

BHIWANI VANASPATI LIMITED

BALANCE SHEET AS AT 31ST March, 2020

CIN : 215143 WB1970 PLC 124721

Particulars	Note	March 31, 2020	March 31, 2019
		Amount Rs	Amount Rs
ASSETS			
Non-Current Assets			
Property, Plant & Equipment		-	-
Capital Work in Progress		-	-
Intangible assets		-	-
Financial Assets			
(i) Investment		-	-
(ii) Loan		23,00,000	23,00,000
Deferred Tax Assets		-	-
Other Non Current Assets		-	-
		<u>23,00,000</u>	<u>23,00,000</u>
Current Assets			
Financial Assets			
(i) Investment	2	-	3,69,098
(ii) Cash & Cash Equivalents	3	1,00,618	2,46,814
(iii) Bank balance other than Cash & Cash Equivalents	3A	15,00,000	11,00,000
(iv) Other financial Assets	3B	13,726	-
Other Current Assets	4	36,607	69,797
		<u>16,50,951</u>	<u>17,85,709</u>
Total Assets		<u><u>39,50,951</u></u>	<u><u>40,85,709</u></u>
Equity and Liabilities			
Equity			
Equity share capital	5	145,69,000	145,69,000
Other equity		(129,38,061)	(128,41,749)
		<u>16,30,939</u>	<u>17,27,251</u>
Non-Current Liabilities			
Secured Loan		-	-
Deferred Tax Liabilities		-	30,142
Other Non Current Liabilities	6	22,55,518	22,55,518
		<u>22,55,518</u>	<u>22,85,660</u>
Current Liabilities			
Financial Liabilities			
i) Loan		-	-
ii) Trade payable		-	-
iii) Other Financial Liabilities		-	-
Other Current Liabilities	7	64,494	72,798
		<u>64,494</u>	<u>72,798</u>
Total Equity & Liabilities		<u><u>39,50,951</u></u>	<u><u>40,85,709</u></u>

Significant Accounting Policies And Additional Notes On Accounts

1

The Notes referred to above form an integral part of the Balance Sheet in terms of our attached report of even date.

For SURAJIT DATTA & ASSOCIATES
Chartered Accountants
Firm Reg. No. - 328815E

CA SURAJIT DATTA
PROPRIETOR
Membership No. 061755
Place: Kolkata

Date: 27/08/2020

UDIN: 20061755AARAIL1668

On behalf of the Board
BHIWANI VANASPATI LIMITED

Goutam Ghosal,

GOUTAM GHOSAL

Director

DIN: 06856882

BHIWANI VANASPATI LIMITED

Balaram Saha,

BALARAM SAHA

Director

DIN- 07599351

Ankita Ghoshal
(Company Secretary)

BHIWANI VANASPATI LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020
CIN: L15143WB1970PL0124721

Particulars	Note	Year ended March 31, 2020 Rs	Year ended March 31, 2019 Rs
I INCOME			
Income from operation		-	-
Other income	8	5,19,683	3,96,136
Total Income		<u>5,19,683</u>	<u>3,96,136</u>
II Expenses:			
Employees benefits expenses		2,56,452	-
Finance costs		-	-
Depreciation and amortisation expenses		-	-
Other expenses	9	2,84,237	3,78,998
Total Expenses		<u>5,40,689</u>	<u>3,78,998</u>
III Profit/(Loss) before exceptional items and tax (I - II)		<u>(21,006)</u>	<u>17,138</u>
IV Exceptional items		-	-
V Tax expenses /(credit) (Net)			
(a) Current tax		-	4,456
(b) Relating to Previous year (tax)		-	-
(c) Deferred Tax Liability		(30,142)	7,331
Total Tax Expenses / (Credit)		<u>(30,142)</u>	<u>11,787</u>
VI Profit/(Loss) for the year (III - IV-V)		<u>9,136</u>	<u>5,351</u>
VII Other comprehensive income /(loss)			
A (i) Items that will not be reclassified to profit or loss			
b Equity instruments fair value through other comprehensive income		(1,05,448)	28,196
(ii) Income tax (expenses)/credit relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income/(loss) , net of taxes		<u>(1,05,448)</u>	<u>28,196</u>
VIII Total comprehensive income/(loss) for the year (VI-VII)		<u>(96,312)</u>	<u>33,547</u>
IX Earnings per equity share (EPS) -			
Ordinary shares (face value of Rs 10 each)			
(i) Basic		0.01	0.00
(ii) Diluted		0.01	0.00

Significant Accounting Policies And Additional Notes On Accounts 1

The Notes referred to above form an integral part of the Statement of Profit & Loss in terms of our attached report of even date.

