Annual Report 2017 -18

BOARD OF DIRECTORS

Chairman	:	**SAJIV K. MENON**
Directors	:	**SHINIYA TAKAHASHI**
	:	**P. SAHASRANAMAN**
Managing Director	:	**E. KESAVAN**
Auditors	:	Varma & Varma Chartered Accountants
Bankers	:	State Bank of India, Ballarpur Bank of India, Bamni
Registered Office	:	54/1446, Panampilly Nagar, Kochi - 682 036
Factory	:	P.O. Dudholi, Bamni Via, Ballarpur - 442701 Dist: Chandrapur Maharashtra, India

Bamni Proteins Ltd.

CIN No. : U24231KL1997PLC011971

CONTENTS.......

HOLDING COMPANY

NITTA GELATIN INDIA LTD. : P.B.No. 4262, 54/1446, Panampilly Nagar P.O., Kochi - 682 036

DIRECTORS' REPORT

To,
The Shareholders,

Your Directors present the 21st Annual Report and Audited Accounts of the Company for the year ended 31st March, 2018.

The Accounts have been drawn up in accordance with Indian Accounting Standards (Ind AS) as required by the Companies Act, 2013

FINANCIAL HIGHLIGHTS. Rs. In Lakhs

	Current Year	Previous Year
Profit /(Loss) before depreciation	185.88	183.15
Less: Depreciation	71.27	71.79
Profit/(Loss) before Tax	114.61	111.36
Income Tax Current Year	25.80	44.75
Tax for prior years	(22.90)	1.76
Less: Deferred Tax	29.21	(7.12)
Net Profit/ (Loss) for the period.	82.51	71.96
Other comprehensive income not take for the period	(5.35)	(2.82)
Total comprehensive income	77.16	69.14

REVIEW OF OPERATIONS

The Company continued to manufacture Ossein and Dicalcium Phosphate on behalf of Nitta Gelatin India Limited (NGIL), the holding company and processed 11639 MT of CB as against 11676 MT during the previous year. Profit/(Loss) before tax for the current year was Rs. 114.61 Lakhs as against Rs. 107.14 Lakhs in the previous year. CB processing charge has come down from Rs 11544/ MT in 2016-17 to 11143/MT of CB processed during 2017-18 as the processing charges is worked out on the basis of cost + 10% basis. The Company has achieved significant cost reduction in power and fuel costs during the year which has resulted in lower CB processing charges from the holding Company, M/s. Nitta Gelatin India Ltd.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure I ".

DIRECTORS

1. Under the provisions of the Articles of Association of the Company and as per the provisions of Section 152(6) of the Companies Act, 2013, 1/3rd of the total number of Directors who are liable to retire by rotation, are to retire at each Annual General Meeting. Accordingly, it is proposed that Mr. P. Sahasranaman Director may retire at the 21st Annual General Meeting, and he is eligible for reappointment.

MEETINGS OF BOARD OF DIRECTORS

During the year three Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Details of Related Party Transactions during 01.04.2017 to 31.03.2018 are furnished as Annexure II in Form AOC-2

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Nil

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information as required under Section 134 of the Companies Act, 2013 read with Rule 8 (3) (A) of the Companies (Accounts) Rules, 2014 is annexed.

PARTICULARS OF EMPLOYEES

None of the employees of the Company are in receipt of remuneration in excess of limits specified under Sub clause 2, Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014

INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year.

DIRECTORS RESPONSIBILITY STATEMENT

As per the provisions of Section 134(5) of the Companies Act, 2013 your Directors confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. the directors had prepared the annual accounts on a going concern basis; and

e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

At the Annual General Meeting held on 08.07.2014, M/s. Varma & Varma, Chartered Accountants, Ernakulum were appointed by the shareholders to hold office for a term of five years till conclusion of the Annual General Meeting relating to the FY 2018-19, subject to ratification by the shareholders hereafter at every Annual General Meeting. Accordingly, a resolution is being proposed for ratification of their appointment by the shareholders at the forthcoming Annual General Meeting.

MATERIAL POST BALANCE SHEET EVENTS

The business model of the Company is set to change from as a job processor to an Independent manufacturer and seller w.e.f. 01.04.2018. This change was necessitated to avoid the impact of GST on processing charges by the holding Company M/s. Nitta Gelatin India Ltd. which was introduced w.e.f. 01.07.2017. This business model change is expected to have an impact on the turnover of the Company as well as the profitability of the operations of the Company.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the Government of Maharashtra, Nitta Gelatin India Limited, the holding Company, Nitta Gelatin Inc., Japan, Kerala State Industrial Development Corporation Ltd. and the Company's Bankers for their co-operation and support. They also wish to acknowledge the valuable contribution of the employees of the Company at all levels.

For and on behalf of the Board,

Kochi
03-05-2018

Sajiv K. Menon
Chairman

ANNEXURE II

Form No. 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 transactions under third proviso thereto

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

a) Name(s) of the related party and nature of relationship :
b) Nature of contracts/arrangements/transactions:
c) Duration of the contracts / arrangements/transactions :
d) Salient terms of the contracts or arrangements or transactions including the value, if any :
e) Justification for entering into such contracts or arrangements or transactions :
f) Date(s) of approval by the Board
g) Amount paid as advances, if any:
h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

a) Name(s) of the related party and nature of relationship : Nitta Gelatin India Ltd
b) Nature of contracts/arrangements/transactions : Processing of raw materials on job work basis
c) Duration of the contracts / arrangements/transactions : 01.04.2017 to 31.03.2018
d) Salient terms of the contracts or arrangements or transactions including the value, if any:

[i] Processing charges – Rs. 13,03,10,528/- Cost + 10% or Market Price whichever is lower
(ii) Rental income – Rs. 1,20,000/-
(iii) Purchase of packing materials and spares – NIL
(iv) Trade receivable – Rs. 2,48,97,895/-

e) Date(s) of approval by the Board, if any : 28.07.2017, 27.10.2017, 02.02.2018, 03.05.2018
f) Amount paid as advances, if any: NIL

For and on behalf of the Board,

Kochi
03.05.2018

Sajiv K. Menon
Chairman

ANNEXURE TO THE DIRECTOR'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A Conservation of Energy

a. (a) Energy Conservation Measures Taken 2017-18

1. Replaced the impeller of drying blower No.7 with improved design for energy saving.
2. Reduced the energy consumption during the peak hours by scheduling the operations.
3. Reduction in ossein conveying time by increase the speed of Bucket elevator.
4. Replacement of two old re winded motors which is having 'high No-load current' in drying area.
5. Cooling tower fan set to auto On/Off with the range of temperature.
6. Alarm system introduced for MD control.

b. Proposal for energy saving during the Year 2018-19

1. Filter press usage for reducing the sludge drum operations.
2. Saving of power during Allana CB charging
3. Utilization of standby boiler capacity for hot water washing during CB Charging using the jute bags.
4. Maximize the utilization of Biogas.
5. Energy efficient gear box (1No.) installation to ossein washing

B (a) Technology Absorption

The technology for Ossein, Limed Ossein and Dicalcium Phosphate is being updated to be in line with Nitta Gelatin India Standards and efforts are being put in continuously towards technology upgradation.

(b) Expenditure on R&D

NIL

C Foreign Exchange Earnings and Outgo

NIL

FORM 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		Current Year 2017-2018	Previous Year 2016-2017
A. Power & Fuel Consumption			
1 Electricity			
(a)	Purchased		
	Units (KWH in Lacs)	42.69	40.65
	Total Amount (Rs. In lacs)	231.87	260.08
	Rate / Unit (Rs.)	5.43	6.40
(b)	Own generation		
	(i) Through Diesel Generator Units (KWH in lacs)	0.27	0.51
	Unit per litre of diesel oil	3.25	3.63
	Cost per unit (Rs.)	18.65	15.77
	(ii) Through steam turbine / generator		
2 Firewood / Coal			
	Quantity (MT)	29.82	30.27
	Total cost (Rs. in lacs)	94.31	102.17
	Average Rate (Rs./MT)	3,163	3,375
3 Bamboo / Wood Dust			
	Quantity (MT)	1,887.19	2,062.54
	Total cost (Rs. in lacs)	56.83	64.44
	Average Rate (Rs./MT)	3,011	3,124
4 Furnace Oil			
	Quantity (KL)	-	-
	Total cost (Rs. in lacs)	-	-
	Average Rate (Rs./KL)	-	-
5 Others / Internal generation		-	
B. Consumption per unit of production:			
Product - Ossein			
1	Electricity (KWH/MT)	1,654.76	1,610.72
2	Coal / Firewood (MT/MT)	1.16	1.20
3	Bamboo dust (MT/MT)	0	0
	Product - Di Calcium Phosphate		
1	Furnace Oil / Diesel (KL/MT)	0.000	0.064
2	Bamboo dust (MT/MT)	0.315	0.360

(b) Expendicture on R&D

NIL

C. Foreign Exchange Earnings and Outgo

NIL

ANNEXURE I

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	U24231KL1997PLC011971
(ii)	Registration Date	18.12.1997
(iii)	Name of the Company	Bamni Proteins Limited
(iv)	Category/Sub Category of the Company	Public Company Limited by shares
(v)	Address of the Registered office and contact details	54/1446,Panampilly Nagar,Kochi-682 036 0484 2317805,3099444
(vi)	Whether listed company Yes/No	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service*	% to total turnover of the company
1	Ossein	20119	
2	Di Calcium Phosphate (DCP)	20295	

