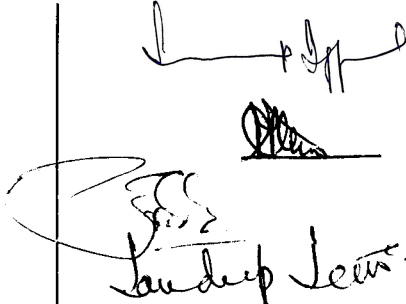
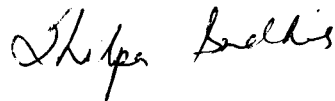


FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	Bhartiya International Limited
2.	Annual financial statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by- <ul style="list-style-type: none">➤ CEO/Managing Director➤ CFO➤ Auditor of the Company➤ Audit Committee Chairman	 The right-hand cell of row 5 contains several handwritten signatures. At the top is a signature that appears to be 'S. K. Singh'. Below it is another signature, possibly 'R. K. Singh'. The most prominent signature is 'Sandeep Jain' written in a large, cursive script.

CERTIFIED TRUE COPY
For BHARTIYA INTERNATIONAL LIMITED



COMPANY SECRETARY

BHARTIYA

ANNUAL REPORT 2014 - 2015

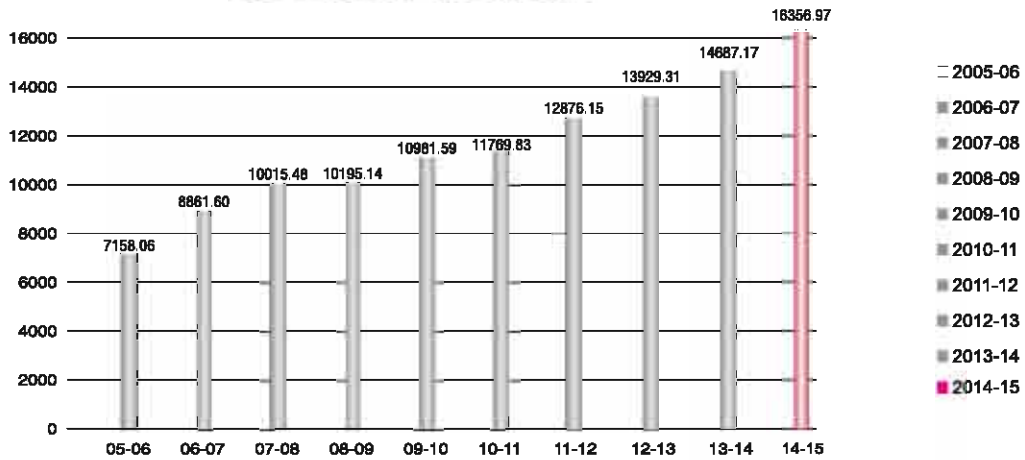
" ... we are still guided by the principle that superior design and product is the key to our value and success. We are focused on delivering compelling, innovative product, whether exclusive Bhartiya designs, or styles developed in collaboration with our customers' design teams."

Contents

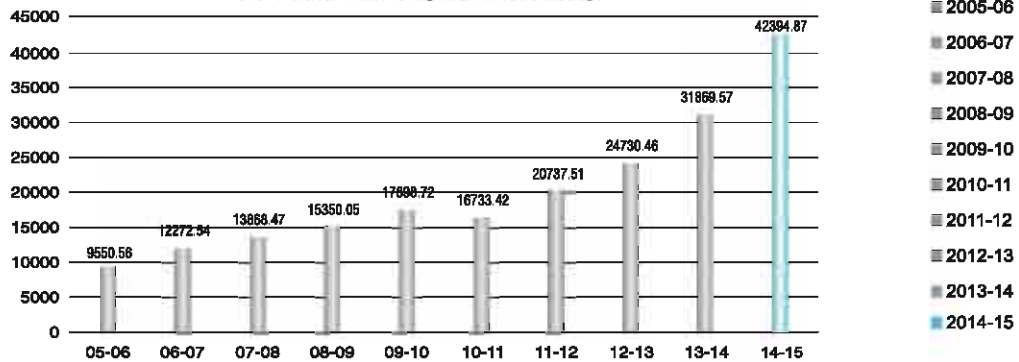
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PERFORMANCE HIGHLIGHTS

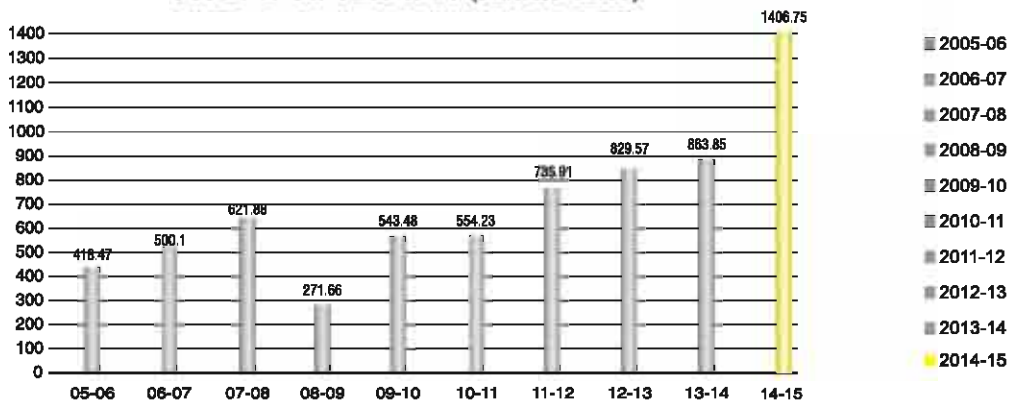
NET WORTH (Rs. in Lacs)



TURNOVER (Rs. in Lacs)



PROFIT AFTER TAX (Rs. in Lacs)



BOARD OF DIRECTORS

DIRECTORS

Snehdeep Aggarwal	Managing Director
Jaspal Sethi	Whole-Time Director
A.K. Gadhok	Whole-Time Director
Ramesh Bhatia	Director
Nikhil Aggarwal	Director
Shashank	Independent Director
A. Sahasranaman	Independent Director
C.L. Handa	Independent Director
Sandeep Seth	Independent Director
Annapurna Dixit	Additional Director (w.e.f 18th Sept., 2014)
V.K. Chopra	Director (Resigned w.e.f. 19th June, 2014)
Manoj Khattar	Chief Financial Officer
Shilpa Budhia	Company Secretary

AUDITORS

Sushil Poddar & Co., New Delhi

BANKERS

State Bank of India
Corporation Bank
IDBI Bank
HDFC Bank
Indusind Bank
CTBC Bank
Kotak Mahindra Bank
Citi Bank N.A
Axis Bank
Allahabad Bank

DELHI

Bhartiya International Ltd.
E-52, New Manglauri, Mandi Road (Mohrauli)
New Delhi – 110 030 (India)

HONGKONG

World Fashion Trade Ltd.
Suite 605, 6th Floor,
China Insurance Group Building,
141 Des Voeux Road, Central, Hong Kong

CHENNAI

Bhartiya International Ltd.
342, Nallambakkam Village, Via – Vandalur
Chennai-600048 (India)

ITALY

Ultima Italia Srl
Via Del Tiglio, 4, 26010 Casaleto Vaprio (Cr)
Italy

SWITZERLAND

Ultima SA
Avenue J.J. Rousseau 7
CH – 2001 Neuchatel, Switzerland

BANGALORE

Bhartiya International Ltd.
27/2, Gottigere, Bannerghatta Road
Bangalore – 560 083 (India)

CHINA

World Fashion Trade Ltd.
Room 407, Tower 8, United Plaza,
No. 58 Qianjiang Road, Hangzhou,
China - Post Code: 310008

GURGAON

Bhartiya International Ltd.
Plot No. 38, Sector – 44
Gurgaon – 122 002 (Haryana - India)

U.S.A.

BIL Group LLC
146, West 29th Street, Suite # 11E,
New York, N.Y. 10001, USA

HONGKONG

Design Industry Ltd.
Room 1104, Crawford House,
70 Queen's Road Central, Central, Hong Kong



FROM THE CHAIRMAN

Over the past years, Bhartiya International has grown from a small garment manufacturer to a global lifestyle company comprising of four operating businesses that produce leather garments, textile outerwear, leather accessories and textile products. We are proud to supply the world's best-known retailers and brands.

While much has changed since I founded Bhartiya, we are still guided by the principle that superior design and product is the key to our value and success. We are focused on delivering compelling, innovative product, whether exclusive Bhartiya designs, or styles developed in collaboration with our customers' design teams.