For SURAJIT DATTA & ASSOCIATES
Chartered Accountants
Firm Reg. No. - 328815E

PROPRIETOR
Membership No. 061755
Place: Kolkata

Date: 27/08/2020
UDIN: 20061755AAAAILL1669

On behalf of the Board
BHIWANI VANASPATI LIMITED

Goutam Ghosal.

GOUTAM GHOSAL Director
DIN - 06956982

BHIWANI VANASPATI LIMITED

Balaram Saha.

BALARAM SAHA Director
DIN - 07599351

Ankita Ghoshin.
(Company Secretary)

BHIWANI VANASPATI LIMITED
CIN : L15143WB1970PLC124721

Cash Flow Statement for the year ended 31st March, 2020

	Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
		Rs.	Rs.	Rs.	Rs.
A.	Cash Flow from Operating Activities:				
	Profit/(Loss) before tax		(21,006)		17,138
	Non-cash adjustments to reconcile profit before tax to net cash flows				
	Interest Income	(4,00,067)		(3,99,136)	
	Gain on Redempation of Mutual Fund	(1,19,616)	(5,19,683)	-	(3,99,136)
	Operating Profit /(Loss) before Working Capital Changes		(5,40,689)		(3,81,998)
	Movement in working capital				
	Increase/ (Decrease) in Other current liabilities		(8,304)		(63,599)
	Increase/ (Decrease) in Advance Income Tax		33,190		(35,159)
	Increase/ (Decrease) in Other financial assets		13,726		-
	Cash Generated from/ (used in) Operations		(5,02,077)		(4,80,756)
	Direct Taxes Paid (net of refunds)		-		4,456
	Cash Flow from Operating Activities (A)		(5,02,077)		(4,85,212)
B.	Cash Flow from Investing Activities:				
	Investment in Fixed Deposit		(4,00,000)		-
	Redemption of fund		3,69,098		-
	Interest Received		3,86,783		3,96,136
	Net Cash Flow from/ (used in) Investing Activities (B)		3,55,881		3,96,136
	Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B)		(1,46,196)		(89,076)
	Cash & Cash Equivalents at the beginning of the year		2,46,814		3,32,890
	Cash & Cash Equivalents at the end of the year		1,00,618		2,46,814
	Components of Cash & Cash Equivalents				
	Balance with a Bank:				
	In Current Account		99,235		2,46,814
	Cash in hand		1,383		-
	Total Cash & Cash Equivalents		1,00,618		2,46,814

Notes : 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
2) Previous Year's figures have been regrouped or rearranged wherever found necessary.

This is the Cash Flow Statement referred to in our Report of even date.

For SURAJIT DATTA & ASSOCIATES
Chartered Accountants

Firm Reg. No. - 322815E

Membership No. 061755

Place: Kolkata

Date : 27/08/2020

On behalf of the Board **BHIWANI VANASPATI LIMITED**

GOUTAM GHOSAL
DIN - 06956982

Goutam Ghosal
Director

BALARAM SAHA
DIN- 07599351

Balaram Saha
Director

Ankita Chandra
(Company Secretary)

BHIWANI VANASPATI LIMITED

STATEMENT OF CHANGES IN EQUITY
for the year ended 31st March, 2020

(A) Equity Share Capital

Equity Shares of Rs.10/- each issued, subscribed and fully paid	Number	Amounts (Rs.)
Balance as at 1st April, 2018	14,56,300	145,69,000
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2019	14,56,300	145,69,000
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2020	14,56,300	145,69,000

