



Corporate Office : 8377, Roshanara Road, Delhi - 110007  
Tel. : 23826445 Fax : 91-11-23822409

10<sup>th</sup> February, 2020

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, <b><u>Mumbai – 400 001</u></b> Scrip Code: 519588	National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), <b><u>Mumbai – 400 051</u></b> Scrip Code: DFMFOODS
--	---

Dear Sirs,

**Sub: Outcome of Board Meeting**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors ("Board") of the Company at their meeting held today i.e. on 10<sup>th</sup> February, 2020 (commenced at 2:45 P.M. and concluded at 6:45 P.M.) have inter alia approved and taken on record of the following:

1. Unaudited Financial Results for the quarter and nine months ended 31<sup>st</sup> December, 2019.
2. Limited Review Report of Auditor

A copy of the said Unaudited Financial Results along with Limited Review Report of our Auditors M/s. Deloitte Haskins & Sells, Chartered Accountants are enclosed herewith.

Further, the above Unaudited Financial Results is being published in all editions of "Financial Express" (English) and "Jansatta" (Hindi) newspapers.

Further, the Board has approved the applicable revised policies as under:

- Code of Conduct
- Code- to-Regulate-Monitor-and-Report-trading-by-Designated-Persons
- Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-Unpublished-Price-Sensitive-Information
- CSR Policy
- Dividend Distribution Policy
- Materiality Policy
- Nomination-and-Remuneration-Policy
- Policy-on-Related Party transaction and materiality of Related Party transactions
- POSH
- Preservation-of-Documents-and-Archival-Policy
- Risk-Management-Policy
- Stakeholders-Relationship-and-Share-Transfer-Policy
- Vigil-Mechanism-and-Whistleblower-Policy DFM



The copy of the aforesaid policies are available under the Investor Section (Corporate Governance) on the website of the Company viz. [www.dfmfoods.com](http://www.dfmfoods.com).

Further, the Board has received a request from the outgoing promoters (The Delhi Flour Mills Co. Ltd, Mr. Mohit Jain, Mrs. Surekha Jain, Mr. Rohan Jain and Mr. Rashad Jain) who were holding 38.27% of total paid up equity share capital for reclassifying/declassifying their shareholdings in the Company and exclude their name from the "Promoter Group" category in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations") as amended and any rules, regulations and guidelines applicable in this regard.

The letter is being reviewed by the Board. Upon determining the eligibility of the request, the Board will decide appropriately based on the merits of the request and determine the appropriate next steps in accordance with the Listing Regulations. The Company shall inform the stock exchanges on the decision made by the Board, in this regard.

You are requested to kindly take the above information on your record.

Thanking you.

Yours faithfully,

For DFM Foods Limited

(R.S. Tomer)

Company Secretary



Encl: As above





CIN: L15311DL1993PLC052624

Registered Office : 8377, Roshanara Road, Delhi-110007

Tel.: 011-23826445 Fax: 011-23822409 Email: dfm@dfmfoods.com Website: www.dfmfoods.com

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR  
THE QUARTER AND NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER, 2019**

(Rs. in Lakhs)