* As per National Industrial Classification Code, 2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Nitta Gelatin India Limited	L24299KL1975PLC002691	HOLDING	82.35%	Section 2(46)

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[As on 1st April, 2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	35,00,000	35,00,000	82.35	Nil	35,00,000	35,00,000	82.35	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Sub Total (A) (1)	**Nil**	**35,00,000**	**35,00,000**	**82.35**	**Nil**	**35,00,000**	**35,00,000**	**82.35**	**Nil**
(2) Foreign									
a) NRI(s) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corporate	Nil	7,50,000	7,50,000	17.65	Nil	7,50,000	7,50,000	17.65	Nil
d) Banks/FI's	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (2)	**Nil**	**7,50,000**	**7,50,000**	**17.65**	**Nil**	**7,50,000**	**7,50,000**	**17.65**	**Nil**
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	**Nil**	**42,50,000**	**42,50,000**	**100**	**Nil**	**42,50,000**	**42,50,000**	**100**	**Nil**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non Resident Indians	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Bodies - D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Total Public Shareholding (B)=(B)(1)+ (B)(2)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
C. Shares held by Custodian for GDRs & ADRs	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Grand Total (A+B+C)	Nil	**42,50,000**	**42,50,000**	**100**	**Nil**	**42,50,000**	**42,50,000**	**100**	**Nil**

(ii) Shareholding of Promoter-

Sl No	**Shareholder's Name**	**Shareholding at the beginning of the year (As on 1st April, 2017)**			**Share holding at the end of the year (31st March, 2018)**			**% 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	Nitta Gelatin India Limited	35,00,000	82.35	Nil	35,00,000	82.35	Nil	Nil
2	Nitta Gelatin Inc.	7,50,000	17.65	Nil	7,50,000	17.65	Nil	Nil

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

Sl No		**Shareholding at the beginning of the year**		**Cumulative Shareholding during the Year**	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Nitta Gelatin India Limited				
a)	At the beginning of the year	35,00,000	82.35		
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE		35,00,000	82.35
c)	At the end of the year			35,00,000	82.35
2.	Nitta Gelatin Inc.				
a)	At the beginning of the year	7,50,000	17.65		
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE		7,50,000	17.65
c)	At the end of the year			7,50,000	17.65

(iv) Shareholding Pattern of top ten Shareholders: Not Applicable (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	**For Each of the Top 10 Shareholders**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the Year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Not Applicable			
	At the end of the year				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sajiv K Menon				
a)	At the beginning of the year	1	0%	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	1	0%
c)	At the end of the year	-	-	1	0%
2	Sahasranaman Parameswaran				
a)	At the beginning of the year	1	0%	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	-	0%
c)	At the end of the year	-	-	-	0%
3	Shinya Takahashi*				
a)	At the beginning of the year	-	-	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	-	-
c)	At the end of the year	-	-	-	-
4	KesavanEdakad**				
a)	At the beginning of the year	-	-		-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	-	-
c)	At the end of the year	-	-	-	-
5	Mattathil Antony Xavier #				
a)	At the beginning of the year	1	0%	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	1	0%
c)	At the end of the year	-	-	1	0%

*appointed on 28/07/2017
**appointed on 02/02/2018
#cessation on 02/02/2018

(V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL (In Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	Nil	Nil	Nil	Nil

Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director:

(In Rs.)

Sl No	Particulars of Remuneration	Name of MD-Shri M.A Xavier*	Name of MD-Shri Kesavan Edakad#	Total Amount
1	Gross salary		-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,606,888	509,549	3,116,437
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	90,000	180,00	108,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission - as % of profit - others, specify...			
5	Others, please specify	-		-
	Total (A)	2,696,888	527,549	3,224,437
	Ceiling as per the Act	573,042	573,042	1,260,693

*Ceased on 01/02/2018

w.e.f. 2/2/2018

B. Remuneration to other directors : Nil

Sl No	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Nil				
	Fee for attending board committee meetings	-				
	Commission	-				
	Others, please specify	-				
	Total (1)	-				
2	Other Non-Executive Directors	Sajiv K. Menon	Sahasranaman Parameswaran	Shinya Takahashi*		
	Fee for attending board committee meetings	Nil	Nil	Nil		Nil
	Commission	Nil	Nil	Nil		Nil
	Others, please specify	Nil	Nil	Nil		Nil
	Total (2)	Nil	Nil	Nil		Nil
	Total (B)=(1+2)	Nil	Nil	Nil		Nil
	Total Managerial Remuneration (A)+(B)					
	Overall Ceiling as per the Act					

*appointed on 28/07/2017

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

NOT APPLICABLE

Sl No	Particulars of Remuneration	CS	CFO	Total
1	Gross salary	NOT APPLICABLE		
	(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			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	others, specify…			
5	Others, please specify			
	Total			

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NO 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)
A. COMPANY					
Penalty		None			
Punishment		None			
Compounding		None			
B. DIRECTORS					
Penalty		None			
Punishment		None			
Compounding		None			
C. OTHER OFFICERS IN DEFAULT					
Penalty		None			
Punishment		None			
Compounding		None			

For and on behalf of the Board of Directors

Kochi
03.05.2018

Sajiv K. Menon
Chairman

ANNEXURE II

Form No. 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 arm's length transactions under third proviso thereto

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

a) Name(s) of the related party and nature of relationship :

b) Nature of contracts/arrangements/transactions:

c) Duration of the contracts / arrangements/transactions :

d) Salient terms of the contracts or arrangements or transactions including the value, if any :

e) Justification for entering into such contracts or arrangements or transactions :

f) Date(s) of approval by the Board

g) Amount paid as advances, if any:

h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

a) Name(s) of the related party and nature of relationship : Nitta Gelatin India Ltd

b) Nature of contracts/arrangements/transactions : Processing of raw materials on job work basis

c) Duration of the contracts / arrangements/transactions : 01.04.2017 to 31.03.2018

d) Salient terms of the contracts or arrangements or transactions including the value, if any : [i] Processing charges - 13,03,10,528/- cost + 10% or Market Price whichever is lower.

[ii] Rental income - Rs, 1,20,000/-

[iii] Purchase of packing materials and spares - Rs. NIL

[iv] Trade receivable - Rs. 2,48,97,895/-

e) Date(s) of approval by the Board, if any : 28.07.2017, 27.10.2017, 02.02.2018, 03.05.2018

f) Amount paid as advances, if any : NIL

For and on behalf of the Board,

Kochi
03.05.2018

Sajiv K. Menon
Chairman

INDEPENDENT AUDITOR'S REPORT

To the Members of Bamni Proteins Limited,
Kochi

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Bamni Proteins Limited ("the Company"), which comprise the Balance Sheet as at 31st March,2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cashflows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Actin the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, the changes inequity and its cash flows for the year ended on that date.

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 including Other Comprehensive Income,the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 system with reference to financial statements reporting 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 does not have any pending litigations which would impact its financial position.

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 VARMA AND VARMA
(FRN : 004532S)

(GOPI. K)
Partner
CHARTERED ACCOUNTANTS
Membership No. 214435

Place: Kochi-19
Date: 03.05.2018

ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BAMNI PROTEINS LIMITED FOR THE YEAR ENDED 31ST MARCH 2018

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) We are informed that the fixed assets have been physically verified by the management at reasonable intervals and that no material discrepancies were noticed on such verification.

   (c) According to the information and explanations given to us and the records of the company examined by us, the title deeds of immovable properties are held in the name of the Company.

2. We are informed that the physical verification of inventory has been conducted at reasonable intervals by the management and that no material discrepancies were noticed on such verification.

3. According to the information and explanations given to us and the records of the company examined by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the reporting requirements under clauses (iii) (a) to (c) of paragraph 3 of the Order are not applicable.

4. According to the information and explanations given to us and the records of the company examined by us, the company has not granted any loans or given any guarantee or security or made any investment for which the provisions of sections 185 and 186 of the Act are applicable. Accordingly, the reporting requirements under clause (iv) of paragraph 3 of the Order are not applicable.

5. The Company has not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder are not applicable.

6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for the company at this stage.

7. (a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues, as applicable to the Company to the appropriate authorities during the year.

   There are no arrears of undisputed statutory dues outstanding as on the last day of the financial year for a period of more than six months from the date on which they become payable.

   (b) According to the information and explanations given to us and the records of the Company examined by us, there were no disputed amounts of taxes and duties outstanding to be deposited with appropriate authorities as at March 31, 2018.

8. According to the information and explanations given to us and the records of the Company examined by us, the Company has neither taken any loan or borrowing from financial institutions, banks or government nor has any dues to debenture holders. Accordingly, the reporting requirements under clause (viii) of paragraph 3 of the Order are not applicable.

9. According to the information and explanations given to us and the records of the Company examined by us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and the Company has not availed any term loans. Accordingly, the reporting requirements under clause (ix) of paragraph 3 of the Order are not applicable.

10. 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 instances of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have been informed of such case by the Management.

