824,318	930,246
<b>III. Total Revenue (I + II)</b>		<b>1,549,717,880</b>	<b>1,779,709,012</b>
<b>IV. Expenses</b>			
(a) Cost of Materials Consumed	21	1,494,217,883	1,675,684,288
(b) Changes in inventories of finished goods and work-in-progress	22	58,233,081	(52,057,094)
(c) Employee benefits expense	23	21,531,425	18,344,960
(d) Other expenses	24	31,345,985	36,640,429
(e) Finance Costs	25	55,393,888	46,242,896
(f) Depreciation and amortisation expense		5,063,674	3,970,902
<b>Total Expenses</b>		<b>1,665,785,936</b>	<b>1,728,826,381</b>
<b>V. Profit before prior period item and tax (III-IV)</b>		(116,068,056)	50,882,631
Prior Period Item			
Diminution in value of Stock (Net)		63,305,766	-
<b>VI. Profit before tax</b>		<b>(179,373,822)</b>	<b>50,882,631</b>
<b>VII. Tax Expenses</b>			
Less: Current Tax		-	20,650,444
Less: Deferred Tax		(31,483)	(1,697,955)
Less: Tax adjustments		-	257,377
Add: Provision of Income Tax for earlier year written back		20,650,444	-
<b>VIII. Profit for the year after tax (VI-VII)</b>		<b>(158,691,895)</b>	<b>31,672,765</b>
<b>VIII. Earning per share</b>			
Basic		(15.47)	3.09
Diluted			

Summary of significant accounting policies &amp; notes to accounts 27

The Notes No. 1 to 27 are an integral part of these financial statements

As per our report of even date attached

For M.S.G. &amp; Associates

Chartered Accountant

FR No.010254C

Mahendra Balani

(Partner)

Membership No.: 076396

Place : Jaipur

Date: 3<sup>rd</sup> September, 2019

For and on behalf of the Board of Directors

Raakesh B Kulwal  
(Chairman & Managing Director)  
DIN:00615150Jinko Devi Koolwal  
(Director)  
DIN:02531975Pankaj Kumar Mathur  
Chief Financial OfficerAnnu Sharma  
Company Secretary



## Cash Flow Statement for the year ended 31st March, 2019

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>A.Cash Flow from Operating Activities</b>		
Net Profit before tax	(179,373,822)	50,882,631
Adjustments for :		
Interest Received	(724,621)	(765,179)
Depreciation	5,063,674	3,970,902
Interest Expense	55,393,888	46,242,896
Provision for Gratuity	(21,521)	325,312
<b>Operating profit before working capital changes</b>	<b>(119,662,402)</b>	<b>100,656,562</b>
Adjustment for :		
(Increase)/Decrease in Inventories	108,375,319	(112,853,525)
(Increase)/Decrease in Trade Receivables	(45,366,070)	(153,363,922)
(Increase)/Decrease in Short Term loans and advances	(1,100,136)	(803,806)
(Increase)/Decrease in Other Current Assets	(7,530,738)	(11,545,831)
Increase/(Decrease) in Trade payables	48,591,398	(20,572,486)
Increase/(Decrease) in Other current liabilities	18,791,378	12,526,902
	<b>121,761,151</b>	<b>(286,612,668)</b>
<b>Cash Generated from / (used in) Operations</b>	<b>2,098,749</b>	<b>(185,956,106)</b>
Income Tax (paid)/refund	-	(14,580,672)
<b>Net cash Generated from/(used in) Operating Activities - (A)</b>	<b>2,098,749</b>	<b>(200,536,778)</b>
<b>B.Cash Flow from Investing Activities</b>		
Purchase of fixed assets	(11,570,748)	(3,364,279)
Interest Received	724,621	765,179
(Increase)/Decrease in other Non Current Assets	(345,873)	(318,723)
(Increase)/Decrease in long term loan and advances	(58,290)	(1,960,110)
Proceeds from Other Long Term Liabilities	-	(11,407,567)
<b>Net Cash (used in) Investing Activities - (B)</b>	<b>(11,250,290)</b>	<b>(16,285,500)</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase/(Decrease) in Share Capital	-	71,325,460
Proceeds from Premium on issue of shares	-	88,724,540
Increase/(Decrease) in Short Term Borrowings	86,904,381	60,401,799
Proceeds from Loan/Repayment of Long Term Borrowings	(19,552,544)	53,976,934
Interest Expense	(55,393,888)	(46,242,896)
<b>Net Cash (used in) / from Financing Activities - (C)</b>	<b>11,957,949</b>	<b>228,185,837</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>2,806,408</b>	<b>11,363,559</b>
Cash and Cash Equivalents at the beginning of the year	15,266,623	3,903,064
Cash and Cash Equivalents at the end of the year	18,073,031	15,266,623