Each of our business groups is passionate about their customers and the products we produced for them. We know that through a relentless pursuit of better design and products, we will achieve sustainable growth and profitability for our shareholders.

As I reflect on 2014 - 2015, I am proud of the record financial performance achieved by our team. The company has delivered record revenue of Rs.558 crores showing a growth of 35% versus the prior year. But more importantly, I am excited about the future prospects of the global opportunities for each of our businesses.

Since inception, the Company has been profitable every year. And this year we produced our largest revenue and profit ever. As Chairman, this is especially meaningful as we work to support our loyal shareholders. While we have a solid record focused on growth and profitability, our management team is energized by the belief and conviction that the best years for Bhartiya International are ahead for us.

With the Bhartiya books now closed on another strong performance year, we now turn our focus to 2015-2016. The new year brings significant opportunities for the Company, and our team is motivated to continue along our growth path, building larger businesses with existing brands and retailers, and adding new customers to our portfolio. Senior management recently completed the 2015-2016 strategic planning retreat, and we are underway to plan the business road map and course that I expect will generate significant revenue and profit growth over the years to come.

One of the cornerstones of my success since inception has been our team. We invest in our people to ensure they have the tools and resources required to achieve their personal goals, contribute jointly to Bhartiya's overall success, and ultimately, add to shareholder value. In 2015, we both added key, new talent to the organization, and also launched the "budding leaders program" to better position us for accelerated and sustainable growth. Today we have the strongest, deepest "bench-strength" of talent in the Company's history.

In closing I would like to thank our dedicated and talented team, Bhartiya's many suppliers and partners, and our customers around the world for their collective energy, enthusiasm, hard work and support.

On behalf of our entire Bhartiya International team, we thank you – our shareholders for your trust and support.

Snehdeep Aggarwal

MANAGEMENT DISCUSSION & ANALYSIS

LEATHER APPAREL

The Leather Apparel group continues to generate significant revenue growth for the Company. We are leveraging design, garment making and business development capabilities to drive the business. Our broadened customer base and geographic reach including increased USA penetration are also contributing to the results.

As India's largest leather garment manufacturer, we are producing for brands like All Saints, Whistles, Coach, Timberland, Polo Ralph Lauren, Calvin Klein, G Star Raw, Levi's and others. We work closely with our customers to design, develop and produce new, compelling products that continue to excite their consumers. Strong working relationships with our customers are also part of Bhartiya's formula for success.

Important to our long-term strategy, we are leveraging the benefits of vertical integration and horizontal production expansion to position the Company for sustained financial improvements. In early 2015 we inaugurated a new state-of-the-art garment factory in Bangalore, which will operate with greater efficiencies and lower unit cost. Our tannery operations have expanded product development capabilities to produce new, innovative leathers, finishes, and treatments to support new garment design and development.

The Company has successfully combined garment making experience, supported by superior design and leather development, to create a unique competitive position. As global markets recover, and with our focus on geographic reach and customer development, the Leather Apparel group will continue to produce positive, sustained operational and financial results.

ACCESSORIES

The Company's Accessories group, based in Chennai, India has generated dramatic growth over the past several years, and significant improvement is projected this year. The Chennai team is utilizing strengthened internal design talent, expanded leather development capabilities, and an existing portfolio of Bhartiya customer relationships to drive its business. The strategic focus is to build a stronger base of core customers, and to provide better-best products to support their requirements.



The Accessories group is producing bags, accessories, and small leather goods including belts for well-known international customers including Polo Ralph Lauren, Boden, Whistles, Esprit, Coach, Tommy Hilfiger, G Star Raw, and others. We are concentrating on superior product design and the utilization of better materials and hardware to produce beautiful leather products.

Accessories growth is driven by a focus on its core businesses, combined with flawless execution. Strengthened key customer relationships, supported by superior product and on-time delivery, are creating these improved results. Having produced Coach's signature Snoopy leather dog to launch their 2015 collections, the Chennai team is now at work creating the next, new 2016 Coach introduction. We are also at the threshold to adding several major retailers to our client list, which will significantly improve Chennai's financial performance.

The Company is encouraged by the growth of the Accessories group. We are currently planning to expand accessories production capacity within the Company's owned Special Economic Zone (SEZ) in Tada, India. Growth rates with core customers demonstrate a sustainable and profitable business ahead for us.

TEXTILE APPAREL

The Company's product-sourcing Textile group services global brands and retailers in Europe, South America and North America, supporting their India and Bangladesh product needs. We design, develop, and source textile clothing for companies who may not operate sourcing offices in India. We provide sophisticated one-stop shop solutions to meet our customers' specific textile clothing needs. We call it 'virtual manufacturing.'

The Company provides customer targeted products supported by in-house design, competitive pricing, product quality, and reliable logistics. We have expanded the breadth of our product range. We have also broadened the geographic reach of our customer base beyond Europe to include South America and the US. Our customer portfolio includes Okiadi, Cato, Tao, Sears, Joe Fresh, Combipel and others.

The Textile team is comprised of a talented and experienced team of sourcing professionals. The group's merchandising approach and aim is





to provide high value apparel, produced and supplied through a reliable supply chain to support the customer's needs. We have expanded our Textile internal management team, and broadened sales coverage to support anticipated, planned growth.

OUTERWEAR

The Company has recently launched the Bangalore, India based textile Outerwear group. It will focus on better product driven by design and technical materials. We have recruited talented industry veterans to manage, oversee and build the business. We have also expanded our planning, production and marketing base and capabilities in India to support this business. Management is enthusiastic about our prospects, and expects the Outerwear group will generate revenues equivalent to our garment leather within the next 4-5 years. We will focus outerwear product development and marketing efforts on better US and European brands and retailers.

INTERNATIONAL

The Company is expanding the International business, headquartered in Neuchâtel, Switzerland. The Company's fur operations will continue forward as we 'harvest' this long-standing business. The sales expansion of our China produced PU entry-priced outerwear will be significant, and is supported by the Milan design studio, with the products produced and outsourced through independent, contracted factories in China.

Bhartiya's Hangzhou, China sourcing office oversees China sampling, commercialization and production. We are expanding our International group's management and sales team as we position this business for future, continued growth. We expect sustainable revenue and margin growth from the International business.

The preponderance of the International group's China outerwear production is lower priced garments, made primarily in PU or pigskin materials. This allows our retailer and branded customers to merchandise entry retail price- point garments made in these materials. Top customers include VF Corporation, Zara, Mango, River Island, Gas and others.

OVERVIEW

Since our founding in 1987, Bhartiya International has evolved and been supported by our overseas offices grown into a diverse global apparel company. With strong Indian roots, and a proud entrepreneurial heritage and spirit, the Company is poised for sustained future growth in all business groups.

The Company is vertically aligned from design to manufacturing, with a strong and experienced logistics and back office support structure. The Company is positioned for immediate revenue and operating margin improvement in each division: Leather Apparel, Accessories, Textile, Outerwear and International. We expect upcoming fiscal year results to be the best in the Company's history. As global brands and retailers look to India for sourcing options after China, Bhartiya International is positioned to support their apparel product needs and requirements.





OUR COMPANY

HUMAN RESOURCES

Bhartiya's belief in nurturing talent has engrossed in the DNA of the organization so much so that; most of the key initiative taken by us in the last year has revolved around talent and their development. Last year saw the advent of many policies which have a direct impact on the functioning of an organization and that of an individual like Code of Conduct and Prevention of Sexual Harassment policy.

Bhartiya has maintained their philosophy of continuous improvement in acquiring talent, retaining talent and providing a job enriching experience to each individual. Our belief in nurturing fresh talent led us to conceptualize a program to groom the youngsters of today into the leaders of tomorrow. We named this program as the "Budding Leaders". These Budding Leaders brings the fresh thought process and gives a new perspective to look at things at the strategic and operational levels which increases the competitiveness amongst people.

With the expansion in business, we worked out various strategies to acquire the best class of talent, which will help us in building the organization of future.

INTERNAL CONTROL SYSTEM

The Company has robust system of internal control to provide the reasonable assurance that all information used within the business and for external reporting is adequate. The Company has in house internal audit function manned by experienced Chartered Accountant reporting into Audit Committee. Risk based internal audits as per audit charter approved by audit committee have been conducted during the year with an objective to ensure the:

- accuracy of financial reporting,
- operating effectiveness,
- safeguarding of Company's assets,
- compliance to the applicable statutes and company policies and procedures

The audit report has been submitted to Audit Committee for consideration. Further, to ensure the completeness the Risk and Control Matrix is maintained for the process audited. With the endeavor to strengthen the internal control mechanism and accuracy of reporting, Company is in the process of implementing an ERP specific to the fashion industry.