11. As stated in Note No 2.26.01 to the financial statements, the remuneration paid/ payable to the Managing Director includes Rs. 1,19,357/- being the remuneration payable to the Managing Director - Mr. M.A. Xavier, consequent to the revision of remuneration payable with effect from 01.07.2017 and Rs. 4,63,120/- being the remuneration payable to the Managing Director - Mr. E. Kesavan appointed with effect from 02.02.2018, which are subject to approval of the Shareholders under the Companies Act, 2013 which is being sought for at the ensuing Annual General Meeting. According to the information and explanations given to us and the records of the Company examined by us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 readwith Schedule V to the Companies Act.

12. The company is not a Nidhi Company. Accordingly, the reporting requirements under clause (xii) of paragraph 3 of the Order are not applicable.

13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Note No 2.26 to the financial statements as required by the applicable accounting standard.

14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the reporting requirements under clause (xiv) of paragraph 3 of the Order are not applicable.

15. The company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of paragraph 3 of the Order is not applicable.

16. According to the information and explanations given to us and the records of the Company examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) of paragraph 3 of the Order is not applicable.

For VARMA AND VARMA
(FRN : 004532S)

Place: Kochi-19
Date: 03.05.2018

(GOPI. K)
Partner
CHARTERED ACCOUNTANTS
Membership No. 214435

ANNEXURE B REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BAMNI PROTEINS LIMITED FOR THE YEAR ENDED 31ST MARCH 2018

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 system with reference to financial statements reporting of Bamni Proteins Limited ("the Company") as of March 31, 2018 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 controls with reference to financial statements 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 system with reference to financial statements 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 system with reference to financial statements 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 with reference to financial statements reporting and their operating effectiveness. Our audit of internal financial controls system with reference to financial statements reporting included obtaining an understanding of internal financial controls system with reference to financial statements 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 with reference to financial statements reporting.

Meaning of Internal Financial Controls with reference to Financial Statements reporting

A company's internal financial controls system with reference to financial statements 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 controls system with reference to financial statements 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements reporting

Because of the inherent limitations of internal financial controls system with reference to financial statements 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 system with reference to financial statements reporting to future periods are subject to the risk that the internal financial controls system with reference to financial statements reporting may become inadequate because of changes inconditions, 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 with reference to financial statements reporting and such internal financial controls system with reference to financial statements reporting were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements 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 VARMA AND VARMA
(FRN : 004532S)

Place: Kochi
Date: 03.05.2018

(GOPI. K)
Partner
CHARTERED ACCOUNTANTS
Membership No. 214435

BAMNI PROTEINS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

	Particulars	Note No.	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
I.	ASSETS				
	1. Non-current assets				
	a. Property, Plant and Equipment	2.01	35,146,031	37,125,145	37,739,318
	b. Capital work-in-progress	2.01	2,088,409	11,317	61,866
	c. Intangible assets	2.01	126,891	169,188	-
	d. Intangible assets under development	2.01	300,000	-	-
	e. Financial assets				
	i. Loans	2.02	3,206,346	3,196,346	2,999,346
	ii. Other financial assets	2.03	511,178	1,084,995	-
	f. Deferred tax assets (Net)	2.04	4,494,099	7,211,200	6,360,000
	g. Non-current tax assets (Net)	2.05	1,194,158	56,230	4,705,192
	Total Non-current assets		**47,067,112**	**48,854,421**	**51,865,722**
	2. Current assets				
	a. Inventories	2.06	4,284,196	4,102,821	5,002,189
	b. Financial assets				
	i. Trade Receivables	2.07	24,897,895	19,153,953	18,466,307
	ii. Cash and cash equivalents	2.08A	1,217,077	1,221,575	1,017,068
	iii. Bank Balances other than (ii) above	2.08B	1,153,562	-	363,338
	iv. Other financial assets	2.09	149,298	215,906	226,831
	c. Other current assets	2.10	505,511	791,718	317,453
	Total current assets		**32,207,539**	**25,485,973**	**25,393,186**
	Total Assets		**79,274,651**	**74,340,394**	**77,258,908**
II.	**EQUITY AND LIABILITIES**				
	1. Equity				
	a. Equity share capital	2.11	42,500,000	42,500,000	42,500,000
	b. Other equity	2.12	21,374,748	13,659,105	6,744,875
	Total Equity		**63,874,748**	**56,159,105**	**49,244,875**
	LIABILITIES				
	2. Non-current liabilities				
	a. Provisions	2.13	2,565,048	2,530,097	14,656,606
	Total non-current liabilities		**2,565,048**	**2,530,097**	**14,656,606**
	3. Current liabilities				
	a. Financial liabilities				
	i. Trade Payables	2.14	9,408,302	11,628,934	10,436,178
	ii. Other financial liabilities	2.15	-	562,330	-
	b. Other Current Liabilities	2.16	2,583,438	677,125	610,717
	c. Provisions	2.17	843,115	1,081,267	2,310,532
	d. Current Tax Liabilities (Net)	2.18	-	1,701,536	-
	Total current liabilities		**12,834,855**	**15,651,192**	**13,357,427**
	Total liabilities		**15,399,903**	**18,181,289**	**28,014,033**
	Total equity and liabilities		**79,274,651**	**74,340,394**	**77,258,908**

Significant accounting policies and key accounting estimates and judgements
The accompanying notes form an integral part of the financial statements.

For VARMA AND VARMA
(FRN : 004532S)

(GOPI. K)
Partner
CHARTERED ACCOUNTANTS
Membership No. 214435

Place: Kochi
Date: 03rd May 2018

For and on behalf of the Board of Directors

SAJIV K. MENON
Chairman
DIN : 00168228

E. KESAVAN
Managing Director
DIN : 08064422

SHINYA TAKAHASHI
Director
DIN : 07809828

P. SAHASRANAMAN
Director
DIN : 07644126

BAMNI PROTEINS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	Note No	For the year ended 31.03.2018 Rupees	For the year ended 31.03.2017 Rupees
	INCOME			
I.	Revenue from operations	2.19	130,310,528	134,787,664
II.	Other Income	2.20	663,257	1,107,830
III.	**Total Income (I+II)**		**130,973,785**	**135,895,494**
IV.	**EXPENSES**			
	a. Employee benefits expenses	2.21	47,371,990	45,810,956
	b. Depreciation and amortisation expenses	2.01	7,127,379	7,179,480
	c. Other expenses	2.22	65,013,575	71,769,099
	Total Expenses (IV)		**119,512,944**	**124,759,535**
V.	**Profit before Tax (III-IV)**		**11,460,841**	**11,135,959**
VI.	**Tax expense:**			
	a. Current tax		2,580,000	4,475,000
	b. Current tax (Prior Years)		(2,290,514)	176,090
	c. Deferred tax		2,920,607	(711,727)
			3,210,093	3,939,363
VII.	**Profit for the year (V - VI)**		**8,250,748**	**7,196,596**
VIII.	**Other Comprehensive Income**			
	A. Items that will not be reclassified to profit or loss			
	(a) (i) Re-measurements of the defined benefit plans		(738,611)	(421,839)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		203,506	139,473
			(535,105)	**(282,366)**
IX.	**Total Comprehensive Income for the year (VII+ VIII) (Comprising Profit and Other Comprehensive Income for the year)**		**7,715,643**	**6,914,230**
X.	**Earnings per equity share:**			
	Nominal value of share Rs.10/- (Rs.10/-)			
	- Basic/ Diluted		1.94	1.69

Significant accounting policies and key accounting estimates and judgements
The accompanying notes form an integral part of the financial statements.

For VARMA AND VARMA
(FRN : 004532S)

(GOPI. K)
Partner
CHARTERED ACCOUNTANTS
Membership No. 214435

Place: Kochi
Date: 03rd May 2018

For and on behalf of the Board of Directors

SAJIV K. MENON
Chairman
DIN : 00168228

E. KESAVAN
Managing Director
DIN : 08064422

SHINYA TAKAHASHI
Director
DIN : 07809828

P. SAHASRANAMAN
Director
DIN : 07644126

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2018

A. Equity Share Capital

Equity shares of Rs.10 each issued, subscribed and fully paid

	Numbers	Amount (Rupees)
As at 1st April, 2016	4,250,000	42,500,000
Issued during the year 2016-17	-	-
As at 31st March, 2017	4,250,000	42,500,000
Issued during the year 2017-18	-	-
As at 31st March, 2018	**4,250,000**	**42,500,000**

B. Other Equity (In Rupees)

Particulars	Reserves and Surplus	
	Retained Earnings	Total
Balance as at April 01, 2016	**6,744,875**	**6,744,875**
Total comprehensive income for the year	6,914,230	6,914,230
Balance at March 31, 2017	**13,659,105**	**13,659,105**
Balance as at April 01, 2017	**13,659,105**	**13,659,105**
Total comprehensive income for the year	7,715,643	7,715,643
Balance at March 31, 2018	**21,374,748**	**21,374,748**

For VARMA AND VARMA
(FRN : 004532S)