As per our report of even date attached

For M.S.G. &amp; Associates

Chartered Accountant

FR No.010254C

Mahendra Balani

(Partner)

Membership No.: 076396

Place : Jaipur

Date: 3<sup>rd</sup> September, 2019

For and on behalf of the Board of Directors

Raakesh B Kulwal  
(Chairman & Managing Director)  
DIN:00615150Jinko Devi Koolwal  
(Director)  
DIN:02531975Pankaj Kumar Mathur  
Chief Financial OfficerAnnu Sharma  
Company Secretary





## Notes to the Financial statement for the year ended March 31, 2019

## 1. SHARE CAPITAL

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Authorised Capital</b>		
12000000 ( March 31, 2018: 12000000 shares ) equity shares of Rs- 10/- each	120,000,000	120,000,000
<b>Issued ,subscribed and fully paid up shares</b>		
10260358 ( March 31, 2018: 10260358 shares ) equity shares of Rs-10/- each fully paid up	102,603,580	102,603,580
<b>Total</b>	<b>102,603,580</b>	<b>102,603,580</b>

## a. Shareholders holding more than 5 % Shares in the Company is set out below

Name of sharholder	As at March 31, 2019		As at March 31, 2018	
	No of Equity shares held	Percentage	No of Equity shares held	Percentage
Raakesh B Kulwal	698,288	6.81	698,288	6.81
Jinko Devi Koolwal	4,677,118	45.58	4,677,118	45.58
Renu Koolwal	574,808	5.60	574,808	5.60
Harinarayan Gyarsilal	1,396,619	13.61	1,396,619	13.61
<b>Total</b>	<b>7,346,833</b>	<b>71.60</b>	<b>7,346,833</b>	<b>71.60</b>

## b. Reconciliation of numbers of Shares

Name of sharholder	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
At the beginning of the year	10,260,358	102,603,580	3,127,812	31,278,120
Issued during the year	-	-	7,132,546	71,325,460
At the end of the year	<b>10,260,358</b>	<b>102,603,580</b>	<b>10,260,358</b>	<b>102,603,580</b>

## 2. RESERVE &amp; SURPLUS

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>a. Securities Premium Account</b>		
Opeing balance	132,253,440	43,528,900
(+) Securities premium credited on share issue	-	130,950,000
(-) Securities premium debited on bonus share issue	-	42,225,460
<b>Closing balance</b>	<b>132,253,440</b>	<b>132,253,440</b>
<b>b. Surplus</b>		
Opening balance	90,585,911	58,913,146
(+) Net profit for the current year	(158,691,895)	31,672,765
<b>Closing balance</b>	<b>(68,105,984)</b>	<b>90,585,911</b>
<b>Total</b>	<b>64,147,456</b>	<b>222,839,351</b>



Particulars	As at March 31, 2019	As at March 31, 2018
<b>3 LONG TERM BORROWINGS</b>		
<b>Secured</b>		
<b>(A) Term loans</b>		
a) Indian rupee loan from a bank ( Refer note ( a ) )	57,178,825	65,861,408
Less Current maturities of long term debt	16,163,602	11,899,115
	<b>41,015,223</b>	<b>53,962,293</b>
b) Indian rupee loan from Financial institutions ( Refer note ( b ) )	22,860,000	24,750,000
less Current Maturities of long term debt	8,268,000	2,520,000
	<b>14,592,000</b>	<b>22,230,000</b>
c ) From non banking financial institution ( Refer no ( c ) )	701,984	2,023,852
Less Current maturities of long term debt	662,168	1,451,396
	<b>39,816</b>	<b>572,456</b>
<b>(B) Hire Purchase loans</b>	5,383,774	-
Less: Current maturities of long term debt	1,459,854	-
	<b>3,923,920</b>	-
Total ( A+B )	<b>59,570,959</b>	<b>76,764,749</b>
<b>Unsecured</b>		
<b>(C) Indian rupee loan from a bank</b>	5,179,795	9,243,818
Less Current maturities of long term debt	4,766,679	8,019,443
	<b>413,116</b>	<b>1,224,375</b>
<b>(D) From non banking financial institution</b>	39,901,955	35,788,973
Less Current maturities of long term debt	18,757,670	13,097,193
	<b>21,144,285</b>	<b>22,691,780</b>
Total ( C+D )	<b>21,557,401</b>	<b>23,916,155</b>
Total of secured and unsecured loans ( A+ B+C+D )	<b>81,128,360</b>	<b>100,680,904</b>