RISK MANAGEMENT

The Company has formed Risk Management Committee which identifies, assesses and manages risk at Strategic, Operational and Compliance levels, across business units, functions and geographies. The board of directors are informed about the risks or opportunities that could have an adverse impact on the Company's operations or to that could be exploited to maximize the gains. The processes and procedures are in place to act in a time bound manner to manage the risks or opportunities. The risk management process is reviewed and evaluated by the board of directors. Bhartiya International's exposure to foreign currency risk is restricted to its imports and exports. These risks are minimized through well-thought-out financial operations, astute treasury management and effective use of hedge options.

CAUTIONARY STATEMENT

All the statements and assertions in this report regarding the projections, estimates and outlook are subject to current market situations and expected effects of future events on current and developing circumstances. Results may vary due to a number of factors, which could effect the Company's business operations, such as demand and supply conditions, price inputs, change in government levies and regulations, industrial relations and other economic variables in the country. Bhartiya International cannot be held responsible in any way for such statements and it undertakes no obligations to publicly update these to reflect subsequent events or circumstances.

Bhartiya City

125 Acres Bhartiya City, being developed by the Group in Bengaluru, has achieved successful progress. 2400 Nikoo Homes were sold in Phase 1 in record time. The next edition of Nikoo Homes is also scheduled for launch in the third quarter of this year. More than half of the 170 Leela branded residences have already been sold. This is part of the Hotel and Conference Centre Project, which will also comprise a 260 rooms luxury Leela Hotel and the largest Conference Centre of its kind in Bengaluru. First building in the 3.7 mio IT Park is completed and is currently under leasing.



In addition to the site infrastructure, the 7 Acre Central Park construction has just been completed, and the Centre for Performing Arts within the Central Park is under construction.

Once fully implemented, this City of Joy will comprise of around 6000 residences, 4-5 Hotels, a 3.7 mio IT Park, a shopping district that will also boast of a high street, Ramblas and cinemas, a financial and commercial district, a world class hospital and international school , all well interlaced with meticulously designed and built public realm.



DIRECTORS' REPORT

Your Directors have pleasure in presenting the 28th Annual Report and the Audited Financial Statements of the Company for the financial year ended 31st March, 2015.

FINANCIAL RESULTS

The financial results of the Company for the financial year ended 31st March, 2015 are as follows:

		(Rs. in Lacs)	
Sl.No.	Particulars	2014-2015	2013-2014
1.	Net Sales /Income from Operations	42394.78	31869.57
2.	Other Income	265.09	225.17
3.	Total Expenditure	40528.64	30698.24
4.	Interest	1385.48	1004.92
5.	Gross Profit after Interest but before Depreciation & Tax Items	2517.49	1649.89
6.	Depreciation	386.25	253.40
7.	Profit before Tax	2131.24	1396.50
8.	Tax Expense	724.48	456.34
9.	Net Profit after Tax	1406.76	863.85
10.	Paid up Equity Share Capital	1121.38	1106.38
11.	Reserves (Excluding Revaluation Reserves)	14935.59	13559.04
12.	Earning Per Share (Basic) Rs.	12.61	7.81
13.	Earning Per Share (Diluted) Rs.	12.39	7.77
14.	Dividend	10%	10%

PERFORMANCE REVIEW

During the year under review Company achieved a turnover of Rs. 42394.78 Lacs as against Rs. 31869.57 Lacs in the previous year showing an increase of 33.03%. The Net Profit after tax also increased to Rs. 1406.76 as compared to Rs. 863.85 Lacs in the previous year showing an increase of 62.85%.

DIVIDEND

Your Directors have recommended a Dividend of Re.1.00/- per paid-up equity share of Rs. 10/- each (i.e. @ 10%) for the Financial Year ended 31st March, 2015. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

RESERVES

During the period under review an amount of rupees two crores has been transferred to Reserves of the Company.

SHARE CAPITAL

During the year under review, the following changes had taken place in the Paid-up Share Capital of the Company:

Dates	Description	No. of shares	Total value of shares
April 1, 2014	Share Capital at the beginning of the year	11063848	110638480
May 6, 2014	Add: Shares issued pursuant to conversion of Warrants upon rights exercised by warrant holders	90000	900000
May 27, 2014	Add: Equity Shares allotted pursuant to conversion of Warrants upon rights exercised by warrant holders	10000	100000
March 27, 2015	Add: Equity Shares allotted pursuant to Employee Stock Option Plan 2013 upon exercise of right attached to stock options	50000	500000
March 31, 2015	Share Capital at the end of the year	11213848	112138480

In addition to above, the Company had allotted 5,00,000 warrants to Promoter Group on June 18, 2014 with right to subscribe to equal number of Equity shares upon conversion.

EMPLOYEES STOCK OPTION PLAN

The Nomination and Remuneration Committee (erstwhile Remuneration and Compensation Committee) of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Scheme of the Company in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('the SEBI Guidelines').

The issuance of equity shares pursuant to exercise of options does not affect the Statement of Profit and Loss of the Company, as the exercise is made at the market price prevailing as on the date of the grant plus taxes as applicable.

The Company has received a certificate from the Auditors of the Company that the Scheme has been implemented in accordance with the SEBI Guidelines and the resolution passed by the shareholders. The certificate would be placed at the Annual General Meeting for inspection by members.

Disclosures as required under clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (the 'SEBI Guidelines') as at 31st March, 2015, are set out in Annexure A to this Report.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the requirements of the Clause-32 of the Listing agreement with the Stock Exchanges and AS-21, AS-23 and AS-27 presented by ICAI, the Consolidated Financial Statements of the Company and its subsidiaries are annexed and forms part of this Annual Report.

DETAILS AND PERFORMANCE OF SUBSIDIARY COMPANIES AND ASSOCIATE COMPANIES**Bhartiya Global Marketing Ltd.**

It is a global marketing company engaged in export of textile and leather garments. The total revenues of the Company was Rs. 84,27,272/- and the net loss was Rs. 24,74,758/- during the financial year 2014-15.

J&J Leather Enterprises Ltd.

This company is a tannery to support our leather garments and accessories business through conversion of wet blue leather into finished leather. The total revenues of the Company was Rs. 10,79,58,663/- and the net profit after tax was Rs. 34,458/- during the financial year 2014-15.

Bhartiya International SEZ Ltd.

To develop sector specific Special Economic Zone (SEZ) of Leather & Leather Products(It is a joint venture between Bhartiya International Ltd. and Andhra Pradesh Industrial Infrastructure Corporation). The total revenues of the Company was Rs. 3,31,57,388/- and the net profit after tax was Rs. 1,28,96,820/- during the financial year 2014-15.

Bhartiya Fashion Retail Ltd.

The Company had registered a loss of Rs. 25,486/- for the financial year 2014-15.

Ultima S.A. Switzerland

The Company is engaged in marketing and selling of outwears including leather garments and accessories in Europe. The total revenues of the Company was CHF 1,66,71,012 and the net profit was CHF 7,45,258 during the financial year 2014-15.

World Fashion Trade Ltd., Mauritius

This Company is engaged in sourcing of outerwear (including leather, PU Garments, Fashion Accessories) and textile product from China, India and Bangladesh for marketing and selling in European and US markets. The Total revenue of the Company was HK\$ 4,54,49,136 and the net profit was HK\$ 5,15,851 for calander year 2014.

Ultima Italia SRL, Italy

The Company markets all fashion products including Fur and Leather garments in Italian market through its design and development centre in Italy. The total revenue of the Company was Euro 21,11,443 and the net profit for the financial year 2014-15 was Euro 11,329.

BIL Group LLC, USA

This Company operates as a wholesale importer and distributor of leather & textile outwears in US market. The net losses was HK\$ 3,257 for the calander year 2014.

New Subsidiary/Associate Company

During the year under review, your company had acquired one company named Design Industry Limited, Hong Kong through its wholly owned subsidiary Ultima S.A.

Design Industry Ltd.

This Company is engaged in sourcing of outerwear (including leather, PU Garments, fashion accessories) and textile product from China and India for marketing and selling in Europe. The total revenue of the Company was HK\$ 2,18,02,838 and the net profit was HK\$ 4,14,059.

Further the statement containing the salient feature of the financial statement of a Company's subsidiaries and Associate companies as required under first proviso to Sub section (3) of Section 129 of the Companies Act, 2013 is annexed to the annual report at the end.

CORPORATE GOVERNANCE

As required by Clause-49 of Listing Agreement a Report on Corporate Governance along with a Certificate of Corporate Governance from the Auditors is annexed to this Report.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report forms part of this Annual Report.