(GOPI. K)
Partner
CHARTERED ACCOUNTANTS
Membership No. 214435

Place: Kochi
Date: 03rd May 2018

For and on behalf of the Board of Directors

SAJIV K. MENON
Chairman
DIN : 00168228

E. KESAVAN
Managing Director
DIN : 08064422

SHINYA TAKAHASHI
Director
DIN : 07809828

P. SAHASRANAMAN
Director
DIN : 07644126

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

	Particulars		For the year ended 31.03.2018		For the year ended 31.03.2017
A	Cash Flows from Operating Activities				
	Profit Before Tax		11,460,841		11,135,959
	Adjustments for:				
	Depreciation	7,127,379		7,179,480	
	(Profit)/Loss on sale of property, plant and equipment	(212,974)		569,666	
	Interest income	(328,283)	6,586,122	(806,799)	6,942,347
	Operating Profit / (Loss) before Working Capital Changes		18,046,963		18,078,306
	Adjustments for working capital changes:				
	(Increase)/Decrease in Trade and Other Receivables	(6,047,480)		(2,080,568)	
	(Increase)/Decrease in Inventories	(181,375)		899,368	
	Increase/(Decrease) in Trade Payables and other liabilities	(1,256,131)	(7,484,986)	(12,518,449)	(13,699,649)
	Cash generated from Operations		**10,561,977**		**4,378,657**
	Direct Taxes (paid) / refund received		(3,128,950)		1,699,408
	Net Cash from/(used) in Operating Activities		**7,433,027**		**6,078,065**
B.	**Cash Flows from Investing Activities**				
	Purchase of property, plant and equipment		(8,124,261)		(6,709,300)
	Sale of property, plant and equipment		291,845		18,018
	Interest Received		394,891		817,724
	Net Cash from/(used) in Investing Activities		**(7,437,525)**		**(5,873,558)**
C.	**Cash Flows from Financing Activities**		-		-
	Summary				
	Net Cash from/(used) Operating Activities		7,433,027		6,078,065
	Net Cash from/(used) in Investing Activities		(7,437,525)		(5,873,558)
	Net Cash from/(used) in Financing Activities		-		-
	Net Increase (Decrease) in Cash Equivalents		**(4,498)**		**204,507**
	Cash and Cash equivalents at beginning of the year		**1,221,575**		**1,017,068**
	Cash and Cash Equivalents at the end of the year		**1,217,077**		**1,221,575**
			(4,498)		**204,507**

Significant accounting policies and key accounting estimates and judgements
The accompanying notes form an integral part of the financial statements.

For VARMA AND VARMA
(FRN : 004532S)

(GOPI. K)
Partner
CHARTERED ACCOUNTANTS
Membership No. 214435

Place: Kochi
Date: 03rd May 2018

For and on behalf of the Board of Directors

SAJIV K. MENON
Chairman
DIN : 00168228

E. KESAVAN
Managing Director
DIN : 08064422

SHINYA TAKAHASHI
Director
DIN : 07809828

P. SAHASRANAMAN
Director
DIN : 07644126

Significant Accounting Policies and Notes on accounts for the financial year ended 31st March, 2018

General Information - Company overview

Bamni Proteins Limited is a public company incorporated and domiciled in India having its registered office at SBT Avenue, Panampilly Nagar, Ernakulam, Kochi 682036, Kerala, India and other place of business is located in Chandrapur, Maharashtra.

The company is engaged in the business of manufacture/job conversion of Ossein.

1 Significant Accounting Policies

1.01 Basis of preparation of financial statements

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 and notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 3th May 2018. For all periods up to and including the year ended 31st March 2017, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules 2006 (as amended). These financial statements for the year ended 31st March 2018 are the first financial statements prepared by the company in accordance with Ind AS. See Note 2.31 for an explanation on how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows. The financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

1.02 Current versus non-current classification

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

• Expected to be realised or intended to sold or consumed in normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realised within twelve months after the reporting period, or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.
A liability is classified as current when:
• It is expected to be settled in normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period, or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.
All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

1.03 Use of Estimates

In the preparation of financial statements, the management makes estimates and assumptions in conformity with the Generally Accepted Accounting Principles in India. Such estimates and assumptions are made on reasonable and prudent basis taking into account all available information. However actual results could differ from these estimates and assumptions and such differences are recognized in the period in which results are ascertained. The estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 1.19.

1.04 Inventories

Inventories are valued at lower of costs or net realizable value. For this purpose, the cost of bought-out inventories comprise of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on a weighted average basis. The net realizable value of bought out inventories is taken at their current replacement value.

1.05 Income Tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year computed in accordance with the provisions of the Income Tax Act, 1961. Taxable income differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductable in other years and items that are never taxable or deductable. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductable temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or items related to equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax ('MAT') paid in accordance with the Indian tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal tax in the future. Accordingly, it is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it flow to the entity and the asset can be measured reliably. The entity reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the entity will be able to utilise that credit.

1.06 Property, Plant & Equipment

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by the management at each financial year and adjusted prospectively, if appropriate. Property, plant and equipment (except freehold land)) are stated at cost of acquisition less accumulated depreciation and impairment if any. Freehold land is carried at historical cost. The company is adopting the cost model for determining gross carrying amount. Cost comprises of purchase price, inward freight, duties, taxes and any attributable cost of bringing the assets to its working condition for its intended use. When parts of an item of property, plant and equipment, if the part has a cost which is significant to the total cost of that item of property, plannt and equipment, have different useful lives, which is materially different from that of the remaining item, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Capital work in progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

Depreciation on Plant and Equipment (Other than service equipment) is provided on Straight Line Method over the useful lives based on a review by the management at the year end as under:

a) Plant and Machinery - 8.40 years

b) Effluent Treatment Plant - 5 years

Depreciation on Service Equipments and other items of Property, Plant and Equipment's is provided on Written Down Value Method over the useful lives prescribed in Schedule II of the Companies Act, 2013 based on a review by the management at the year end."

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the Statement of Profit and Loss

1.07 Intangible Assets

On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Cost of software is capitalised as intangible asset and amortised on a straight-line basis over the estimated economic useful life of five years.

The residual values, useful lives and methods of depreciation of intangible assets are reviewed by the management at each financial year and adjusted prospectively, if appropriate.

1.08 Financial assets

All financial assets are initially measured at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted for all financial assets not carried at fair value through profit or loss.

Financial assets are classified using the following categories for subsequent measurement:
- To be measured at fair value (either through other comprehensive income or through profit and loss), and;
- To be measured at amortised cost

a. Trade Receivables

(i) Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

(ii) The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

b. Other loans and receivables

Other loans and receivables are measured at amortised cost, using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

c. Derecognition of financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

1.09 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation of effective interest.

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.10 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in profit or loss of the period in which it becomes receivable and are presented by way of deduction in reporting the related expenses.

1.11 Revenue Recognition

Revenue from operations comprise the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the company's activities. The Company recognises revenue when the amount of revenue and related cost can be reliably measured, when it is probable that the collectability of the related receivable is reasonably assured and when the specific criteria for each of the company's activities are met as follows -

a. Sale of Services:

Income from job charges are recognised by reference to the stage of completion (i.e. percentage of completion method) in the period in which the services are rendered.

b. Other incomes:

Other incomes are recognised on accrual basis except when there are significant uncertainties.

Interest income is recognised on accrual basis using effective interest rate method.

1.12 Employee Benefits

a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service.

b) Defined Contribution Plans

The company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are recognised as employee benefit expense in the Statement of Profit and Loss for the year.

c) Defined Benefit Plans: Gratuity

Payment of Gratuity to employees is covered by the SBI Life Cap- Assure Gold Gratuity Scheme of the SBI Life Insurance Co. Ltd., which is a defined benefit scheme and the company makes contributions under the said scheme. The net present value of the obligation for gratuity benefits are determined by independent actuarial valuation, conducted annually using the projected unit credit method. The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefits are recognised immediately in Statement of Profit and Loss as past service cost, if any, and net interest on the defined benefit liability/(asset) are recognised in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability/(asset) comprising actuarial gains and losses and the return on the plan assets(excluding amounts included in net interest), are recognised in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

d) Long Term Employee Benefits: Compensated absences

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

1.13 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognized as expenditure in the period in which they are incurred.

1.14 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2016 (date of transition to Ind AS), the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition."

"Operating Lease :

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

1.15 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

1.16 Earnings per share

Basic/diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/diluted potential equity shares outstanding as at the end of the year, as the case may be.

1.17 Impairment of Non-financial Assets

The company assesses the impairment of assets with reference to each cash generating unit, at each Balance Sheet date. If events or changes in circumstances based on internal and external factors indicate that the carrying value may not be recoverable in full, the loss on account and the recoverable amount, is accounted for accordingly. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

1.18 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows(when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that an outflow of resources will not be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability.

Contingent assets are not recognized in the books of account. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, an entity discloses the contingent asset

1.19 Critical accounting estimates, assumptions and judgements

The Company makes judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources in the application of the Company's accounting policies that are described in Note 1. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be relevant under the circumstances. Actual results may differ from the estimates.

Key sources of estimation uncertainty

i. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

ii. Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

iii. Impairment of Assets:

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

iv. Recoverability of advances/receivables:

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

v. Fair value measurements:

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

vi. Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

1.20 Recent accounting pronouncements

On 28 March 2018, Ministry of Corporate Affairs has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting policies, changes in accounting estimates and errors.

- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018

The Company will adopt the standard on 1 April 2018 and is in the process of evaluating the impact on application of Ind AS 115.