- a. Indian rupee loan from a bank of Rs. 5,71,78,825/- ( March 31,2018 Rs.6,58,61,408/-) carries interest @ 9.50% The loans are repayable in 60 monthly installments starting from November 2017 and January 2018 along with interest The loan is secured against :
1. First and exclusive charge on immoveable property being industrial converted land located at Khasra No.145,146,173,149,150/2,148/1083,village-siyao,Dhoblaai Distt-Jaipur, measuring 29016Sq Mtr valued at Rs.899 lakhs.
  2. Commercial property situated at Shop Cum Godown No.KA-02,Krishi Upaj Mandi, Surajpole, Jaipur, Rajasthan measuring 362.45 Sq Mtr valued at Rs.250 lakhs.
  3. Commercial Property situated at Shop no. 35, Johri Bazar,Jaipur,Rajasthan,measuring 302.71 sq.feet valued at Rs.300 lakhs.
  4. Personal Guarantee of Mr.Rakesh B.Kulwal ,Mrs.Jinko Devi Koolwal and Mr.Bhanwar Lal Koolwal.
- b. Indian rupee loan from financial instituions of Rs- 2,28,60,000/- ( March 31, 2018 Rs- 2,47,50,000/- carries interest @ 14.35- 15.25%. The loan is repayable in 48 Monthly installments along with interest starting from March 2016 and March 2019. The loan is secured by second pari pasu charge on all the moveable assests (including current assets) and Personal Guarantee of Mr.Rakesh B.Kulwal ,Mrs.Jinko Devi Koolwal and Mrs.Renu Koolwal.
- c. The loan from non banking financial company is secured against mortgage of Vehicle.
- d. Hire Purchase loans from non banking financial company Rs.53,83,774/- (March 31,2018 - nil) are secured by specific assets financed (Vehicle)



#### 4. DEFERRED TAX LIABILITY (Net)

The major components of deferred tax liability / asset as recognised in the financial statement is as follows.

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deferred Tax Liability</b>		
Deferred Tax Liability other	4,265,740	4,504,675
<b>Deferred Tax Asset</b>		
Deferred Tax Asset	2,003,469	2,210,921
<b>Net Deferred Tax Liability</b>	<b>2,262,271</b>	<b>2,293,754</b>
Opening deferred tax liability ( net )	2,293,754	3,991,709
Deferred tax charge / (credit ) for the year	(31,483)	(1,697,955)
<b>5. OTHER LONG - TERM LIABILITIES</b>		
Long Term Sundry Creditors	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>6. LONG TERM PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Provision for Gratuity	2,276,764	2,307,562
	<b>2,276,764</b>	<b>2,307,562</b>
<b>7. SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
<b>Loans repayable on demand</b>		
Cash credit from State Bank of India	334,374,726	300,490,172
Overdraft from Kotak Mahindra Bank	50,989,942	47,970,115
<b>Sub-Total</b>	<b>385,364,668</b>	<b>348,460,287</b>
<b>Unsecured</b>		
Short Term Loan from Axis Bank Ltd.	50,000,000	-
<b>Total</b>	<b>435,364,668</b>	<b>348,460,287</b>

# Cash credit from State Bank of India is secured by first pari pasu charge on all current assets of the company and first pari pasu charge on fixed assets of the company, personal guarantee of promoter Directors and their relative and Collateral security. The cash credit is repayable on demand and carries interest @ 9.60% p.a .

Details of Collateral Security	Owner
-Factory land and building situated at F- 551B,road no. 6 VKI Area, Jaipur ( Land area 631.00 Sq. mtr.).	Jhandewalas Foods Ltd
-Residential land and building situated at plot No. 143, Kailashpuri, Durgapura,jaipur ( Land area 223.05 Sq.mtr.).	Mr. Rakesh Koolwal
-Industrial Land (16300 sqm) situated at khasra No. 1572/366, 1573/367, 1576/367, Patwar Halka- Dhoblai,gram-syau,Govindgarh,jaipur.	Mrs. Renu koolwal
-Commercial shop no. 350 saraogi Mansion,M.I. Road,Jaipur.admeasuring 215 sq.ft	Mrs. Renu koolwal
-Commercial shop no. 351 saraogi Mansion,M.I. Road,Jaipur.admeasuring 202 sq.ft	Mrs. Renu koolwal
-Commercial shop no. 352 saraogi Mansion,M.I. Road,Jaipur.admeasuring 202 sq.ft	Mrs. Renu koolwal
-STDR'S	Jhandewalas Foods Ltd
-Industrial converted land situated at Khasra No. 1,2,3,4,16,18,22/1 Gram patwar Halka- Tapipla, Tehsil-shrimadhapur, sikar (Rajasthan) (41330 sq.mtrs.)	M/s Jhanvi Jhandewalas real Estate Developers
-Entire fixed assets of the company including plant & machinery and miscellaneous fixed assets (except vehicles)	Jhandewalas Foods Ltd