LISTING AGREEMENT

The Company's securities are listed at the following Stock Exchanges in India: -

1. BSE Ltd.
2. The National Stock Exchange of India Ltd.

The Annual Listing fee for the Financial Year 2015-2016 has already been paid to both the above Stock Exchanges.

CASH FLOW STATEMENT

As required by Clause-32 of the Listing Agreement a Cash Flow Statement is annexed and forms part of this Annual Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, forms an integral part of this Report. The same is provided herewith as Annexure B.

DIRECTORS

The Board of Directors had on the recommendation of Nomination and Remuneration Committee appointed Mrs. Annapurna Dixit as Additional Non-Executive Director on September 18, 2014. It is proposed to appoint Mrs. Annapurna Dixit as Independent Director in terms of Section 149 and other applicable provisions of the Companies Act, 2013, for a period until the conclusion of the 31st Annual General Meeting of the Company to be held in the calander year 2018.

Due notice under Section 160 of the Act has been received from Member of the Company proposing the appointment of Mrs. Annapurna Dixit as an Independent Director of the Company at this Annual General Meeting.

The Company has received declaration from Mrs. Annapurna Dixit confirming that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Company has further received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Ms. Jaspal Sethi, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

During the year under review, Mr. V. K. Chopra resigned as a Director of the Company with effect from June 19, 2014, since the revised Clause 49 of the Listing Agreement places restrictions on the directorships that an individual can serve as Independent Director in Listed Companies. The Board has placed on record its appreciation for the services rendered by Mr. V. K. Chopra during his tenure as a Director.

The details of Directors being recommended for appointment/re-appointment as required in clause 49 of the Listing Agreement are contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company.

Appropriate Resolution(s) seeking your approval to the appointment/re-appointment of Directors are also included in the Notice.

KEY MANAGERIAL PERSONNEL

During the year under review, the Company has appointed following persons as Key Managerial Personnel:

Sl.No.	Name of the person	Designation
1	Mr. Snehdeep Aggarwal	Managing Director
2	Mr. Manoj Khattar	Chief Financial Officer
3	Ms. Shilpa Budhia	Company Secretary

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a structured questionnaire was prepared in the terms of the Board Evaluation Policy. The questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Managing Director and Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2014-15, six Board Meetings of the Company were held. The details of the Meetings of the Board held during the Financial Year 2014-15 forms part of the Corporate Governance report.

COMMITTEES

The details of the composition of Committees, terms of reference and numbers of Meetings held during the financial year 2014-15 is provided in the Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company (www.bhartiyafashion.com).

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down the criteria for selection and appointment of Board members. The details of this policy are explained in the Corporate Governance Report.

RELATED PARTY TRANSACTIONS

All transactions entered with related parties for the year under review were on arm's length basis and in ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in the form AOC-2 is not required. Further, there are no material related party transactions during the year under review with Promoters, Directors or Key Managerial Personnel.

A statement giving details of all the related party transactions are placed before the Audit Committee and Board for review and approval on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web link of the same is www.bhartiyafashion.com.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2015 and of the profit of the company for the year ended on that date;
- (c) that 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) that the annual accounts have been prepared on a going concern basis;
- (e) that the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDIT

M/s. Sushil Poddar & Co., Chartered Accountants, (Firm registration No: 014969N) who are the Statutory Auditors of the Company hold office up to the 30th Annual General Meeting. Your directors have recommended their ratification in the ensuing Annual General Meeting.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

COST AUDIT

For the financial year ended 31st March, 2015 the Company will file the Compliance Report within the due period.

As per the Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable for the Company for the financial year 2015-16.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company had appointed Mr. Ravichandran K., Practicing Company Secretary (CP No. 3207) to undertake the Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit Report is included as Annexure C and forms an integral part of this report.

There is no secretarial audit qualification for the year under review.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has robust system of internal control to provide the reasonable assurance that all information used within the business and for external reporting is adequate.

The Company has in house internal audit function manned by experienced Chartered Accountant reporting into Audit Committee. Pursuant to the provisions of Section 138 of the Companies Act, 2013 the internal audit function is entrusted to our in-house audit team. Risk based internal audits as per audit charter approved by audit committee have been conducted during the year with an objective to ensure the:

- accuracy of financial reporting,
- operating effectiveness,
- safeguarding of Company's assets,
- compliance to the applicable statutes and company policies and procedures

The audit report has been submitted to Audit Committee for consideration. Further, to ensure the completeness the Risk and Control Matrix is maintained for the process audited. With the endeavor to strengthen the internal control mechanism and, accuracy of reporting Company is implementing a ERP specific to the fashion industry.

RISK MANAGEMENT

The Company has formed Risk Management Committee which identifies, assesses and manages risk at strategic, operational and compliance levels, across business units functions and geographics. The board of directors are informed about the risks or opportunities that could have an adverse impact on the Company's operations or to that could be exploited to maximize the gains. The processes and procedures are in place to act in a time bound manner to manage the risks or opportunities. The risk management process is reviewed and evaluated by the board of directors. Bhartiya International's exposure to foreign currency risk is restricted to its imports and exports. These risks are minimized through well-thought-out financial operations, astute treasury management and effective use of hedge options.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a part of its initiative under the "Corporate Social Responsibility" CSR drive, the Company has undertaken projects in the area of rural development and promoting health care and sanitation. These projects are in accordance with the Schedule VII of the Companies Act, 2013 and the Company's CSR Policy. The report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as Annexure – D forming part of this report.

ENVIRONMENT AND SAFETY

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

The Company has even devised a Policy on Prevention of Sexual Harassment at workplace with a mechanism of lodging complaints. During the year under review, no complaints were reported to the Board.

HUMAN RESOURCES

Bhartiya's belief in nurturing talent has engrossed in the DNA of the organization so much so that; most of the key initiative taken by us in the last year has revolved around talent and their development. Last year saw the advent of many policies which have a direct impact on the functioning of an organization and that of an individual like Code of Conduct and Prevention of Sexual Harassment policy .

Bhartiya has maintained their philosophy of continuous improvement in acquiring talent, retaining talent and providing a job enriching experience to each individual. Our belief in nurturing fresh talent led us to conceptualize a program to groom the youngsters of today into the leaders of tomorrow. We named this program as the "Budding Leaders". These Budding Leaders brings the fresh thought process and gives a new perspective to look at things at the strategic and operational levels which increases the competitiveness amongst people.

With the expansion in business, we worked out various strategies to acquire the best class of talent, which will help us in building the organization of future.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provision of Section 134(3)(e) of the Companies Act, 2013, read with Rule 8(3), the Companies (Accounts) Rules 2014 for the year ended 31st March 2015 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo is given in the Annexure (E) forming part of this report.

PARTICULARS OF EMPLOYEES:

4 persons employed throughout the year, were in receipt of remuneration of Rs. 60 lac per annum or more amounting to Rs. 3.40 crore and none of the employees employed for the part of the financial year 2015 were in receipt of Rs. 5 lac per month or more.

During the financial year 2014-15, the Company had 246 employees.

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended 31st March, 2015 is given as a separate Annexure to this Report.

The above Annexure is not being sent along with this report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who wish to obtain these particulars may write to the Company Secretary at the registered office of the Company. The aforesaid Annexure is also available for inspection by Members at the registered office of the Company, 21 days before the 28th Annual General Meeting and upto the date of the ensuing Annual General Meeting during the business hours on working days.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 8, 2014 (date of last Annual General Meeting) on the Ministry of Corporate Affairs' website.

PUBLIC DEPOSIT

The Company has neither invited/ nor accepted any deposits during the year within the meaning of Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposit) Rules, 2014.

BUSINESS RESPONSIBILITY REPORTING

The Business Responsibility Reporting as required by Clause 55 of the Listing Agreement with the Stock Exchanges is not applicable to your Company for the financial year ending March 31, 2015.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes occurred in between the financial year ended on 31st March, 2015 and date of the report of the company which affects the financial position of the company.

ACKNOWLEDGEMENTS:

Your Directors are highly grateful for all the help, guidance and support received from the valued customers, suppliers, vendors, other business associates, various government and local authorities as well as the various Banks.

The Board places on record its appreciation for the devoted and dedicated services rendered by all the employees in taking the Company forward.