(B) Other Equity

Particulars	Reserve & Surplus			Other Comprehensive Income	Total
	Retained Earnings	Re-measurement gains / (losses) on defined benefit plans, net of tax	General Reserve	Investment in Equity Share / Units of mutual funds at fair value	
Balance as at 01st April, 2018	(129,52,548)	-	-	77,252	(128,75,296)
Add / (Less) : Adjustment (Net) Ind-AS : Transfer of gains of FVOCI*	-	-	-	28,196	28,196
Add: Profit / (Loss) for the year	5,351	-	-	-	5,351
Re-measurement gains / (losses) on defined benefit plans, net of tax	-	-	-	-	-
Balance as at 31st March, 2019	(129,47,197)	-	-	1,05,448	(128,41,749)
Add: Profit / (Loss) for the year	9,136	-	-	-	9,136
Add / (Less) : Adjustment (Net) Ind-AS : Transfer of gains of FVOCI*	-	-	-	(1,05,448)	(1,05,448)
Balance as at 31st March, 2020	(129,38,061)	-	-	-	(129,38,061)

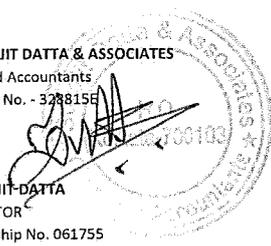
* FVOCI denotes fair value other comprehensive income

The accompanying notes are an integral part of the Balance Sheet in terms of our attached report of even date.

For SURAJIT DATTA & ASSOCIATES
Chartered Accountants
Firm Reg. No. - 328815E

CA SURAJIT DATTA
PROPRIETOR
Membership No. 061755
Place: Kolkata

Date: 27/08/2020



BHIWANI VANASPATI LIMITED

Goutam Ghosal,

On behalf of the Board

Director

GOUTAM GHOSAL
DIN - 06956982

BHIWANI VANASPATI LIMITED

Balaram Saha

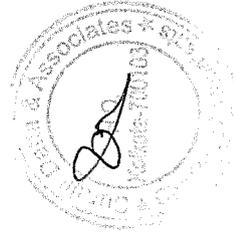
BALARAM SAHA
DIN- 07599351

Director

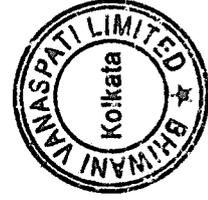
Ankita Ghoshin,
(Company Secretary)

BHIWANI VANASPATI LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Other Equity	Reserve & Surplus				Equity Instruments / Units through Other Comprehensive Income	Revaluation Surplus	Other items of Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings				
Particulars								
Balance as at 01st April, 2018	-	-	(129,52,548)		77,252	-	-	(128,75,296)
Profit for the year	-	-	5,351		-	-	-	5,351
Other Comprehensive Income	-	-	-		28,196	-	-	28,196
Total Comprehensive Income for the year	-	-	-		-	-	-	-
Transfer from Retained Earnings	-	-	-		-	-	-	-
Balance as at 1st April, 2019	-	-	(129,47,197)		1,05,448	-	-	(128,41,749)
Profit for the year	-	-	9,136		-	-	-	9,136
Other Comprehensive Income	-	-	-		(1,05,448)	-	-	(1,05,448)
Total Comprehensive Income for the year	-	-	-		-	-	-	-
Transfer from Retained Earnings	-	-	-		-	-	-	-
Depreciation Adjustment	-	-	-		-	-	-	-
Balance as at 31st March, 2020	-	-	(129,38,061)		-	-	-	(129,38,061)



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BHIWANI VANASPATI LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 1

SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL NOTES ON ACCOUNTS

a. Basis of preparation of financial statements

- (i) These financial statements for the year ended March 31 2020 have been prepared in accordance with Indian Accounting Standards ("Ind-AS") consequent to the notification of The Companies (Indian Accounting Standard) Rules, 2015 (the Rules) issued by the MCA. The financial statements have been prepared on a historical cost basis.
- (ii) Preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized

b. Going Concern

Financial statements has been prepared on the going concern basis.
The preparation of financial statements in conformity with Ind AS requires management to make certain judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities (including contingent liabilities) and the accompanying disclosures. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised. Estimates and underlying assumptions are reviewed on an ongoing basis.