# Ovrdraft from Kotak Mahindra Bank - For security refer para (A) of Point No.3.



Particulars	As at March 31, 2019	As at March 31, 2018
<b>8. TRADE PAYABLES</b>		
Due to micro and small enterprises	24,080,874	-
Others	83,399,602	58,889,078
<b>Total</b>	<b>107,480,476</b>	<b>58,889,078</b>
<b>9. OTHER CURRENT LIABILITIES</b>		
Current maturities of long term borrowings [ refer note no 3 ]	48,618,120	36,987,147
Current maturities of hire purchase loans [Refer note 3 ]	1,459,854	-
Interest accrued but not due on borrowings	190,217	216,647
Interest accrued and due on borrowings	3,078,338	-
Employee benefits payable	1,515,544	1,264,763
Advance from customers	3,324,735	3,163,920
Statutory dues payable	3,004,522	869,475
Other Current Liabilities	102,000	-
<b>Total</b>	<b>61,293,330</b>	<b>42,501,952</b>
<b>10. SHORT TERM PROVISIONS</b>		
<b>Provision for employee benefits:</b>		
Provision for gratuity	153,516	144,239
<b>Others :</b>		
Provision for income tax	-	20,650,444
	<b>153,516</b>	<b>20,794,683</b>

### 11. FIXED ASSETS

Particulars	Gross Block				Accumulated Depreciation / Amortisation				Net Block		
	As at April 1, 2018	Additions during the year	Delet- ions	As at March 31, 2019	As at April 1, 2018	Depreciation charge/ Ammortisation for the year	Delet- ions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018	
A. Tangible Assets											
Land - freehold	1,575,880	-	-	1,575,880	-	-	-	-	1,575,880	1,575,880	
Buldings	13,364,303	-	-	13,364,303	3,219,634	419,738	-	3,639,372	9,724,931	10,144,669	
Plant and machinery	31,182,280	1,906,181	-	33,088,461	10,322,149	2,149,648	-	12,471,797	20,616,664	20,860,131	
Furniture and Fixtures	4,213,740	-	-	4,213,740	1,721,941	418,397	-	2,140,338	2,073,402	2,491,799	
Office Equipment	460,257	261,653	-	721,910	144,702	109,557	-	254,259	467,651	315,555	
Computers	1,736,911	1,592,500	-	3,329,411	1,431,128	515,884	-	1,947,012	1,382,399	305,783	
Vechile	6,980,931	7,810,414	-	14,791,345	4,692,934	1,450,450	-	6,143,384	8,647,961	2,287,997	
<b>Total</b>	<b>59,514,302</b>	<b>11,570,748</b>	<b>-</b>	<b>71,085,050</b>	<b>21,532,488</b>	<b>5,063,674</b>	<b>-</b>	<b>26,596,162</b>	<b>44,488,888</b>	<b>37,981,814</b>	
Previous year	56,150,023	3,364,279	-	59,514,302	17,561,586	3,970,902	-	21,532,488	37,981,814	38,588,437	



Particulars	As at March 31, 2019	As at March 31, 2018
<b>12. LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured , Considered good, unless stated otherwise</b>		
Deposits	2,301,815	2,243,525
<b>Total</b>	<b>2,301,815</b>	<b>2,243,525</b>
<b>13. OTHER NON CURRENT ASSETS</b>		
Fixed deposits ( original maturity for more than 12 months )	3,126,500	3,126,500
Interest accrued on fixed deposits	1,356,265	1,010,392
	<b>4,482,765</b>	<b>4,136,892</b>
<b>14. INVENTORIES</b>		
( Valued at cost or net realisable value, whichever is less )		
Raw materails	189,009,153	175,845,625
Finished goods	70,055,230	113,795,911
Work in Process	54,072,100	68,564,500
<b>Sub - Total</b>	<b>313,136,483</b>	<b>358,206,036</b>
<b>Less : Diminution in Value of Inventory (Net)</b>		
Raw materials	63,305,766	-
<b>Total</b>	<b>249,830,717</b>	<b>358,206,036</b>
<b>15. TRADE RECEIVABLES</b>		
Outstanding for a period exceeding six months	146,492,890	22,573,769
Considered good ( unsecured )	362,197,416	438,598,290
<b>Sub-Total</b>	<b>508,690,306</b>	<b>461,172,059</b>
Less: Provision for Doubtful Debtors	2,152,177	-
<b>Total</b>	<b>506,538,129</b>	<b>461,172,059</b>
<b>16. CASH AND BANK BALANCES</b>		
<b>Cash and cash Equivalents</b>		
Cash on hand	11,018,621	6,341,227
Balance with banks		
- In current accounts	2,135,580	4,272,506
- In deposits with original maturity of less than 3 months	4,918,830	4,652,890
<b>Total</b>	<b>18,073,031</b>	<b>15,266,623</b>
<b>17. SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured , considered goods unless otherwise stated</b>		
Advance recoverable in cash or in kind	3,830,747	2,730,611
<b>Total</b>	<b>3,830,747</b>	<b>2,730,611</b>
<b>18. OTHER CURRENT ASSETS</b>		
<b>Unsecured considered good, unless stated otherwise</b>		
Advance to suppliers	14,272,282	3,107,538
Balance with statutory / government authorities	7,151,329	11,316,703
Other Current Assets	5,740,718	5,209,350
<b>Total</b>	<b>27,164,329</b>	<b>19,633,591</b>