Note No. 2.01

Particulars	Gross Block				Depreciation/Amortisation				Net Block
	As at 01.04.2017	**Additions**	**Disposals/ Adjustments**	**As at 31.03.2018**	**As at 01.04.2017**	**For the year**	**Disposals/ Adjustments**	**As at 31.03.2018**	**As at 31.03.2018**
(A) Property, Plant and Equipment									
Land	2,925,981	-	-	2,925,981	-	-	-	-	2,925,981
Building	13,543,655	1,154,152	-	14,697,807	1,554,845	1,715,779	-	3,270,624	11,427,183
Plant and Equipment	27,045,087	2,654,526	-	29,699,613	5,228,462	4,857,217	-	10,085,679	19,613,934
Office Equipments	308,624	107,508	716	415,416	112,032	125,131	-	237163	178,253
Vehicles	134,276	1,268,653	134,276	1,268,653	48,483	358,298	56,121	350,660	917,993
Furniture and Fixtures	151,647	-	-	151,647	40,303	28,657	-	68,960	82,687
Total	44,109,270	5,184,839	134,992	49,159,117	6,984,125	7,085,082	56,121	14,013,086	35,146,031
(B) Intangible Assets									
Computer Software	211,485	-	-	211,485	42,297	42,297	-	84,594	126,891
(C) Capital Work in progress									
Equipmentsunder stallation/ Erection	11,317	2,077,092	-	2,088,409	-	-	-	-	2,088,409
(D) Intangible Assets under Development									
Intangible Assets under development	-	300,000	-	300,000	-	-	-	-	300,000

2.01.01 Estimated amount of contracts remaining to be executed on capital account and not provided for - Rs.4,50,000 (Rs.1,32,683)

Previous Year Figures

Particulars	Gross Block				Depreciation/Amortisation				Net Block
	As at 01.04.2016 (Deemed Cost - See Note 2.01.02)	**Additions**	**Disposals/ Adjustments**	**As at 31.03.2017**	**As at 01.04.2016**	**For the year**	**Disposals/ Adjustments**	**As at 31.03.2017**	**As at 31.03.2017**
(A) Property, Plant and Equipment									
Land	2,925,981	-	-	2,925,981	-	-	-	-	2,925,981
Building	11,775,980	1,767,675	-	13,543,655	-	1,554,845	-	1,554,845	11,988,810
Plant and Equipment	22,480,495	5,257,718	693,126	27,045,087	-	5,380,700	152,238	5,228,462	21,816,625
Office Equipments	269,728	85,300	46,404	308,624	-	112,852	820	112,032	196,592
Vehicles	134,276	-	-	134,276	-	48,483	-	48,483	85,793
Furniture and Fixtures	152,858	-	1,211	151,647	-	40,303	-	40,303	111,344
Total	37,739,318	7,110,693	740,741	44,109,270	-	7,137,183	153,058	6,984,125	37,125,145
(B) Intangible Assets									
Computer Software	-	211,485	-	211,485	-	42,297	-	42,297	169,188
(C) Capital Work in progress									
Capital Work in progress	61,866	11,317	61,866	11,317	-	-	-	-	11,317

2.01.02 As stated in Note No 2.31 A.(a), the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Accordingly, the net block as on 01.04.2016 aggregating to Rs.3,77,39,318, comprising of carrying value of various assets as follows, is considered as the deemed cost of the respective property, plant and equipment:

Particulars	Gross Block as at 01.04.2016	Accumulated Depreciation as at 01.04.2016	Carrying value (deemed cost) as at 01.04.2016
Land	2,925,981	-	2,925,981
Buildings	40,010,918	28,234,938	11,775,980
Plant and Equipment	90,959,223	68,478,728	22,480,495
Office equipments	3,183,566	2,913,838	269,728
Vehicles	1,045,078	910,802	134,276
Furniture and Fixtures	905,467	752,609	152,858
Total	139,030,233	101,290,915	37,739,318

2.02 Loans

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Unsecured, Considered good			
Security deposits	3,206,346	3,196,346	2,999,346
	3,206,346	**3,196,346**	**2,999,346**

2.03 Other Financial Assets

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Bank Deposits	511,178	1,084,995	-
	511,178	1,084,995	-

2.03.01 Balance with banks in Deposit Accounts (having maturity period of more than 12 months) represents Rs.5,11,178/- (10,84,995/-) held as security against Bank Guarantees.

2.04 Deferred Tax Assets (Net)

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
A. Deferred Tax Liability			
On excess of net book value over income tax written down value of fixed assets	-	-	100,000
B. Deferred Tax Assets			
On excess of income tax written down value over net book value of fixed assets	727,158	614,869	69,000
On other disallowances	1,582,455	6,596,331	6,391,000
MAT Credit Entitlement	2,184,486	-	-
	4,494,099	**7,211,200**	**6,360,000**

2.04.01 Movement in Deferred Tax Liabilities/assets balances during the year ended 31.03.2018

i.

Particulars	Opening Balance	Recognised in Statement of Profit & Loss	Recognised in Other Comprehensive Income	Total
A. Deferred Tax Liability				
On excess of net book value over income tax written down value of fixed assets	(273,224)	273,224	-	-
B. Deferred Tax Assets	341,645			
On excess of income tax written down value over net book value of fixed assets	6,596,331	385,513	-	727,158
On other disallowances		(5,217,382)	203,506	1,582,455
MAT Credit Entitlement		2,184,486	-	2,184,486
Deferred Tax Assets (Net) (A-B)	**72,111,200**	**(2,920,607)**	**203,506**	**4,494,099**

Movement in Deferred Tax Liabilities/assets balances during the year ended 31.03.2017

ii.

Particulars	Opening Balance	Recognised in Statement of Profit & Loss	Recognised in Other Comprehensive Income	Total
A. Deferred Tax Liability				
On excess of net book value over income tax written down value of fixed assets	31,000	(304,224)	-	(273,224)
B. Deferred Tax Assets				-
On excess of income tax written down value over net book value of fixed assets	-	341,645	-	341,645
On other disallowances	63,91,00	65,858	139,473	6,596,331
MAT Credit Entitlement		-	-	-
Deferred Tax Assets (Net) (A-B)	**6,360,000**	**711,727**	**139,473**	**7,211,200**

2.04.02 Reconciliation of Effective Tax Rate

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Profit Before Tax	11,460,841	11,135,959
Income tax expense calculated at 27.5525%	3,157,748	-
Income tax expense calculated at 33.063%	-	3,681,882
Tax effect on non deductible expenses	366,390	81,391
Tax effect on eligible deductions	(558,865)	-
Tax effect on deduction claimed in earlier year	4,287,670	-
Effect on deferred tax balances due to change in income tax rate from 33.063% to 27.5525%	432,150	-
MAT Credit Entitlement	(2,184,486)	-
Total	**5,500,607**	**3,763,273**
Tax expense as per Statement of Profit and Loss	**5,500,607**	**3,763,273**

2.05 Non-current tax assets (Net)

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Income Tax (Net)	1,194,158	56,230	4,705,192
	1,194,158	**56,230**	**4,705,192**

2.06 Inventories

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Stores & Spares	4,103,386	3,915,561	4,819,911
Loose tools	180,810	187,260	182,278
	4,284,196	**4,102,821**	**5,002,189**

2.06.01 Method of valuation of inventories - Refer Note 1.04 of Significant Accounting Policies.

2.07 Trade Receivables

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Trade Receivables:			
Unsecured, Considered good:			
- Due from Nitta Gelatin India Limited (Holding company)	24,897,895	19,074,150	18,466,307
- Others	-	79,803	-
Unsecured, Doubtful	-	-	207,460
	24,897,895	19,153,953	18,673,767
Less : Allowance for bad and doubtful debts	-	-	207,460
	24,897,895	**19,153,953**	**18,466,307**

2.08A Cash & Cash Equivalents

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Balance with banks			
a. In Current Accounts	1,081,099	1,119,138	260,989
b. In Deposit Accounts	-	-	649,422
Cash on hand	135,978	102,437	106,657
	1,217,077	**1,221,575**	**1,017,068**

2.08B Bank Balances other than Cash and Cash Equivalents

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Balance with bank in deposit accounts	1,153,562	-	363,338
	1,153,562	**-**	**363,338**

2.08B.01 Balance with banks in Deposit Accounts (having maturity period of less than 12 months) represents Rs.11,53,562/- (Rs.Nil) held as security against Bank Guarantees.