c. Revenue Recognition

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

- i) The Company follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.
- ii) Interest
Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

d. Property, Plant and Equipment

- (i) Property, Plant and Equipment are stated at cost including expenses related to acquisition and installation less accumulated depreciation and impairment loss. There in no Property, Plant and Equipment during the period under review.
- (ii) Depreciation, if any will be provided on written down value method at the rates derived on the basis of the useful lives of the assets as specified under Schedule-II to the Companies Act 2013. There in no Property, Plant and Equipment during the period under review hence depreciation is not applicable.

e. Taxes on Income

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

f. Segment Reporting

There is no reportable primary and/or secondary segment identifiable with reference to Accounting Standard on "Segment Reporting" (Ind-AS-108) issued by The Institute of Chartered Accountants of India.

g. Financial Assets

Recognition: Financial Assets include investments, trade receivables, advances, security deposits, cash and cash equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets are acquired. The subsequent measurement of financial assets depends on such classification.



BHIWANI VANASPATI LIMITED**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising for payments of principal and /or interest.
- (b) fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit and loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the statement of Profit & Loss in the period in which they arise.

Trade receivables, advances, security deposits cash and cash equivalents etc, if any, are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

h. Financial Liabilities

Borrowings, trade payables and other liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

i. Contingent Liability : NIL**j. Earning Per Share**

	2019-20	2018-19
Profit/(Loss) for the year (₹)	9,136	5,351
Weighted Average number of Equity Shares outstanding	14,56,300	14,56,300
Basic Earnings per share (₹)	0.01	0.00
Nominal Value of Shares (₹)	10	10

k. Retirement Benefits Disclosure (AS-15)**Gratuity**

No Gratuity Liability on the Company as on 31.03.2020

Provident Fund

No Provident Fund Liability on the Company as on 31.03.2020

l. Deferred Tax

The Company has a "Carried Forward Unabsorbed business loss of Rs.5,55,927, depreciation Rs.4,40,841 and long term capital loss Rs.10,835" aggregating to Rs. 10,07,603 (for Income Tax Purposes) as on 31st March, 2017 which could result in a Deferred Tax Asset. But, since, in the Management's opinion there is no reasonable certainty of sufficient taxable profits in future against which the deferred tax assets could be realized, on consideration of prudence, no Deferred Tax Assets has been created.

m. Related Party Disclosures

In accordance with Accounting Standard (AS-18) on "Related Parties Disclosures" issued by the Institute of Chartered Accountants of India, The Company has no Related party.

n. Previous year's figures have been re-grouped/re-arranged wherever necessary.**p. Notes on COVID 19**

With COVID-19 turning into a pandemic, the Company has worked towards ensuring business continuity of its products while enforcing necessary safety norms. As there were nationwide lockdowns imposed in the last few days of the month of March, the Company also remained closed during this period. During the period from March 25, 2020 to March 31, 2020, there has been no impact in the financial position of the company as major source of income was from Interest Income.

Hence there has not been any significant adverse effect on the performance of the Company post the Balance Sheet Date too.

In terms of our report of even date

For SURAJIT DATTA & ASSOCIATES

Chartered Accountants

Firm Reg. No. - 328819E

PROPRIETOR

Membership No. 061755

Place: Kolkata

Date : 27/08/2020



On behalf of the Board
BHIWANI VANASPATI LIMITED
Goutam Ghosal.

GOUTAM GHOSAL
DIN - 06956982

Director

BHIWANI VANASPATI LIMITED

BALARAM SAHA
DIN - 07599351

Director

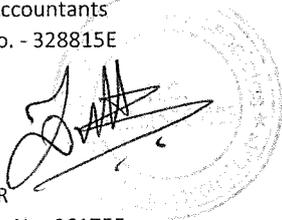
Ankita Ghambhani
(Company Secretary)