For and on behalf of the Board

Snehdeep Aggarwal
Managing Director

Ramesh Bhatia
Director

New Delhi, 25th May, 2015

ANNEXURE A

Statement Pursuant to Clause 12 'Disclosure in the Directors' Report' of SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and as per rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014 Pursuant to the Resolution passed by the shareholders in their Annual General Meeting held on September 23, 2013, the Nomination and Remuneration Committee of the Directors have granted Stock Options to eligible employees during the financial year 2013-14. These options were converted into the Equity Shares of the Company during the financial year 2014-15. The details of the Stock Option granted are given below:

Sr. No.	Description	Remarks	
A	Options granted	50,000	
B	Pricing formula	The Exercise Price per option shall be such discounted price to the Market Price of the Equity Shares of the Company as may be determined by the Board / Remuneration and Compensation Committee. However the Exercise Price shall not be less than the par value of the Equity Shares of the Company.	
C	Option vested	50,000	
D	Options exercised	50,000	
E	Total number of Ordinary Shares arising as a result of exercise of Options	50,000	
F	Options lapsed	Nil	
G	Variation of terms of Options	None	
H	Money realized by exercise of Options	Rs. 78,00,000	
I	Total number of Options in force	Nil	
J	Details of Options granted to		
	i) Senior managerial personnel	Name	No. of options
		Mr. Robert Moore	50,000
	ii) Any other employees who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year.	Name	No. of options
		Nil	N.A
	iii) Identified employees who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Name	No. of options
		Nil	N.A
K	Diluted Earnings per Share (EPS) pursuant to issue of Ordinary Shares on Exercise of Options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share.'	12.39	
L	i) Method of calculation of employee compensation cost	The Company had calculated the employee compensation cost using the intrinsic value method of accounting to account for stock-based compensation cost as per the intrinsic value method.	
	ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options.	Nil	
	iii) The impact of this difference on Profits and on EPS of the Company.	There is no impact on EPS and Profit	
M	Weighted average exercise price and weighted average fair value of Options granted for Options whose exercise price either equals or exceeds or is less than the market price of the stock.	No options in force as on March 31, 2015	
N	A description of the method and significant assumption used during the year to estimate the fair values of Options	No options in force as on March 31, 2015	

**ANNEXURE B
FORM NO. MGT-9**

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

[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 : L74899DL1987PLC026607
- ii. Registration Date : 07.01.1987
- iii. Name of the Company : Bhartiya International Limited
- iv. Category Sub-Category of Company : Public Limited Company
- v. Address of the Regd. Office and contact details : E-52, New Manglapuri, Mandi Road, (Mehrauli), New Delhi-110 030
- vi. Whether listed company : Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any : Mas Service Ltd.
Okhla Industrial Area, Phase-II, New Delhi-110 020
Phone No. 011-26387281-83

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. N.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of leather garments and accessories	1410 & 1512	93.83%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. N.	Name and Address of the Company	CIN/GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable Section
1	Bhartiya Global Marketing Ltd. E-52, New Manglapuri, Mandi Road, (Mehrauli), New Delhi-110030	U74899DL1996PLC075128	Indian Subsidiary Company	100%	2(87)
2	J & J Leather Enterprises Ltd. 56/7, Nallambakkam Village (Via Vandalur), Chennai-600 048	U18209TN1991PLC020874	Indian Subsidiary Company	100%	2(87)
3	Bhartiya International SEZ. Ltd. E-52, New Manglapuri, Mandi Road, (Mehrauli), New Delhi-110030	U74999DL2007PLC159827	Indian Subsidiary Company	88.95%	2(87)
4	Bhartiya Fashion Retail Ltd. E-52, New Manglapuri, Mandi Road, (Mehrauli), New Delhi-110030	U17120DL2009PLC193608	Indian Subsidiary Company	100%	2(87)
5	World Fashion Trade Ltd., Mauritius Room. 510, Tower 8, United Plaza, No. 58, Qianjiang Road, Hangzhou, China. Post Code-310 008	-	Overseas Subsidiary Company	100%	2(87)
6	Ultima S.A., Switzerland Avenue J-J. Rousseau-7, CH-2001, Neuchatel, Switzerland	CH-645-40960339	Overseas Subsidiary Company	100%	2(87)

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S. N.	Name and Address of the Company	CIN/GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable Section
7	Ultima Italia SRL, Italy Branch : Via Dei Tigli, 4, 26010, Casaleto, Vaprio (CR), Italy	-	Overseas Subsidiary Company	100%	2(87)
8	BIL Group LLC, USA 146, West 29 th Street, Suite#11E, New York, N.Y. 11001 USA	-	Overseas Subsidiary Company	100%	2(87)
9	DESIGN INDUSTRY LTD Room 1104, Crawford House, 70, Queens Road Central, Central Hong Kong	-	Overseas Subsidiary Company	100%	2(87)
10	Bhartiya Urban Infrastructure & Land Development Co. Pvt. Ltd. Plot-38, Sector-44, Gurgaon-122002, Haryana	U45201HR2006PTC036015	Associate Company	29.60%	2(6)
11	Tada Mega Leather Cluster Pvt. Ltd. E-52, New Manglapuri, Mandi Road, (Mehrauli), New Delhi-110030	U74140DL2013PTC249002	Associate Company	50%	2(6)
12	Bhartiya Prakash Leather C-20, Pamposh Enclave, Greater Kailash, Part-I, New Delhi-110048	-	Associate Party	Significant Influence (Partner Capital)	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change in Shareholding during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter(s)									
(1) Indian									
a) Individual/HUF	2102636	-	2102636	19.00	2102636	-	2102636	18.75	0.25
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2995536	-	2995536	27.07	3061926	-	3061926	27.30	0.23
e) Banks / Fiis	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	5098172	-	5098172	46.07	5164562	-	5164562	46.05	0.02
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FIIS	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(2):-A	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	5098172	-	5098172	46.07	5164562	-	5164562	46.05	0.02

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Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change in Shareholding during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	3000	3000	0.03	-	3000	3000	0.03	-
b) Banks / FI	500	300	800	0.01	1812	300	2112	0.02	0.01
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	363	26600	26963	0.24	750611	26600	777211	6.93	6.69
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	863	29900	30763	0.28	752423	29900	782323	6.93	6.65
2. Non-Institutions									
a) Bodies Corp.	3176562	287400	3463962	31.31	2904974	8600	2913574	25.98	5.33
i) Indian									
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	817867	155453	973320	8.80	843427	133532	9769599	8.71	0.09
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1103713	-	1103713	9.98	1044814	-	1044814	9.32	0.66
c) Others	145118	248800	393918	3.56	181416	150200	331616	2.96	0.60
Sub-total(B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5243260	691653	5934913	53.64	5726854	322432	6049286	53.94	0.30
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	10342295	721553	11063848	100.00	10891416	322432	11213848	100.00	-

(ii) Shareholding of Promoters

S. N.	Share holder's Name	Share holding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Snehdeep Aggarwal	1143362	10.33	-	1143362	10.20	-	0.13
2	Ramesh Bhatia	340250	3.08	-	340250	3.03	-	0.05
3	Arjun Aggarwal	496150	4.48	-	496150	4.42	-	0.06
4	Parushini Aggarwal	7500	0.07	-	7500	0.07	-	-
5	Pawan Aggarwal	5000	0.05	-	5000	0.04	-	0.01
6	Kanwal Aggarwal	60374	0.55	-	60374	0.54	-	0.01
7	Snehdeep & Co. Huf	50000	0.45	-	50000	0.45	-	-
8	Bhartiya Global Holdings Pvt. Ltd.	1350000	12.20	-	1350000	12.04	-	0.16
9	Bhartiya Finstock Pvt. Ltd.	615536	5.56	-	681926	6.08	-	0.52
10	Bhartiya Infotech Pvt. Ltd.	1000000	9.04	-	1000000	8.92	-	0.12
11	R.L. Bhatia Associates Pvt. Ltd.	30000	0.27	-	30000	0.27	-	-
	TOTAL	5098172	46.08	-	5164562	46.06	-	0.02

(iii) Change in Promoters' Shareholding

S. N.	Particulars	Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Bhartiya Finstock Private Limited				
	At the beginning of the year	615536	5.56	615536	5.56
	Market Purchase on 7 th April, 2014	42395	0.38	657931	5.95
	Market Purchase on 30 th April, 2014	4000	0.04	661931	5.98
	Market Purchase on 19 th May, 2014	5495	0.05	667426	5.98
	Market Purchase on 30 th May, 2014	7000	0.06	674426	6.04
	Market Purchase on 2 nd June, 2014	3500	0.03	677926	6.07
	Market Purchase on 3 rd June, 2014	4000	0.04	681926	6.08
	At the End of the year	-	-	681926	6.08%