2.09 Other Financial Assets

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Interest receivable	149,298	215,906	226,831
	149,298	**215,906**	**226,831**

2.10 Other Current Assets

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Advances recoverable in cash or in kind or for value to be received	505,511	791,718	317,453
	505,511	**791,718**	**317,453**

2.11 Share Capital

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Authorised :			
42,50,000(42,50,000) Equity Shares of Rs.10/- each	42,500,000	42,500,000	42,500,000
Issued and Subscribed and Fully paid:			
42,50,000 (42,50,000) Equity Shares of Rs.10/- each	42,500,000	42,500,000	42,500,000

Terms/ Rights attached to Equity Shares

The company has only one class of shares referred to as equity shares with a face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share.
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

2.11.01 Reconciliation of shares at the beginning and at the end of the financial year

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
No. of shares as at the beginning of the financial year	4,250,000	42,500,000	4,250,000	42,500,000	4,250,000	42,500,000
No. of shares as at the end of the financial year	4,250,000	42,500,000	4,250,000	42,500,000	4,250,000	42,500,000

2.11.02 Particulars of Shareholders holding more than 5% share in the Company

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	%	No. of Shares	%	No. of Shares	%	No. of Shares
Nitta Gelatin India Ltd (Holding company)	82.35	3,500,000	82.35	3,500,000	82.35	3,500,000
Nitta Gelatin Inc., Japan	17.65	750,000	17.65	750,000	17.65	750,000

2.11.03 Particulars of Shares held by holding company

Out of the equity shares issued by the company, shares held by its holding company are as below:

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Nitta Gelatin India Ltd			
35,00,000 (35,00,000) equity shares of Rs.10/- each	35,000,000	35,000,000	35,000,000

2.12 Other Equity

A. Retained Earnings

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Opening Balance	13,659,105	6,744,875	(6,129,920)
Add : Profit for the year	8,250,748	7,196,596	12,874,795
Add: Re-measurements of the defined benefit plans in Other Comprehensive Income (net of tax)	(535,105)	(282,366)	-
Closing Balance	21,374,748	13,659,105	6,744,875

2.13 Long Term Provisions

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Provision for Employee benefits (See Note 2.13.01)	2,565,048	2,530,097	14,656,606
	2,565,048	2,530,097	14,656,606

2.13.01 Disclosures required under Indian Accounting Standard (Ind AS) 19 - "Employee Benefits"

1. Defined Contribution Plan

During the year the following amounts have been recognised in the Statement of Profit and Loss on account of defined contribution plans:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Employers contribution to Provident Fund	3,077,706	2,994,624
Employers contribution to Employees State Insurance	255,532	22,616

2. Defined Benefit Plan

Gratuity – Funded Obligation

i.	Actuarial Assumptions	Current Year	Previous Year
	Discount Rate (per annum)	7.50%	7.80%
	Expected return on plan assets	8.00%	8.00%
	Salary escalation rate*	4.00%	4.00%
	Attrition rate	1.00%	1.00%

* The assumption of future salary increases takes into account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii.	Reconciliation of present value of obligations	Current Year (Rs.)	Previous Year (Rs.)
	Present value of obligation at beginning of the year	13,850,546	13,858,497
	Current Service Cost	698,696	629,471
	Past Service Cost	-	-
	Interest Cost	1,064,992	1,105,295
	Actuarial (gain)/loss	738,611	421,839
	Benefits Paid	(2,198,301)	(2,164,556)
	Present value of obligation at the end of the year	14,154,544	13,850,546

iii.	Reconciliation of fair value of plan assets	Current Year (Rs.)	Previous Year (Rs.)
	Fair value of plan assets at beginning of the year	12,960,231	-
	Expected return on plan assets	1,036,818	-
	Actual return on plan assets over expected interest	(301,818)	-
	Contributions to the fund	2,138,793	12,960,231
	Contributions towards direct benefit payments	-	-
	Benefits Paid from the fund	(2,198,301)	-
	Fair value of plan assets at the end of the year	13,635,723	12,960,231

iv.	Description of the Plan Assets	Current Year (Rs.)	Previous Year (Rs.)
	Insurer Managed Funds (SBI Life Insurance Co. Ltd)	13,635,723	12,960,231

v.	Net (Asset)/ Liability recognized in the Balance Sheet as at year end	2017-18	2016-17	2015-16	2014-15	2013-14
	Present value of obligations at the end of the year	14,154,544	13,850,546	13,858,497	15,477,080	14,431,591
	Fair value of plan assets at the end of the year	13,635,723	12,960,231	-	-	-
	Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet	518,821	890,315	13,858,497	15,477,080	14,431,591

vi.	Expenses recognised in the Statement of Profit and Loss	Current Year (Rs.)	Previous Year (Rs.)
	Current Service Cost	698,696	629,471
	Net Interest on Obligation/Asset	329,992	1,105,295
	Past Service Cost	-	-
	Total expenses recognised in the Statement of Profit and Loss for the year	1,028,688	1,734,766

vii.	Amount disclosed under Other Comprehensive Income (OCI)	Current Year (Rs.)	Previous Year (Rs.)
	Opening amount disclosed under OCI	421,839	-
	Acturial gain/ loss on obligation during the period	738,611	421,839
	Closing amount disclosed under OCI	1,160,450	421,839

viii.	Reconciliation of Net Asset/Liability	Current Year (Rs.)	Previous Year (Rs.)
	Opening Net Liability	890,315	13,858,497
	Expenses as above in (vi.)	1,028,688	1,734,766
	Amount disclosed under OCI	738,611	421,839
	Contribution paid by employer to the fund	(2,138,793)	(15,124,787)
	Closing Net Liability	518,821	890,315

Sensitivity Analysis of the Defined Benefit Obligation

The discounting rate, expected return on assets have been assumed paying regard to the yield on Government securities at the relevant times. The Risk of Liability increase/decrease can happen owing to salary escalation due to inflation and/or future wage revision and also on account of change in the yield on Government Securities.

Particulars	31st March, 2018		31st March, 2017	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	13,240,072	15,216,917	12,928,292	14,912,488
Salary increase rate	15,099,104	13,331,224	14,800,669	13,013,411
Employee turnover	14,040,030	14,281,175	13,740,100	13,973,585

The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

3. Long Term Employee Benefits

Compensated absences (Vesting and Non Vesting): Unfunded Obligation

i.	Actuarial Assumptions	Current Year	Previous Year
	Discount Rate (per annum)	7.50%	7.80%
	Salary escalation rate*	4.00%	4.00%
	Attrition rate	1.00%	1.00%
	Mortality rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

* The assumption of future salary increases takes into account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii.	Reconciliation of present value of obligations	Current Year (Rs.)	Previous Year (Rs.)
	Present value of obligation at beginning of the year	2,721,049	3,108,641
	Current Service Cost	1,160,161	1,062,481
	Interest Cost	247,584	253,911
	Actuarial (gain)/loss	(228,060)	(1,262,961)
	Benefits Paid	(1,011,392)	(441,023)
	Present value of obligation at the end of the year	2,889,342	2,721,049

iii.	Net (Asset)/ Liability recognized in the Balance Sheet as at year end	2017-18	2016-17	2015-16	2014-15	2013-14
	Present value of obligations at the end of the year	2,889,342	2,721,049	3,108,641	3,680,664	3,008,440
	Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet	2,889,342	2,721,049	3,108,641	3,680,664	3,008,440

iv.	Expenses recognised in the Statement of Profit and Loss	Current Year (Rs.)	Previous Year (Rs.)
	Current Service Cost	1,160,161	1,062,481
	Interest Cost	247,584	253,911
	Expected return on plan assets	-	-
	Actuarial (gain) / loss recognised in the period	(228,060)	(1,262,961)
	Past Service Cost	-	-
	Total expenses recognised in the Statement of Profit and Loss for the year	1,179,685	53,431

Sensitivity Analysis of the Defined Benefit Obligation

The discounting rate, expected return on assets have been assumed paying regard to the yield on Government securities at the relevant times. The Risk of Liability increase/decrease can happen owing to salary escalation due to inflation and/or future wage revision, leave balance at year ends and also on account of change in the yield on Government Securities.

Particulars	31st March, 2018		31st March, 2017	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	2,567,803	3,282,436	2,680,051	3,363,955
Salary increase rate	3,261,468	2,579,941	3,342,903	2,692,977
Employee turnover	2,932,474	2,763,348	3,031,114	2,861,544

The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

2.14 Trade Payables

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9,408,302	11,628,934	10,436,178
	9,408,302	**11,628,934**	**10,436,178**

2.14.01 The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Based on available information, there are no balances outstanding as payable to such suppliers at the year end. In the opinion of the management there are no amounts paid / payable towards interest under the said statute.