BHIWANI VANASPATI LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at March 31st 2020	As at March 31st 2019
CURRENT ASSETS		
2. Investment:-		
Quoted		
<u>Investment in mutual funds</u>		
139.789 units (Previous year 139.789 units) in RLF - Treasury plan - retail option - Growth option	-	3,69,098
Total	<u>-</u>	<u>3,69,098</u>
Aggregate amount of quoted investments and market there of	-	3,69,098
Aggregate amount of un-quoted investments and market there of	-	-
Aggregate amount of impairment in value of investments	-	-
3. Cash and Cash Equivalents		
Cash on hand	1,383	-
Balance with bank	99,235	2,46,814
Deposit with bank	-	-
Total	<u>1,00,618</u>	<u>2,46,814</u>
3A. Bank balance other than Cash & Cash Equivalents		
Fixed deposit with HDFC Bank Ltd.	15,00,000	11,00,000
	-	-
	<u>15,00,000</u>	<u>11,00,000</u>
3B. Other Financial Assets		
Accrued Interest	13,726	-
	<u>13,726</u>	<u>-</u>
4. Other Current Assets		
Advance Income Tax	36,607	69,797
(Net of Provision for Income Tax)	<u>36,607</u>	<u>69,797</u>

The accompanying notes are an integral part of the Balance Sheet in terms of our attached report of even date.

For SURAJIT DATTA & ASSOCIATES
Chartered Accountants
Firm Reg. No. - 328815E



PROPRIETOR
Membership No. 061755
Place: Kolkata
Date: 27/08/2020

On behalf of the Board

BHIWANI VANASPATI LIMITED
Goutam Ghosal,

GOUTAM GHOSAL Director
DIN - 06956982

BHIWANI VANASPATI LIMITED
Balaram Saha,

BALARAM SAHA Director
DIN- 07599351

Ankita Chandra
(Company Secretary)

BHIWANI VANASPATI LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Figures in Rupees)

	As at March 31st 2020	As at March 31st 2019
5. SHARE CAPITAL		
Authorised :		
15,00,000 (previous year 15,00,000) Equity Shares of Rs 10/- each.	150,00,000	150,00,000
Issued, Subscribed and fully paid up :		
14,56,300 (previous year 14,56,300) Equity Shares of Rs 10/- each.	145,63,000	145,63,000
1,200 Equity Shares of Rs10/- each fully called up	12,000.00	12,000.00
Less: Unpaid Allotment Money @ Rs.5/- per share	6,000.00	6,000.00
	<u>145,69,000</u>	<u>145,69,000</u>

Details of shares held by shareholders holding more than 5% of the aggregate shares of the Company

Name of the Shareholder	As at 31-03-2020		As at 31-03-2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
	held		held	
Perito Tessili Designs LLP	1,44,000	10%	1,44,000	10%

The reconciliation of number of shares outstanding is set out below :-

Particulars	As at	As at
	31-03-2020	31-03-2019
	(No. of Shares)	
Equity Shares at the beginning of the year	14,56,300	14,56,300
Changes during the year	-	-
Equity Shares at the end of the year	<u>14,56,300</u>	<u>14,56,300</u>

Right, preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a par value of Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

6. Other Non- Current Liabilities

Other Statutory Liabilities

Payable to Statutory Authority				
Sales Tax VAT (Net of Deposit Rs. 3,20,000/-)	22,55,518		22,55,518	
Other payables	-	22,55,518	-	22,55,518
Total		<u>22,55,518</u>		<u>22,55,518</u>

7. Other Current Liabilities

Other Liabilities

Other payables	64,494	64,494	72,798	72,798
Total		<u>64,494</u>		<u>72,798</u>

For SURAJIT DATTA & ASSOCIATES
Chartered Accountants
Firm Reg. No. - 328815E

Proprietor
Membership No. 061755
Place: Kolkata
Date: 27/08/2020

On behalf of the Board

BHIWANI VANASPATI LIMITED

Goutam Ghosal.

Director

GOUTAM GHOSAL
DIN - 06956982

BHIWANI VANASPATI LIMITED

Balaram Saha.