<b>Particulars</b>	<b>For the year ended 31st March 2019</b>	<b>For the year ended 31st March 2018</b>
<b>19. REVENUE FROM OPERATIONS</b>		
Sale of products	1,553,412,868	1,781,866,253
less: Sales Return	4,519,306	3,087,487
<b>Total</b>	<b>1,548,893,562</b>	<b>1,778,778,766</b>
<b>20. OTHER INCOME</b>		
Interest income on		
-Bank deposits	684,794	526,261
-Others	39,827	238,918
Sale of scrap	99,697	165,067
<b>Total</b>	<b>824,318</b>	<b>930,246</b>
<b>21. COST OF MATERIAL CONSUMED</b>		
<b>Raw material consumed</b>		
inventory at the beginning of the period	175,845,625	115,049,194
add: Purchases	1,507,381,411	1,736,480,719
Less: Inventory at the end of the period	189,009,153	175,845,625
<b>Total</b>	<b>1,494,217,883</b>	<b>1,675,684,288</b>
<b>22. CHANGE IN INVENTORY</b>		
Inventories at the beginning of the year		
Finished goods	113,795,911	83,883,517
Work in progress	68,564,500	46,419,800
	<b>182,360,411</b>	<b>130,303,317</b>
Inventories at the end of the year		
Finished goods	70,055,230	113,795,911
Work in progress	54,072,100	68,564,500
	<b>124,127,330</b>	<b>182,360,411</b>
<b>( Increase)/ Decrease in inventory</b>	<b>58,233,081</b>	<b>(52,057,094)</b>
<b>23. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & wages	20,900,550	17,521,932
Gratuity	(21,521)	325,312
Staff welfare expenses	652,396	497,716
<b>Total</b>	<b>21,531,425</b>	<b>18,344,960</b>
<b>24. OTHER EXPENSES</b>		
Cartage & freight	2,676,290	2,306,594
Power and Fuel	834,994	603,703
Rent rates & taxes	2,234,156	1,490,480
Bank charges & Processing charges	2,621,012	3,484,698
Insurance	637,474	302,957





Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>Repair and maintenance</b>		
-Plant and machinery	443,597	688,356
-Building	1,150,566	1,901,161
-others	880,735	1,003,460
Factory expenses	1,845,474	961,163
Travelling & conveyance	4,125,093	3,638,730
Telephone and Postage	650,718	650,847
Printing and Stationery	365,318	336,918
Legal & Professional fees	1,713,732	3,304,041
Auditors remuneration	100,000	58,750
Sales promotion expenses	5,227,158	4,716,505
Brokerage and commission	217,597	148,013
Donations	613,977	8,000
Conference Exp	276,099	455,210
Consultancy Charges	107,122	93,023
Office Exp	847,806	419,020
Rebate & Discount	615,746	905,517
Satff Placement Exp	136,179	107,591
IPO Expenses	-	7,006,120
ROC Expenses	14,624	945,983
Website Building charges	116,888	58,180
Preliminary Expenses W/off.	-	138,624
Balance Written off	174,157	415,957
Miscellaneous expenses	567,296	490,828
Provision for Doubtful Debts	2,152,177	-
<b>Total</b>	<b>31,345,985</b>	<b>36,640,429</b>
<b>25. FINANCE COST</b>		
Interest expenses		
- term loans from Bank	6,158,851	2,364,415
- working capital loans	35,637,145	31,772,495
- term loan others	13,230,630	11,833,782
- Others	367,262	272,204
<b>Total</b>	<b>55,393,888</b>	<b>46,242,896</b>
<b>26. CONTINGENT LIABILITIES</b>		
<b>Particulars</b>	<b>As at March 31,2019</b>	<b>As at March 31,2018</b>
a. Letter of Credit	-	28,264,992
b. sales tax matter under litigation in respect of company	21,243,963	25,515,080
c. Income Tax / TDS matter under litigation	1,736,474	-
	<b>22,980,437</b>	<b>53,780,072</b>



## 27. SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

### Corporate information

Jhandewalas is FSSAI approved & ISO 22000:2005 certified company committed to International standards of product quality. The product portfolio includes Desi Ghee, poha, mangodi, papad, kesar under brand name Naman's and Cow Ghee under brand name Godhenu. Porridge, nachos & pasta under brand name Yumm Yoo. Refined groundnut oil under brand name Polki.