Quarter ended (Unaudited)			Particulars	Nine months ended (Unaudited)		Year ended 31 <sup>st</sup> March, 2019 (Audited)
31 <sup>st</sup> Dec. 2019	30 <sup>th</sup> Sept. 2019	31 <sup>st</sup> Dec. 2018		31 <sup>st</sup> Dec. 2019	31 <sup>st</sup> Dec. 2018	
13460	13586	13484	<b>I Revenue from operations</b>	39818	35187	48362
243	169	162	<b>II Other Income</b>	503	330	510
13703	13755	13646	<b>III Total Income (I+II)</b>	40321	35517	48872
			<b>IV Expenses</b>			
8013	8056	7919	a) Cost of materials consumed	23501	20641	28383
62	(133)	(31)	b) Changes in inventories of finished goods	11	24	10
1603	1386	1209	c) Employee benefits expense (Refer note 5)	4284	3380	4597
257	246	260	d) Finance Costs	741	828	1063
301	284	276	e) Depreciation and amortisation expense	860	783	1050
3053	2650	2482	f) Other expenses (Refer note 4 & 6)	8062	6490	8880
13289	12489	12115	<b>Total expenses</b>	37459	32146	43983
414	1266	1531	<b>V Profit before exceptional item and tax (III- IV)</b>	2862	3371	4889
-	-	152	<b>VI Exceptional item</b>	-	152	152
414	1266	1379	<b>VII Profit before tax (V- VI)</b>	2862	3219	4737
			<b>VIII Tax expense/(credit):</b>			
60	415	303	a) Current tax	735	707	1020
29	(626)	3	b) Deferred tax (Refer note 7)	(438)	233	441
89	(211)	306	<b>Total tax expense/(credit)</b>	297	940	1461
325	1477	1073	<b>IX Net Profit for the period (VII-VIII)</b>	2565	2279	3276
			<b>X Other Comprehensive Income/(expenses)</b>			
(230)	(3)	-	(i) Items that will not reclassified to profit or loss (Refer note 8)	(235)	(14)	(9)
58	-	-	(ii) Income tax relating to items that will not be reclassified to profit or loss	59	5	3
153	1474	1073	<b>XI Total Comprehensive Income (after tax)</b>	2389	2270	3270
1002	1002	1002	<b>XII Paid-up equity share capital (Face value - Rs. 2/- each)</b>	1002	1002	1002
-	-	-	<b>XIII Other Equity</b>	-	-	11923
			<b>XIV Earnings Per Equity Share (of Rs. 2/- each)</b>			
0.64	2.95	2.14	a) Basic EPS	5.12	4.55	6.54
0.64	2.94	2.13	b) Diluted EPS	5.10	4.53	6.52

**Notes:**

- These above unaudited financial results for the quarter and nine months ended 31st December, 2019 were reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors at their meeting held on 10th February, 2020. The Statutory Auditors of the Company have carried out a Limited review of the aforesaid financial results.
- These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- On September 9, 2019, the promoters of the Company entered into Share Purchase Agreement ("SPA") with AI Global Investments (Cyprus) PCC Limited ("the Purchaser") to sell its shareholding subject to completion of the open offer made under the SEBI (Substantial Acquisition of shares and Takeovers Regulations, 2011) and conditions precedent to SPA. Pursuant to said SPA, the shareholding has been transferred and now the Purchaser holds 73.94% of the equity shareholding of the Company. Effective 14th January, 2020, the Board of Directors has been re-constituted.
- In respect of certain support functions like Finance, Human Resources and IT. The Company has been sharing senior resources with the erstwhile Group Company. With the movement of these resources to the erstwhile Group Company. The Company has decided to build its own team and also to create certain new functions. A sum of Rs. 120 lakhs was incurred during this quarter towards the recruitment expenses of certain senior management personnel. This expense is included under "Other expenses".
- The Company has provided for retirement and other benefits to certain employees during this quarter. A provision of Rs. 179 lakhs has been made in this regard and is included under Employee Benefit expenses.
- As part of the Company's support to Government's efforts towards Plastic Waste Management, the Company incurred additional cost of Rs. 143 lakhs this quarter. This expense is included under "Other expenses".
- As reported in the previous quarter, the Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (amendment) Ordinance, 2019 and recognised the tax provision for the quarter and nine months ended December 31, 2019 basis the rates prescribed in that section. The full impact of this change has been recognised in the Statement of Profit and Loss during the quarter ended September 30, 2019. Tax expense for the quarter ended September 30, 2019 and nine months ended December 31, 2019 is based on an effective revised tax rate which include one-time net credit of Rs 388 lakhs on account of re-measurement of deferred tax liability/MAT asset related to previous year.
- The Company incurred actuarial loss of Rs. 227 lakhs being its share of the diminution in the value of investments held by Group PF Trust to which Company has been contributing. Since November 1, 2019, the Company has enrolled itself under RPFC (Regional Provident Fund Commissioner) and would no longer be making contributions to the Group PF Trust.
- During the current quarter, the Company has commissioned additional line having a capacity of 5000 MT per annum in Greater Noida. With this expansion, the total capacity of the Company stands at 48400 MT per annum.
- Based on the guiding principles given in Ind AS 108 on "Operating segments" the Company's business activity falls within a single operating segment, namely Snack Foods. (Accordingly, the disclosure requirements of Ind AS 108 are not applicable)