Director

BALARAM SAHA
DIN- 07599351

Ankita Ghambin.
(Company Secretary)

BHIWANI VANASPATI LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Figures in Rupees)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
8. Other Income		
Interest Income		
On Loan (Gross) (Tax Deducted at Source Rs.32,266/-) (Previous Year Rs. 32,200/-)	3,22,663	3,22,001
On Term Deposit (Tax Deducted at Source Rs.4341/-) (Previous Year Rs.7415/-)	73,232	74,135
On Income Tax Refund	4,172	-
Gain on Redemption of Mutual Fund	1,19,616	-
Liabilities no longer required written back	-	-
Total	5,19,683	3,96,136
9. Other Expenses		
Salary	2,56,452	-
Rent	40,452	40,452
Rates and Taxes	2,150	2,150
Professional Taxes	2,500	2,500
Postage & Telegram	13,696	50,657
Printing & Stationery	29,530	47,089
Professional Fees	81,030	87,890
Advertisement	29,250	34,224
Fees & Subscription	37,900	68,900
Auditor's Remuneration for:		
As Auditor	25,000	17,550
For Other Services	-	-
Miscellaneous Expenses	22,729	27,586
Total	5,40,689	3,78,998

10. Contingent Liabilities

: NIL

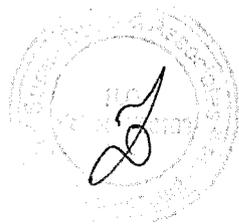
11. Capital and other commitments

: NIL

12. The Company has given loan of Rs 23 Lakhs to another company in lieu of Corporate guarantees given.

13. The Company has provided a liability of Rs 22,55,518/- against sales tax assessment pending before Sale Tax Tribunal; Chandigarh since last 1992-1993.

14. The Company is a single segment Company and moreover there was no business during the year hence "Accounting Standard 17" on Segmental Reporting issued by The Institute of Chartered Accountants of India is not applicable.




15. Financial risk management objectives and policies

The Company's principal financial liabilities comprise of other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal current financial assets include cash in bank and short-term deposits. The Company does not also enters into derivative transactions.

The Company presently is not exposed to any significant market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Presently the Company is not subject to any variable interest rates risk as there is no such interest bearing liabilities.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any exposures in the foreign currencies.

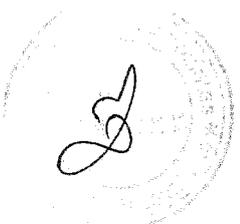
Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk as it is in non-operative.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has not obtained any fund and non-fund based lines from various banks. The company invests its surplus funds in liquid schemes of mutual funds, which carry no/low mark to market risk.

BHIWANI VANASPATI LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Figures in Rupees)

16. Tax expense

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
<i>(i) Income tax expenses recognised in the statement of Profit or Loss are analysed as follows:</i>		
Current taxes	-	4,456
Deferred taxes	(30,142)	7,331
	<u>(30,142)</u>	<u>11,787</u>
<i>(ii) The reconciliation of estimated income taxes to income tax expenses is as follows:</i>		
Income before Income taxes	(21,006)	17,138
Tax at the applicable tax rate of 26% (Previous year 26%)	-	4,456
Tax effect of income that are not deductible in determining taxable profit	-	-
Tax adjustment relating to earlier year	-	-
Tax effect on Investment brought at Fair Value through OCI	(30,142)	7,331
	<u>(30,142)</u>	<u>11,787</u>
<i>(iii) The reconciliation of applicable tax rate & effective tax rate:</i>		
Applicable tax rate	26.00%	26.00%
Tax effect of income that are not deductible in determining taxable profit	0.00%	0.00%
Tax adjustment relating to earlier year	0.00%	0.00%
Investment brought at Fair Value through OCI	143.49%	42.78%
Effective tax rate	<u>143.49%</u>	<u>68.78%</u>

19. Deferred Tax Balances

(a) The following is the analysis of deferred tax assets/ (liabilities) presented in the balance sheet:

Deferred tax assets	-	-
Deferred tax liabilities	-	30,142
	<u>-</u>	<u>30,142</u>

Opening Balance	Recognised in profit or loss	Closing Balance
30,142	(30,142)	-

2019-20

Deferred tax liabilities/ (assets) in relation to:
Investment brought at Fair Value through OCI

2018-19

Deferred tax liabilities/ (assets) in relation to:
Investment brought at Fair Value through OCI

22,811	7,331	30,142
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