### A. Significant Accounting Policies

#### 1. Basis of accounting:-

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

#### 2. Use of Estimates:-

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### 3. Revenue Recognition:-

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- **Sale of Goods**

Revenue from sale of goods is recognized on transfer of all significant risks and rewards ownership to the buyer which is normally on dispatch of goods.

- **Interest Income**

Interest income is recognized on time proportion basis

#### 4. Property, Plant & Equipment :-

Property, Plant & Equipment are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

#### 5. Depreciation :-

Depreciation on cost of Fixed asset is provided on straight line method at estimated useful life, with the estimated useful life as specified in schedule of the companies Act, 2013.

#### 6. Inventories :-

1. Inventories are valued as under:-

- Inventories : Lower of cost(FIFO/specific cost/Weighted avg) or net realizable value
- Scrap : At net realizable value.

#### 7. Prior Period item comprises:-

Rs.6,33,05,766.00 on account of diminution in value of stock due to sub standard quality as at 31.03.2018, as verified and certified by Management of the company.

#### 8. Retirement Benefits:-

The retirement benefits are accounted for as and when liability become due for payment, except leave encashment accounted as cash basis.

#### 9. Taxes on Income:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassure realization.

#### 10. Provisions, Contingent Liabilities and Contingent Assets:- (AS-29)

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.



Contingent Liabilities is disclosed in Notes to the account for:-

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

**General:**

Except wherever stated, accounting policies are consistent with the generally accepted accounting principles and have been consistently applied.

**(B) Notes on Financial Statements**

1. As per information received from MSME, 7 creditors are registered as per MSME act out of which 5 parties amounting Rs.3,12,171/- is due more than 45 days.
2. Salaries includes directors remuneration on account of salary Rs 1200000 to Shri Raakesh B Kulwal (Managing Director). /- (Previous Year Rs. 1200000/-)
3. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
4. Payments to Auditors:

<b>Auditors Remuneration</b>	<b>2018-2019</b>	<b>2017-2018</b>
Audit Fees	100000	58750
Company Law Matters	NIL	NIL
<b>Total</b>	<b>100000</b>	<b>58750</b>

5. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
6. No provision for Leave Encashment has been made. The impact of the same on Profit & Loss is not determined
7. Advance to others includes advances to concerns in which directors are interested:

<b>Name of Concern</b>	<b>Current Year Closing Balance</b>	<b>Previous Year Closing Balance</b>
<b>Jhanvi Jhandewalas Real Estate Developers</b>	10,50,000.00	10,50,000.00
<b>Total</b>	<b>10,50,000.00</b>	<b>10,50,000.00</b>

8. Related Party Disclosure:

I) Key Management Personnel

1. Raakesh B kulwal
2. Jinko Devi Koolwal

II) Relative of Key Management Personnel and Directors

1. Bhanwarlal Koolwal proprietor of Harinarain Gyarsilal.
2. Renu Koolwal proprietor of Himanshi Foods.

(II) Enterprises owned or significantly influenced by Key Management personnel or their relatives

1. Jhanvi Jhandewalas Real estate Developers
2. Jhanvi Jhandewalas Real estate Developers Pvt Ltd.
3. Himanshi Foods ( prop. Renu Koolwal)
4. Harinarain Gyarsilal (prop. Bhanwarlal Koolwal)



**Transactions with Related parties** (Figure in Rs.)

NAME OF PARTIES	RELATIONSHIP	NATURE OF TRANSACTION	TRANSACTION VALURE	BALANCE 31.03.2019	BALANCE 31.03.2018
Rakkesh B koolwal	Director	Salary	12,00,000/-	-	-
Harinarain Gyarsilal (Prop. Bhanwarlal Koolwal)	Relative of Director and Shareholder	Purchases Sales	43,38,23,680/- 12,81,59,757/-	20,96,69,051/-	8,70,05,953/-
Himanshi Foods (Prop. Renu Koolwal)	Relative of Director	Purchases Sales	71,10,718/- 4,68,750/-	5,18,03,903/-	5,58,59,164/-
Jhanvi Jhandewalas Real Estate Developers	Group Entity	-	-	10,50,000/-	10,50,000/-
Jhanvi Jhandewalas Real Estate Developers Pvt. Ltd	Group Entity	-	-	93,324/-	-

9. Provision of Income Tax of Rs.2,06,50,444/- (F.Y 2017-18) added back during the year, since there is no taxable income in F.Y. 2017-18. Provision for tax has not been made for current year due to losses.