2.15 Other Financial Liabilities

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Creditors for capital goods	-	562,330	-
	-	562,330	-

2.16 Other Current Liabilities

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Statutory Dues	2,583,438	677,125	610,717
	2,583,438	677,125	610,717

2.17 Short Term Provisions

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Provision for Employee benefits	843,115	1,081,267	2,310,532
	843,115	1,081,267	2,310,532

2.18 Current Tax Liabilities (Net)

Particulars	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Provision for Taxation (Net)	-	1,701,536	-
	-	1,701,536	-

2.19 Revenue From Operations

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Sale of Services		
Income from Job Charges	130,310,528	134,787,664
	130,310,528	134,787,664

2.20 Other Income

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Interest Income	328,283	806,799
Rent Income	120,000	120,000
Other Income	214,974	181,031
	663,257	1,107,830

2.21 Employee Benefits Expenses

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Salaries, Wages & Bonus	41,904,927	41,830,220
Contributions to Provident and other fund	4,420,183	3,027,176
Staff Welfare Expenses	1,046,880	953,560
	47,371,990	45,810,956

2.21.01 During the year, the Company recognised an amount of Rs.32,24,437 (Rs.29,92,587) as remuneration to key managerial personnel. The details of such remuneration is as below:

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
a) Short term employee benefits	2,924,194	2,721,531
b) Post employement benefits	300,243	271,056
	3,224,437	2,992,587

2.22 Other Expenses

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Consumption of stores and spare parts	4,801,907	5,390,166
Power and fuel (See Note 2.22.01)	39,647,488	45,171,480
Repairs:		
- Buildings	1,040,213	1,056,924
- Plant & Machinery	3,467,536	3,260,040
- Others	1,341,315	1,035,953
Insurance	318,992	253,781
Rent	192,000	210,900
Rates & Taxes	751,517	1,199,630
Postage and Telephones	478,905	544,731
Printing & Stationery	202,250	181,103

Travelling & Conveyance	3,877,469	3,540,686
Payments to the auditor (See Note No.2.22.02)	319,677	330,189
Advertisement	58,462	29,500
Loading, Transportation and Other charges on products	2,536,249	2,536,449
Professional & Consultancy charges	783,500	988,764
Security service charges	1,960,543	2,137,573
Miscellaneous Expenses	3,235,552	3,331,564
Loss on assets written off/discarded	-	569,666
	65,013,575	**71,769,099**

2.22.01 The above amount is net of Government grants received in the nature of subsidy amounting to Rs.60,41,062 (Rs.37,68,666)

2.22.02 Payments to the auditor:

Particulars	**For the year ended 31.03.2018**	**For the year ended 31.03.2017**
a. Auditor	225,000	200,000
b. For Taxation Matters	94,677	87,121
c. Taxes on above	-	43,068
	319,677	330,189

2.23 Earnings per share

Particulars	**For the year ended 31.03.2018**	**For the year ended 31.03.2017**
Profit for the year	8,250,748	7,196,596
Weighted average number of equity shares of Rs.10/- each fully paid up	4,250,000	4,250,000
Earnings per Share (Basic & Diluted)	1.94	1.69

2.24 Contingent Liabilities not provided for: Rs.Nil (Rs.Nil)

2.25 In accordance with the Ind AS 108 on "Operating Segments", the company has one operating and reportable segment viz. manufacture/ job conversion of Ossein and hence there are no additional disclosures required.

2.25.1 Information about products and services
The revenue from operations of the Company comprises only of manufacture/ job conversion of Ossein.

2.25.2 Information about geographical areas
The revenue from operations of the Company comprises only of domestic revenue and there are no export revenue at this stage.

2.25.3 Information about major customers
The revenue from operations of the Company comprises only from a single customer - its Holding Company and the details are disclosed in Note No 2.26 below.

2.26 Disclosure of transactions with Related Parties as required by Ind AS – 24 on Related Party Disclosures as prescribed by Companies (Indian Accounting Standards) Rules, 2015 are as under:

A. Related parties and nature of relationship

i. Nitta Gelatin India Limited - Holding Company

ii. Key Management Personnel:

Mr.M.A Xavier - Managing Director (Upto 01.02.2018)

Mr.E.Kesavan - Managing Director (Wef 02.02.2018)

B. Description of Transactions

Nature of Transaction	Key Management Personnel (Rs.)	Holding Company (Rs.)	Total (Rs.)
Income from Job Charges	-	130,310,528	130,310,528
	-	(134,787,664)	(134,787,664)
Income from Rent	-	120,000	120,000
	-	(120,000)	(120,000)
Remuneration to Managing Director - Mr. M.A.Xavier (See Note No.2.26.01)"	2,696,888	-	2,696,888
	(2,627,672)	-	(2,627,672)
Remuneration to Managing Director - Mr. E.Kesavan (See Note No.2.26.01)"	527,549	-	527,549
	-	-	-
Purchases of Stores & Spare Parts	-	186,425	186,425
	-	(190,942)	(190,942)
Expenses Recovered	-	2,231,619	2,231,619
	-	(5,114,331)	(5,114,331)
Reimbursement of Expenses	-	776,055	776,055
	-	(689,882)	(689,882)
Receivable: Nitta Gelatin India Limited	-	24,897,895	24,897,895
	-	**(19,074,150)**	**(19,074,150)**

2.26.01 Consequent to the revision of remuneration payable to the Managing Director with effect from 01.07.2017, the remuneration paid/ payable to the Managing Director - Mr.M.A Xavier includes Rs.1,19,357, which is subject to approval of the Shareholders under the Companies Act, 2013 which is being sought for at the ensuing Annual General Meeting. The remuneration paid to the Managing Director - Mr.E.Kesavan appointed with effect from 02.02.2018 amounting to Rs.4,63,120 is subject to approval of the Shareholders under the Companies Act, 2013 which is being sought for at the ensuing Annual General Meeting.

2.27 Fair Value Measurement

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

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

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. There were no transfers between Level 1 and Level 2 during the year.

Category wise classification of financial instruments is as follows:

Particulars		Note No.	As at 31.03.2018 Rupees	As at 31.03.2017 Rupees	As at 01.04.2016 Rupees
Financial Assets measured at amortised cost					
Non-Current:					
	i. Loans	2.02	3,206,346	3,196,346	2,999,346
	ii. Bank Deposits	2.03	511,178	1,084,995	-
Current:					
	i. Trade Receivables	2.07	24,897,895	19,153,953	18,466,307
	ii. Cash & Cash Equivalents	2.08A	1,217,077	1,221,575	1,017,068
	iii. Bank Balances other than (ii) above	2.08B	1,153,562	-	363,338
	iv. Others financial assets	2.09	149,298	215,906	226,831
			31,135,356	**24,872,775**	**23,072,890**
Financial Liabilities measured at amortised cost					
Current:					
	i. Trade Payables	2.14	9,408,302	11,628,934	10,436,178
	ii. Other financial liabilities	2.15	-	562,330	-
			9,408,302	**12,191,264**	**10,436,178**

2.28 Leases

The Company has entered into cancellable operating lease for staff quarters against which lease payments recognised in Statement of Profit and Loss during the year is Rs.1,92,000 (Rs.2,10,900).

2.29 Financial Risk Management - Objectives & Policies

The Company has a well- managed risk management framework, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as liquidity risk, market risk, credit risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable risk parameters in a disciplined and consistent manner and in compliance with applicable regulation.

a. Liquidity Risk

Liquidity risk is the risk that the Company will encounter due to difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The company has sound financial strength represented by its aggregate current assets as against aggregate current liabilities and its strong equity base and nil working capital debt. In such circumstances, liquidity risk does not exist.

As at year-end, the Company's financial liabilities have contractual maturities as summarised below:

Maturities of financial liabilities

Particulars	Less than 1 year	1 year to 5 years	More than 5 years	Total
As at 31 March 2018				
Trade Payables	9,408,302	-	-	9,408,302
As at 31 March 2017				
Trade Payables	11,628,934	-	-	11,628,934
Other financial liabilities	562,330	-	-	562,330
As at 1 April 2016				
Trade Payables	10,436,178	-	-	10,436,178

b. Market Risk

As the Company is debt-free and its deferred payment liabilities do not carry interest, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible. The Company's investments are predominantly held in fixed deposits. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

c. Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks and other receivables.

The Company is dealing with its holding company Nitta Gelatin India Limited that have sufficiently high credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored.

Credit risk arising from other balances with banks is limited because the counterparties are scheduled banks with high credit ratings.

Assets under credit risk

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
1. Non-current assets			
- Financial assets			
i. Loans	3,206,346	3,196,346	2,999,346
ii. Other financial assets	511,178	1,084,995	-
2. Current assets			
- Financial assets			
i. Trade Receivables	24,897,895	19,153,953	18,466,307
ii. Cash and cash equivalents	1,217,077	1,221,575	1,017,068
iii. Bank Balances other than (ii) above	1,153,562	-	363,338
iv. Other financial assets	149,298	215,906	226,831

Details of Financial Assets that are neither past due nor impaired and that are past due but not impaired

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial assets that are neither past due nor impaired	31,135,356	24,872,775	23,072,890
Financial assets that are past due but not impaired :	-	-	-
Total	**31,135,356**	**24,872,775**	**23,072,890**

d. Foreign Currency Risk

The Company does not undertake transactions denominated in foreign currency and hence it is not subject to any fluctuations in the foreign currency.

2.30 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern."

As at 31st March, 2018, the Company has only one class of equity shares and is debt-free. The company is not subject to any externally imposed capital requirements.

2.31 First Time Adoption of Ind AS

These financial statements, for the period ended 31st March 2018, are the first financial statements prepared by the company in accordance with Ind AS. For periods up to and including the year ended 31st March 2017, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for periods ending on or after 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2016 and the financial statements as at and for the year ended 31st March 2017."