**FOR AND ON BEHALF OF THE BOARD**

**LAGAN SHASTRI  
MANAGING DIRECTOR & CEO**

Place : Delhi  
Dated : 10/02/2020





**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF DFM FOODS LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **DFM FOODS LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For DELOITTE HASKINS & SELLS**  
**Chartered Accountants**  
(Firm's Registration No. 015125N)



**Vijay Agarwal**  
(Partner)

(Membership No. 094468)  
(UDIN: 20094468AAAABC6880)



Place: New Delhi

Date: February 10, 2020



# THE DELHI FLOUR MILLS COMPANY LTD.

Registered Office : 8381, ROSHANARA ROAD, DELHI-110007  
CIN : U74899DL1916PLC000035

Ref. No. DFM/

Dated 10/2/2020

Date:

To,  
The Board of Directors  
DFM Foods Limited  
8377, Roshanara Road,  
Delhi – 110007, India

Sub: **Re-classification of (i) The Delhi Flour Mills Company Limited; (ii) Mr. Mohit Jain; (iii) Mrs. Surekha Jain; (iv) Mr. Rohan Jain; and (v) Mr. Rashad Jain ("collectively referred to as the "DFM Group") as a promoter of DFM Foods Limited ("Company").**

Dear Sir/ Ma'am,

1. This is with reference to reclassification of the DFM Group as a promoter of the Company.
2. Rationale for seeking reclassification: With effect from January 15, 2020, DFM Group has ceased to hold any shares in the Company. Accordingly, DFM Group seeks to reclassify itself as a promoter of the Company.
3. In this regards, in accordance with Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**"), it is hereby clarified as under:
  - (i) DFM Group and persons related to the DFM Group, as stated above, has ceased to hold any shares or voting rights in the Company;
  - (ii) DFM Group and persons related to the DFM Group do not, directly or indirectly, exercise control over the affairs of the Company;
  - (iii) DFM Group and persons related to the DFM Group do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements.
  - (iv) DFM Group and persons related to the DFM Group are not represented on the board of directors (including by a nominee director) of the Company;



- (v) Neither of DFM Group, its representatives and persons related to the DFM Group act as a key managerial personnel in the Company;
  - (vi) DFM Group and persons related to the DFM Group are not a willful defaulter as per the Reserve Bank of India Guidelines;
  - (vii) DFM Group and persons related to the DFM Group are not a fugitive economic offender; and
  - (viii) All applicable requirements of Regulations 31A(3) and 31A(4) of the LODR Regulations will continue to be adhered to by us pursuant to such reclassification of the DFM Group as a promoter of the Company.
4. We request you to treat the subject matter of this letter as urgent and take appropriate actions under law including filing application for reclassification of the DFM Group with BSE Limited and National Stock Exchange of India Limited, as may be required.
5. For any further clarifications, you may please contact at the following details:

Attention: Mr. Mohit Jain on behalf of the DFM Group  
Address: 61-B, Friends Colony East, New Delhi - 110065  
e-mail: [mohit.jain@dfmgroup.in](mailto:mohit.jain@dfmgroup.in)

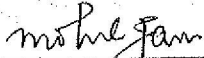
with a copy to:

Attention: Mr. Rohan Jain  
Address: 61-B, Friends Colony East, New Delhi - 110065  
e-mail: [rohan.jain@dfmgroup.in](mailto:rohan.jain@dfmgroup.in)

Yours truly,

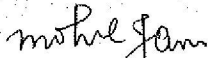
*[Signature page follows]*

**For and on behalf of The Delhi Flour Mills Company Limited:**



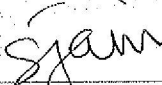
By: Mr. Mohit Jain  
Title: Managing Director

**Signed and delivered by:**



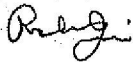
Mr. Mohit Jain

**Signed and delivered by:**




Mrs. Surekha Jain

**Signed and delivered by:**



Mr. Rohan Jain

**Signed and delivered by:**



Mr. Rashad Jain