10. Company has Sales Tax Matter under litigation in respect of company amounting Rs 2,12,43,963.00, Income Tax under litigation in respect of company amounting Rs. 11,89,924.00 , TDS Demand amounting Rs. 5,46,550.00 .

The same has been shown under contingent liability Note no.26.

11. % of imported & indigenous raw material & consumables

Particulars	2019		2018	
	%	Amount	%	Amount
Imported	0.00	0.00	0.00	0.00
Indigenous	100.00	1494217883.00	100.00	1675684288.00

12. Value of Imports

Raw Material	Nil	Nil
Finished Goods	Nil	Nil

13. Expenditure in Foreign Currency Nil Nil

14. Earning in Foreign Exchange Nil Nil

15. Previous year figures have been regrouped/rearranged wherever necessary.

**Signature to notes 1 to 27**

**In terms of Our Separate Audit Report of Even Date Attached.**

**For M/S MSG & ASSOCIATES**

Chartered Accountants

Sd/-

**(MAHENDRA BALANI)**

PARTNER

Membership No. 076396

Registration No. 010254c

Place:- JAIPUR

Date:- 03/09/2019

**For M/S JHANDEWALAS FOODS LIMITED**

**Raakesh B Kulwal**

Director

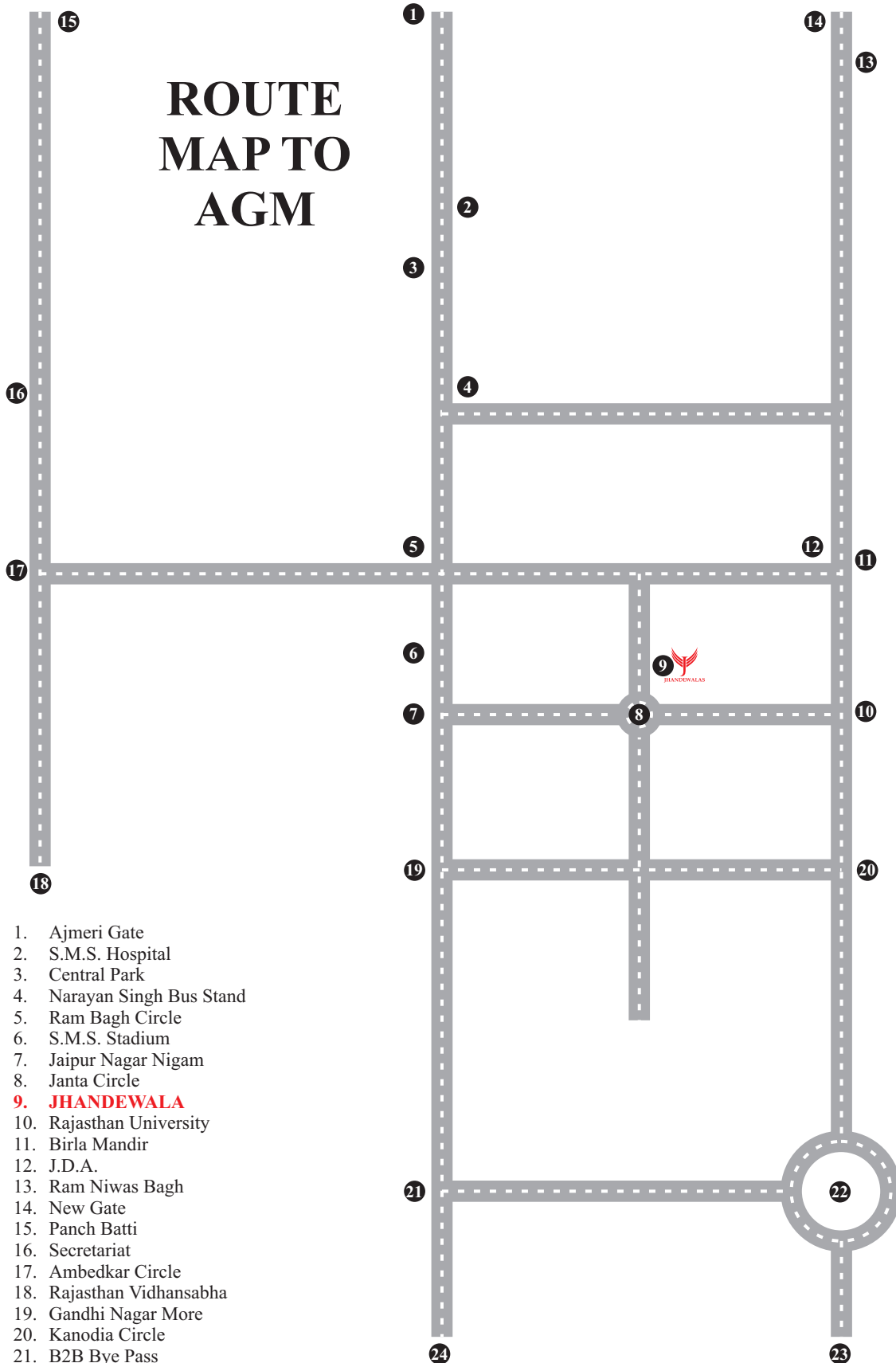
DIN : 00615150

**Jinko Devi Koolwal**

Director

DIN : 02531975

# ROUTE MAP TO AGM



1. Ajmeri Gate
2. S.M.S. Hospital
3. Central Park
4. Narayan Singh Bus Stand
5. Ram Bagh Circle
6. S.M.S. Stadium
7. Jaipur Nagar Nigam
8. Janta Circle
9. **JHANDEWALA**
10. Rajasthan University
11. Birla Mandir
12. J.D.A.
13. Ram Niwas Bagh
14. New Gate
15. Panch Batti
16. Secretariat
17. Ambedkar Circle
18. Rajasthan Vidhansabha
19. Gandhi Nagar More
20. Kanodia Circle
21. B2B Bye Pass
22. Jawahar Circle
23. Airport Terminal 1
24. Sanganer

NOT TO BE SCALE

**JHANDEWALAS FOODS LIMITED**

CIN: L15209RJ2006PLC022941

Registered Office: B-70, 1st Floor, Upasana House, Janta Store, Bapu Nagar, Jaipur, Rajasthan-302015 (INDIA)  
Website : www.namans.co.in Email : acc.jfpl@gmail.com**ATTENDANCE SLIP****13<sup>th</sup> Annual General Meeting, Monday, 30<sup>th</sup> September, 2019 at 11.00 a.m.**

DP Id*		Folio No.	
Client Id*		No. of Shares	

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 13<sup>th</sup> Annual General Meeting of the Company on Monday, 30<sup>th</sup> September, 2019 at 11.00 a.m at B-70, First Floor, Upasana House, Janta Store, Bapu Nagar, Jaipur, Rajasthan 302015

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

**JHANDEWALAS FOODS LIMITED**

CIN: L15209RJ2006PLC022941