A. IND AS optional exemptions

Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

a. Deemed cost for Property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as on the transition date.

b. Determining whether an arrangement contains a lease

Appendix C of Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease, at the inception of the contract or arrangement. However, Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

B. IND AS mandatory exemptions

The following exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

a. Estimates

In accordance with Ind AS, as at the date of transition to Ind AS an entity's estimates shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP: a) Impairment of financial assets based on expected credit loss model.

b. Derecognition of financial assets and financial liabilities

Company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c. Classification and measurement of financial assets

Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

(i) Reconciliation of Equity as at 1st April, 2016

Particulars	As at 01.04.2016		
	Indian GAAP	Ind AS Adjustment	Adjusted Figures (Ind AS)
ASSETS			
1. Non-current assets			
a. Property, Plant and Equipment	37,739,318	-	37,739,318
b. Capital work-in-progress	61,866	-	61,866
c. Intangible assets	-	-	-
d. Intangible assets under development	-	-	-
e. Financial assets			
i. Loans	2,999,346	-	2,999,346
ii. Other financial assets	-	-	-
f. Deferred tax assets (Net)	6,360,000	-	6,360,000
g. Non-current tax assets (Net)	4,705,192	-	4,705,192
Total Non-current assets	**51,865,722**	**-**	**51,865,722**
2. Current assets			
a. Inventories	5,002,189	-	5,002,189
b. Financial assets			
i. Trade Receivables	18,466,307	-	18,466,307
ii. Cash and Cash Equivalents	1,017,068	-	1,017,068
iii. Bank Balances other than (ii) above	363,338	-	363,338
iv. Other financial assets	226,831	-	226,831
c. Other current assets	317,453	-	317,453
Total current assets	**25,393,186**	**-**	**25,393,186**
Total Assets	**77,258,908**	**-**	**77,258,908**

EQUITY AND LIABILITIES

1. Equity			
a. Equity share capital	42,500,000	-	42,500,000
b. Other equity	6,744,875	-	6,744,875

Total Equity	**49,244,875**	**-**	**49,244,875**
LIABILITIES			
2. Non-current liabilities			
a. Provisions	14,656,606	-	14,656,606
Total non-current liabilities	**14,656,606**	**-**	**14,656,606**
3. Current liabilities			
a. Financial liabilities			
i. Trade Payables	10,436,178	-	10,436,178
ii. Other financial liabilities	-	-	-
b. Other Current Liabilities	610,717	-	610,717
c. Provisions	2,310,532	-	2,310,532
d. Current Tax Liabilities (Net)	-	-	-
Total current liabilities	**13,357,427**	**-**	**13,357,427**
Total liabilities	**28,014,033**	**-**	**28,014,033**
Total equity and liabilities	**77,258,908**	**-**	**77,258,908**

(ii) Reconciliation of Equity as at 31st March, 2017

Particulars	**As at 31.03.2017**		
	Indian GAAP	**Ind AS Adjustment**	**Adjusted Figures (Ind AS)**
ASSETS			
1. Non-current Assets			
a. Property, Plant and Equipment	37,125,145	-	37,125,145
b. Capital Work-in-progress	11,317	-	11,317
c. Intangible Assets	169,188	-	169,188
d. Other Intangible Assets under development	-	-	-
e. Financial assets			
i. Loans	3,196,346	-	3,196,346
ii. Other financial assets	1,084,995	-	1,084,995
f. Deferred tax assets (Net)	7,211,200	-	7,211,200
g. Non-current tax assets (Net)	56,230	-	56,230
Total non-current assets	**48,854,421**	**-**	**48,854,421**
2. Current assets			
a. Inventories	4,102,821	-	4,102,821
b. Financial assets			
i. Trade Receivables	19,153,953	-	19,153,953
ii. Cash and Cash Equivalents	1,221,575	-	1,221,575
iii. Bank Balances other than (ii) above	-	-	-
iv. Other financial assets	215,906	-	215,906
c. Other current assets	791,718	-	791,718
Total current assets	25,485,973	-	25,485,973
Total Assets	**74,340,394**	**-**	**74,340,394**
EQUITY AND LIABILITIES			
1. Equity			
a. Equity share capital	42,500,000	-	42,500,000
b. Other equity	13,659,105	-	13,659,105
Total Equity	**56,159,105**	**-**	**56,159,105**

LIABILITIES			
2. Non-current liabilities			
a. Provisions	2,530,097	-	2,530,097
Total non-current liabilities	**2,530,097**	**-**	**2,530,097**
3. Current liabilities			
a. Financial liabilities			
i. Trade Payables	11,628,934	-	11,628,934
ii. Other financial liabilities	562,330	-	562,330
b. Other Current Liabilities	677,125	-	677,125
c. Provisions	1,081,267	-	1,081,267
d. Current Tax Liabilities (Net)	1,701,536	-	1,701,536
Total current liabilities	**15,651,192**	**-**	**15,651,192**
Total liabilities	**18,181,289**	**-**	**18,181,289**
Total equity and liabilities	**74,340,394**	**-**	**74,340,394**

(iii) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017

	Particulars	For the year ended 31.03.2017		
		Indian GAAP	**Ind AS Adjustment**	**Adjusted Figures\ (Ind AS)**
	INCOME			
I.	Revenue from operations	134,787,664	-	134,787,664
II.	Other Income	1,107,830	-	1,107,830
III.	**Total Income (I+II)**	**135,895,494**	**-**	**135,895,494**
IV.	**EXPENSES**			
	a. Employee benefits expenses	46,232,795	(421,839)	45,810,956
	b. Depreciation and amortisation expenses	7,179,480	-	7,179,480
	c. Other expenses	71,769,099	-	71,769,099
	Total Expenses (IV)	**125,181,374**	**(421,839)**	**124,759,535**
V.	**Profit before Tax (III-IV)**	**10,714,120**	**421,839**	**11,135,959**
VI.	Tax expense:			
	a. Current tax	4,475,000	-	4,475,000
	b. Current tax (Prior Years)	176,090	-	176,090
	c. Deferred tax	(851,200)	139,473	(711,727)
VII.	**Profit for the year (V - VI)**	**6,914,230**	**282,366**	**7,196,596**
VIII.	**Other Comprehensive Income**			
	A. Items that will not be reclassified to profit or loss			
	(a) (i) Re-measurements of the defined benefit plans	-	(421,839)	(421,839)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	139,473	139,473
		-	**(282,366)**	**(282,366)**
IX.	**Total Comprehensive Income for the year (VII+ VIII) (Comprising Profit and Other Comprehensive Income for the year)**	**6,914,230**	**-**	**6,914,230**

(iv) Reconciliation of cash flow statement for the year ended 31 March 2017

Particulars	For the year ended 31.03.2017		
	Indian GAAP	Ind AS Adjustment	Adjusted Figures (Ind AS)
Net Cash from/(used) Operating Activities	5,714,727	363,338	6,078,065
Net Cash from/(used) in Investing Activities	(5,873,558)	-	(5,873,558)
Net Cash from/(used) in Financing Activities	-	-	-
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year	1,380,406	(363,338)	1,017,068
Cash and cash equivalents at the end of the year	1,221,575	-	1,221,575

Details of Measurement and recognition difference between Ind AS and Previous GAAP for the year ended 31st March 2017

a. Remeasurement benefit of defined benefit plans

In the financial statements prepared under Previous GAAP, remeasurement benefit of defined plans (gratuity), arising primarily due to change in actuarial assumptions was recognised as employee benefits expense in the Statement of Profit and Loss. Under Ind AS, such remeasurement benefits relating to defined benefit plans is recognised in Other Comprehensive Income as per the requirements of Ind AS 19- Employee benefits. Consequently, the related tax effect of the same has also been recognised in Other Comprehensive Income.

For the year ended 31st March, 2017, remeasurement of gratuity liability resulted in a net benefit of Rs.4,21,839/- which has now been removed from employee benefits expense in the Statement of Profit and Loss and recognised separately in Other Comprehensive Income. This has resulted in decrease in employee benefits expense by Rs.4,21,839/- and increase in loss in Other Comprehensive Income by Rs.4,21,839/- for the year ended 31st March, 2017. Consequently, tax effect of the same amounting to Rs.1,39,473/- is also recognised separately in Other Comprehensive Income.

The above changes do not affect Equity as at date of transition to Ind AS and as at 31st March, 2017. However, Profit before tax and profit for the year ended 31st March, 2017 increased by Rs.2,82,366/-.

b. Other Comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss, but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under the previous GAAP.

c. Deferred Tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP.

d. Cash Flow Statement

Balance with banks in Deposit Accounts (having maturity period of less than 12 months) amounting to Rs 3,63,338/- held as security against Bank Guarantees was considered under Cash and Cash Equivalents under the previous GAAP. The same was considered under Bank Balances other than Cash and Bank Balances under Ind-AS and not in nature of Cash and cash equivalents and was classified under Net Cash from/(used) Operating Activities.

e. Other Matters

In the preparation of these Ind-AS Financial Statements, Company has made several presentation differences between previous GAAP and Ind-AS. These differences have no impact on reported profit or total equity. Accordingly, some assets and liabilities have been reclassified into another line item under Ind-AS at the date of transition. Further, in these Financial Statement, some line items are described differently under Ind-AS compared to previous GAAP although the assets and liabilities included in these line items are unaffected.

2.32 Figures have been rounded off to the nearest rupee. Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements.

For VARMA AND VARMA
(FRN : 004532S)

(GOPI. K)
Partner
CHARTERED ACCOUNTANTS
Membership No. 214435

Place: Kochi
Date: 03rd May 2018

For and on behalf of the Board of Directors

SAJIV K. MENON
Chairman
DIN : 00168228

E. KESAVAN
Managing Director
DIN : 08064422

SHINYA TAKAHASHI
Director
DIN : 07809828

P. SAHASRANAMAN
Director
DIN : 07644126

Notes :