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

S. N.	Particulars For Each of the Top 10 Shareholders*	Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Spirit Impex Pvt. Ltd.	1200000	10.85	1200000	10.70
2	Morgan Stanley Asia (Singapore) PTE	-	-	745315	6.65
3	Appreal Holding Pvt. Ltd.	537356	4.86	387356	3.45
4	Share Point Pvt. Ltd.	285500	2.58	285500	2.55
5	Dwarkadhish Trading Pvt. Ltd.	-	-	240000	2.14
6	Goldline Carpets Pvt. Ltd.	168300	1.52	168300	1.50
7	Ganesh Stockinvest Pvt. Ltd.	-	-	122094	1.09
8	Arvinder Kaur	130000	1.17	130000	1.16
9	Ishaan Metals Pvt. Ltd.	-	-	110784	0.99
10	Atul Goel	-	-	71930	0.64

* The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

S. N.	Shareholding of each Directors and each key Management Personal	Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Snehdeep Aggarwal				
	At the beginning of the year	1143362	10.33	1143362	10.20
	Date Wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	1143362	10.33	1143362	10.20
2	Mr. Ramesh Bhatia				
	At the beginning of the year	340250	3.08	340250	3.03
	Date Wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	340250	3.08	340250	3.03
3	Ms. Annapurna Dixit				
	At the beginning of the year	4000	0.04	4000	0.04
	Date Wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	4000	0.04	4000	0.04

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S. N.	Shareholding of each Directors and each key Management Personal	Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Ms. Jaspal Sethi				
	At the beginning of the year	98800	0.89	98800	0.88
	Date Wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	98800	0.89	98800	0.88
5	Mr. Nikhil Aggarwal				
	At the beginning of the year	20000	0.18	20000	0.18
	Date Wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	20000	0.18	20000	0.18
6	Mr. Shashank				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date Wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	Nil	Nil	Nil	Nil
7	Mr. A. Sahasranaman				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date Wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	Nil	Nil	Nil	Nil
8	Mr. C. L. Handa				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date Wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	Nil	Nil	Nil	Nil
9	Mr. Sandeep Sethi				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date Wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	Nil	Nil	Nil	Nil

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S. N.	Shareholding of each Directors and each key Management Personal	Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	Mr. Manoj Khattar				
	At the beginning of the year	50	-	50	-
	Date Wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	Allotment of Equity shares pursuant to conversion of warrants (May 6, 2014)	20000	0.18	20050	0.18
	At the End of the year	-	-	20050	0.18
11	Ms. Shilpa Budhia				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date Wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,508,445,250	-	-	1,508,445,250
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,340,300	-	-	1,340,300
Total (i+ii+iii)	1,509,785,550	-	-	1,509,785,550
Change in Indebtedness during the financial year				
* Addition	456,640,313	-	-	456,640,313
* Reduction	45,736,579	-	-	45,736,579
Net Change	502,376,892	-	-	502,376,892
Indebtedness at the end of the financial year				
i) Principal Amount	1,919,348,984	-	-	1,919,348,984
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,833,531	-	-	1,833,531
Total (i+ii+iii)	1,921,182,515	-	-	1,921,182,515

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Snehdeep Aggarwal	Mr. A.K. Gadhok	Ms. Jaspal Sethi	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1800000	982241	1140000	3922241
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39600	-	39600	79200
	(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)	1839600	982241	1179600	4001441
	Ceiling as per the Act	Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013)			

B. Remuneration to other Directors:

Sr. No.	Directors details	Particulars of Remuneration			Total
		Fee for attending Board/Committee Meetings	Commission	Others, please specify	
1	Independent Directors				
	Mr. A. Sahasranaman	8333	-	-	8333
	Mr. Shashank	25886	-	-	25886
	Mr. Sandeep Seth	30885	-	-	30885
	Mr. C. L. Handa	28108	-	-	28108
	Mr. V. K. Chopra	2777	-	-	2777
	Mrs. Annapurna Dixit	5556	-	-	5556
	Total (1)	101555	-	-	101555
2	Other Non-Executive Directors				
	Mr. Ramesh Bhatia	2777	-	-	2777
	Mr. Nikhil Aggarwal	-	-	-	-
	Total (2)	2777	-	-	2777
	Total Managerial Remuneration (Total B)	104332	-	-	104332
	Overall Ceiling as per the act	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)			

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

(Amount in Rs.)

S. N.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	853404	4467068	5320472
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	32400	32400
	(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	853404	4499468	5352872

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2015.

ANNEXURE C

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members of
M/s. Bhartiya International Ltd.
E-52, New Manglapuri, Mandi Road,
Mehrauli, New Delhi-110030

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Bhartiya International Limited (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2014 and ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Bhartiya International Limited ("The Company") for the financial year ended on 31st March, 2015, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014 ;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during audit period).

- vi. I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited;

During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above.

I further report that:

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

Adequate notice is given to all the directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting. The decisions are carried out after obtaining approval of members of the Board and the same is recorded in the Minutes.

Meetings called at shorter notice to discuss on important agenda items are convened in compliance to Listing requirements and Companies Act, 2013.

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

I further report that during the audit period the Company has passed following special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

1. Preferential issue of 5 lakh Warrants to Promoter Group having rights attached thereto to subscribe for equal number of Equity shares
2. Increase in borrowing limits under Section 180(1)(c) of the Companies Act, 2013
3. Sell, lease or dispose off whole or substantially the whole of the undertaking under section 180(1)(a) of the Companies Act, 2013

K. Ravichandran
Company Secretary
ACS 12838
CP 3207

New Delhi, 25th May, 2015

ANNEXURE D

CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies
(Corporate Social Responsibility) Rules, 2014]

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.			The CSR Policy was approved by the Board of Directors of the Company on May 27, 2014 and has been uploaded on the Company website www.bhartiyafashion.com . The policy contains the exhaustive list of programmes that can be undertaken by the Company during any period of time. During the financial year 2014-15, the company had mainly catered to health care and sanitation needs, water conservation and extended donation to NGO which aims to enhance the quality of life of local communities through work in four specific focus areas, water, agriculture, environment and child rights.				
2.	The Composition of the CSR Committee			Mr. Snehdeep Aggarwal – Chairman Mr. Ramesh Bhatia – Member Mr. Sandeep Seth – Member				
3.	Average net profit of the Company for last three financial years			Rs. 12.54 crore				
4.	Prescribed CSR Expenditure (2% of the above mentioned amount)			Rs. 25.08 lakhs				
5.	Details of CSR spent during the financial year							
	(a)	Total amount to be spent for the financial year;			Rs. 9.59 lakhs			
	(b)	Amount unspent, if any;			Rs. 15.49 lakhs			
	(c)	Manner in which the amount spent during the financial year is detailed below.						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent : Direct or through implementing agency*
	1	Drinking Water	Safe Drinking Water	Gottigere, Bangalore	Rs. 99000	Direct – Rs. 84000 Overheads – Rs. 15000	Rs. 99000	Rs. 99000
	2	Construction of Toilets in Schools	Sanitation	Nallambakkam, Chennai Gottigere, Bangalore	Rs. 2.6 lakhs	Direct – Rs. 2.6 lakhs	Rs. 2.6 lakhs	Rs. 2.6 lakhs
	3	Donation extended to Janhit Foundation	Contribution to corpus of Trust, Section 8 Company	Lucknow, Uttar Pradesh	Rs. 6 lakhs	Direct – Rs. 6 lakhs	Rs. 6 lakhs	Rs. 6 lakhs
	TOTAL				Rs. 9.59 lakh	Rs. 9.59 lakh	Rs. 9.59 lakh	Rs. 9.59 lakh

- 6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

The Company plans to undertake CSR activities through a trust or a section 8 Company incorporated solely for undertaking CSR activities for entire Bhartiya Group. In lieu of the same, the amount unspent will be utilized in the coming year in a phased and staggered manner.

- 7. The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.**

Chairman and Managing Director

New Delhi, 25th May, 2015

Chairman of CSR Committee

ANNEXURE E
ANNEXURE TO DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988

a. Conservation of Energy

The operations of your Company are not energy intensive however the Company has undertaken several steps for energy conservation like monitoring of DG sets, using energy efficient computers, Air-conditioners are used only when required and thereby enhancing energy efficiency.

b. Technology Absorption

The Company is in fashion oriented industry. The Company relies heavily on its Italian office for design and product development. Access to Italian facilities is available for Indian operations thereby facilitating transfer of know-how.

c. Foreign Exchange Earnings & Outgo

The information on foreign exchange earnings and outgo are contained in notes to the accounts.