Registered Office: B-70, 1st Floor, Upasana House, Janta Store, Bapu Nagar, Jaipur, Rajasthan-302015 (INDIA)  
Website : www.namans.co.in Email : acc.jfpl@gmail.com**FORM MGT-11 (PROXY FORM)**

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		E-mail Id:	
Registered address:		Folio No/ *Client Id:	
		*DP Id:	

I/We being the member(s) of \_\_\_\_\_ shares of above named company, hereby appoint:

1) Name _____	2) Name _____	3) Name _____
Address _____	Address _____	Address _____
E-mail Id _____	E-mail Id _____	E-mail Id _____
Signature _____ or failing him/her.	Signature _____ or failing him/her.	Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **13<sup>th</sup> Annual General Meeting** of the company, to be held on Monday, 30<sup>th</sup> September 2019 at Registered Office: B-70, 1<sup>st</sup> Floor, Upasana House, Janta Store, Bapu Nagar, Jaipur, Rajasthan-302015 (INDIA) at 11:00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
<b>Ordinary Business</b>		
1. To consider and adopt audited financial statement of year ended march 31st ,2019 and Report of Directors and Auditors thereon		
2. To appoint Mrs. Jinko Devi Koolwal who retires by rotation as a director and being eligible for re-appointment		
3. To appoint statutory auditor M/s M S G & Associates, Chartered Accountants, (FRN.: 010254C) of the company and fix their remuneration		

\* Applicable for investors holding shares in electronic form.

P.T.O.





Signed this..... day of.....2019

\_\_\_\_\_  
Signature of the shareholder

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

- Notes:**
1. Please put a 'X' in the box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
  2. This form of proxy must be deposited at the registered office of the company B-70 Upasana House, First Floor, Janta Store, Bapu Nagar, Jaipur-302015 Rajasthan (India), not less than 48 hours before the commencement of the meeting.



लाये लाईफ़ में टेस्ट®

## JHANDEWALAS FOODS LIMITED

CIN : L15209RJ2006PLC022941

### Corporate Office

B-70, First Floor, Upasana House  
Janta Store, Babu Nagar  
Jaipur - 302015, Rajasthan

### Factory Address

F-551 B, Road No. 06,  
V.K.I. Area,  
Jaipur- 302013

### Jodhpur Office

A 1st 3rd Mandor Mandi  
Jodhpur, 342001



Website: [www.namans.co.in](http://www.namans.co.in)



Email: [info@namans.co.in](mailto:info@namans.co.in)



Customer Care No.: 0141-2703308



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