For and on behalf of the Board

New Delhi, 25th May, 2015

Snehdeep Aggarwal
Managing Director

Ramesh Bhatia
Director

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance revolves around the principles of ethical governance which guides and directs the management to conduct the business in an efficient and transparent manner to meet its obligations towards shareholders' and other stakeholders' expectations. Corporate Governance, which aims to promote fairness, transparency and integrity of the management, is not a mere legal compulsion but rather a way of life, which helps in inspiring & strengthening investor's confidence in the Company.

In rapidly changing business and technological environment, Bhartiya International Limited (BIL) maintains its industry leadership through continuous endeavor to improve upon governance aspects on an on-going basis and adopts innovative approaches for leveraging resources, converting opportunities and motivation fostering a healthy growth and development of human resources thus generated confidence among business partners, customers and investors and at the same time fulfills its social responsibilities.

During the Financial Year 2014-2015, the Company has complied with the requirements of clause 49 of the Listing Agreement executed with the stock exchanges. The detailed Corporate Governance Report of BIL is as follows:

BOARD OF DIRECTORS

a. Composition of the Board

The Board is broad-based and consists of eminent individuals from industry, management, technical, financial and marketing. The Company is managed by the Board of Directors in coordination with the Senior Management team. The Board periodically evaluates the need for change in its composition and size.

The Board of the Company consists of ten Directors and seven out of them are Non-Executive Directors. The Independent Directors are professionals with high credentials, who actively contribute in the deliberations of the Board, covering all strategic policy matters and strategic decisions.

The details of each member of the Board along with the number of Directorship/Committee Membership are as given below:

Name	Director Identification Number	Date of Appointment	Category of Directors	No. of other Directorships	Memberships/ Chairmanships of other Committees
Mr. Snehdeep Aggarwal	00928080	07-01-1987	Managing Director	-	-
Mr. A. K. Gadhok	01254410	01-04-1999	Executive Director (Whole-Time Director)	1	-
Ms. Jaspal Sethi	01689695	29-06-1997	Executive Director (Whole-Time Director)	1	-
Mr. Ramesh Bhatia	00052320	06-09-1987	Non-Executive Non-Independent Director	2	-
Mr. Nikhil Aggarwal	01891082	04-10-2007	Non-Executive Non-Independent Director	-	-
Mr. C. L. Handa	00928283	26-05-2004	Non-Executive Independent Director	3	-
Mr. Sandeep Seth	01408624	28-02-2002	Non-Executive Independent Director	1	-
Mr. Shashank	01569514	27-09-2007	Non-Executive Independent Director	1	-
Mr. A. Sahasranaman	01983690	30-06-2008	Non-Executive Independent Director	-	-
Mr. V. K. Chopra**	02103940	31-12-2012	Non-Executive Independent Director	NA	NA
Mrs. Annapurna Dixit***	06844250	18-09-2014	Non-Executive Independent Director	1	-

** Mr. V. K. Chopra had resigned from the Board of the Company on June 19, 2014.

*** Mrs. Annapurna Dixit was appointed as a Director on September 18, 2014.

Notes:-

- The Directorships, held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Section 8 Companies and Private Limited Companies.

2. In accordance with Clause 49 of the Listing Agreement, Memberships/Chairmanships of only Audit Committees and Stakeholders Relationship Committees in all Public Limited Companies (excluding Bhartiya International Limited) have been considered. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.
3. The Independent Directors also meet the criteria as defined under Clause 49 of the Listing Agreement.
4. Details of Director(s) retiring or being re-appointed are given in the notice to Annual General Meeting. The brief profile of the Board Members is given on the website of Bhartiya Group www.bhartiyafashion.com.

b. Independent Directors

The Non-Executive Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Agreement is disclosed on the website of Bhartiya Group www.bhartiyafashion.com. The same is issued to Independent Directors on their appointment.

c. Number of Board Meetings:

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled well in advance to facilitate the Directors to plan their schedules. In case of business exigencies the Board's approval is taken through circular resolutions after complying with the provisions of the Companies Act, 2013 and rules made thereunder and also as per Secretarial Standards.

The notice of each Board Meeting is given in writing to each Director. The Agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed decisions by the Board.

In the financial year 2014-15, the Board met six times. The meetings were held on May 6, 2014, May 27, 2014, June 18, 2014, August 11, 2014, November 12, 2014 and February 13, 2015. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Agreement.

The attendance of Directors at the Board meetings held during the financial year ended March 31, 2015 and at the previous Annual General Meeting (AGM) was as under:

Name of Director	No. of Board Meetings attended*	Attendance at last AGM
Mr. Snehdeep Aggarwal	6	Present
Mr. A. K. Gadhok	3	Present
Ms. Jaspal Sethi	2	Absent
Mr. Ramesh Bhatia	1	Absent
Mr. C. L. Handa	5	Present
Mr. Sandeep Seth	6	Present
Mr. Shashank	5	Absent
Mr. A. Sahasranaman	3	Absent
Mr. Nikhil Aggarwal	1	Absent
Mr. V. K. Chopra **	1	-
Ms. Annapurna Dixit***	2	Absent

* Includes Meeting attended through Conference

** Mr. V. K. Chopra had resigned from the Board of the Company on June 19, 2014.

*** Mrs. Annapurna Dixit was appointed as a Director on September 18, 2014.

Information Supplied to the Board:

The Board has complete access to all the information with the Company. Adequate information is circulated as part of the Agenda papers and also placed before the Board for taking decision. The information required to be placed before the Board includes:

1. Annual operating plans and budgets and any updates.
2. Capital budgets and any updates.
3. Quarterly results for the company and its operating divisions or business segments.

4. Minutes of meetings of audit committee and other committees of the board.
5. The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Show cause, demand, prosecution notices and penalty notices which are materially important.
7. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
8. Any material default in financial obligations to and by the company, or substantial nonpayment for goods sold by the company.
9. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
10. Details of any joint venture or collaboration agreement.
11. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
13. Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
15. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

Code of Conduct

As per requirement of Clause 49 of the Listing Agreement with the Stock Exchanges, the Board has laid down a Code of Conduct ("the Code") for all Board members and Senior Management Personnel of the Company. The Code is posted on the website of Bhartiya Group www.bhartiyafashion.com. All Board members and Senior Management Personnel affirm compliance with the code on an annual basis and the declaration to that effect by Mr. Snehdeep Aggarwal, Managing Director, is attached to this report.

A Code of conduct applicable to all the employees of the Group has been communicated, which are to be followed in day to day work life. To help guide and align our behaviors as we make business decisions that impact our daily operations, we rely on our Employee Code of Conduct, which outlines our values and describes our standards for conduct, compliance, and avoiding conflicts of interest. It supports our continuing commitment to honest and ethical conduct and compliance with both the letter and the spirit of all laws, rules, and regulations, and our company's policies, standards, and procedures.

The Company recognizes that sexual harassment violates fundamental rights of gender equality, right to life and liberty and right to work with human dignity as guaranteed by the Constitution of India. To meet this objective, measures have been taken to eliminate and to take necessary penal action for any act of sexual harassment, which includes unwelcome sexually determined behaviour. The Company has taken initiatives to create wide awareness amongst the employees about the policy for prevention of sexual harassment by displaying posters at all the prominent places in the Offices of the Company.

Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanization provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

Subsidiary Company

None of the subsidiary of the Company falls within the meaning of "Material Non-listed Indian subsidiary" as designed by Clause 49 of the Listing Agreement. However, the Company has formulated the Material Subsidiary policy and uploaded the same on the website of the Company (www.bhartiyafashion.com)

The Company monitors the performance of its subsidiary companies, inter alia, by the following means:

The financial statements and the minutes of the Board Meetings of the subsidiary companies are noted at the Board Meetings respectively of the Company.

COMMITTEES OF THE BOARD

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and need a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Board Committees play an important role in overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. To ensure good governance, the Minutes of the Committee Meetings are placed before the Board for their noting.

The Board has currently the following Committees:

(A) AUDIT COMMITTEE

(i) Composition

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Clause 49 of the Listing Agreement. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. Mr. Sandeep Seth is the Chairman of the Audit Committee. Mr. Shashank and Mr. C. L. Handa are the members of the Audit Committee

Ms. Shilpa Budhia, Company Secretary acts as Secretary of the Audit Committee.

(ii) Meetings and Attendance during the Financial Year 2014-2015

All the Member of the Audit Committee met four times during the Financial Year 2014-15. The Company is in full compliance with the provisions of Clause 49 of the Listing Agreement on gaps between any two Audit Committee meetings. The Committee met on May 26, 2014, August 8, 2014, November 10, 2014, and February 12, 2015. The necessary quorum was present for all Meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company. The Table below provides the attendance of the Audit Committee members:

Director	26.05.2014	08.08.2014	10.11.2014	12.02.2015
Mr. Sandeep Seth	P	P	P	P
Mr. C.L. Handa	P	P	P	P
Mr. Shashank	-	P	P	P

(ii) Terms of Reference:

The terms of reference/powers of the Audit Committee are as under:

Powers of Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of Audit Committee includes

- a. Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- b. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment
- c. Approving payment to statutory auditors, including cost auditors for any other services rendered by them
- d. Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors’ Responsibility Statement to be included in the Directors’ Report of the Company from time to time
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by the management
 - Significant adjustments made in financial statements arising out of audit findings

- Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of related party transactions
 - Qualifications in draft audit report
- e. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g. Reviewing and monitoring the auditors independence and performance and effectiveness of audit process
- h. Approval or any subsequent modification of transactions of the Company with related parties
- i. Scrutiny of inter-corporate loans and investments
- j. Valuation of undertakings or assets of the Company, wherever it is necessary
- k. Evaluation of internal financial controls and risk management systems
- l. Reviewing with the management, the performance of statutory auditors, including cost auditors and internal auditors, adequacy of internal control systems
- m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit
- n. Discussion with internal auditors, any significant findings and follow-up thereon
- o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and reporting the matter to the Board
- p. Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern
- q. To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- r. To review the functioning of the Whistle Blower mechanism
- s. Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background of the candidate
- t. Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors.
- u. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.
- v. Reviewing the following information:
- The Management Discussion and Analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of internal auditors / chief internal auditor

(B) STAKEHOLDERS RELATIONSHIP COMMITTEE**(i) Composition**

The Stakeholders Relationship Committee comprises of three Non-Executive Directors and all are Independent Directors. Mr. Sandeep Seth is the Chairman of the Stakeholders Relationship Committee. Other members of the Stakeholders Relationship Committee are Mr. Shashank and Mr. C.L. Handa.

Ms. Shilpa Budhia, Company Secretary and Compliance Officer, acts as Secretary to the Committee.

(ii) Meetings and attendance during the Financial Year 2014-2015

The Committee met to attend shareholders queries together with the status report on the nature of queries received & the disposal thereof. Seven Committee Meetings were held during the financial year.

Director	13.05.2014	29.07.2014	23.08.2014	16.09.2014	31.10.2014	09.02.2015	20.03.2015
Mr. Sandeep Seth	P	P	P	P	P	P	P
Mr. C.L. Handa	P	P	P	P	P	P	P
Mr. Shashank	P	P	P	P	P	P	P

(iii) Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are as under:

- Oversee and review all matters connected with the transfer, transposition and transmission of the Company's securities;
- Approve issue of the Company's duplicate share / debenture certificates, if any;
- Monitor redressal of investors' / shareholders' / security holders' grievances about non-receipt of declared dividend, non-receipt of Annual Reports;
- Oversee the performance of the Company's Registrars and Transfer Agents;
- Recommend methods to upgrade the standard of services to investors;
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading;
- To perform all functions relating to the interests of shareholders / investors of the Company as may be required by the provisions of the Companies Act, 2013, Listing Agreements with the Stock Exchanges and guidelines issued by the SEBI or any other regulatory authority;

Total number of complaints/communications received during the financial year were 30 (Thirty) only and all of them have been redressed/answered to the satisfaction of shareholders. There was no investor grievance remained unattended or pending as on March 31, 2015.

(C) SHARE TRANSFER COMMITTEE

(i) Composition

The Share Transfer Committee comprises Mr. Snehdeep Aggarwal and Mr. A. K. Gadhok as members.

(ii) Meetings and Attendance during the financial year 2014-2015

Fourteen Meetings of the Committee were held during the year on May 12, 2014, June 30, 2014, August 16, 2014, August 23, 2014, September 16, 2014, October 6, 2014, October 13, 2014, October 31, 2014, November 29, 2014, December 10, 2014, December 29, 2014, January 19, 2015, January 31, 2015 and February 12, 2015.

(iii) Terms of Reference

The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Share Transfer Committee.

(D) MANAGEMENT COMMITTEE

(i) Composition

Management Committee comprises of Mr. Snehdeep Aggarwal, Mr. A.K. Gadhok and Mr. C. L. Handa as members.

(ii) Meetings and Attendance during the financial year 2014-2015

Ten Meetings of the Committee were held during the year on June 19, 2014, July 10, 2014, August 21, 2014, August 25, 2014, September 08, 2014, September 17, 2014, October 15, 2014, December 10, 2014, March 11, 2015 and March 26, 2015. All the members were present in all the meetings of the Committee.

(iii) Terms of Reference

The broad terms of reference of the Management Committee are as under:-

- a. Availing term loans/working capital facilities/vehicle loans for business purposes from banks/financial institutions for an amount not exceeding Rs. 500 crore including accepting sanction letters and renewal of existing bank limits, forex transactions and all such matters which are required for dealing with the banks/financial institutions on routine basis.
- b. Authorisation for dealing/liasing with various Statutory/Regulatory authorities including state, central authorities viz., Income Tax, FEMA, MCA, SEBI, Pollution Control Board, Municipal Corporation, Telecom authorities, Service Tax authorities, VAT authorities etc. and vendors.
- c. Authorisation for opening and closing of bank accounts, changes in signatories for operating the bank accounts etc.
- d. To take up any other assignments as may be granted by the Board from time to time

(E) INVESTMENT COMMITTEE

(i) Composition

Investment Committee comprises of Mr. Snehdeep Aggarwal and Mr. A.K. Gadhok as members.

(ii) Meetings and Attendance during the financial year 2014-2015

Four Meetings of the Committee were held during the year on April 28, 2014, October 1, 2014, November 20, 2014 and November 28, 2014.

(iii) Terms of Reference

The Committee is vested with the powers of making investments in securities quoted on the stock exchanges.

(F) NOMINATION AND REMUNERATION COMMITTEE

(i) Composition

The Committee comprises of three Non-Executive, Independent Directors. Mr. Sandeep Seth is the Chairman of the Committee. Other members of the Nomination and Remuneration Committee are Mr. Shashank and Mr. C. L. Handa. Ms. Shilpa Budhia, Company Secretary acts as Secretary of the Nomination and Remuneration Committee.

(ii) Meetings and Attendance during the financial year 2014-2015

Two Meetings of the Committee was held during the year.

Director	17.09.2014	27.03.2015
Mr. Charanjit Lal Handa	P	P
Mr. Sandeep Seth	P	P
Mr. Shashank	A	P

(iii) Terms of reference

The broad terms of reference of the Nomination and Remuneration Committee are as under:-

- a. Identifying, evaluating, and recommending appropriate Independent Directors, Executive and Non -Executive Directors on the Board of the Company based on the qualifications, positive attributes, independence of a director and availability of time with him or her to devote to the job;
- b. Evaluating the skill, knowledge, experience and effectiveness of individual directors as well as the Board as a whole;
- c. Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors which includes a policy on Board diversity;
- d. Identifying the qualifications, positive attributes and evaluating and recommending the appointment and remuneration of Key Managerial Personnel and Senior Management of the Company, one level below the Board.
- e. Payment of remuneration to the directors shall be approved by a resolution passed by the Nomination and Remuneration Committee;
- f. All information about the Directors / Managing Directors / Whole time Directors i.e., background details, past remuneration, recognition or awards, job profile shall be considered and disclosed to shareholders;

- g. The Committee shall take into consideration and ensure the compliance of provisions under Schedule V of the Companies Act, 2013 for appointing and fixing remuneration of Managing Directors/Whole time Directors;
- h. While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee;
- i. The relevant disclosures will be made in the Annual Report of the Company and wherever required;
- j. The Committee shall look into the administration and superintendence of the Employee Stock Option Scheme implemented by the Company from time to time including:
- the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
 - the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - the exercise period within which the employee should exercise the option, and that the option would lapse on failure to exercise the option within the exercise period;
 - the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - the right of an employee to exercise all options vested in him at one time or various points of time within the exercise period;
 - the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, sale of division and others;
 - the granting, vesting and exercising of options in case of employees who are on long leave; and the procedure for cashless exercise of options
- k. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

The Company had granted 50,000 stock options to its employees during the financial year 2013-14. These Stock Options were vested during the financial year 2014-15 and shares had been allotted by the Company during the year, details of which are provided elsewhere in the Report.

(iv) Remuneration Policy

Remuneration of the Managing Director or Executive Director is determined periodically by the Nomination and Remuneration Committee within the permissible limits under the applicable provisions of law and as approved by Shareholders. Non- Executive Directors are paid sitting fees within the limits prescribed under law.

Remuneration to Executive Directors for the financial year 2014-2015 is as under:

Name of the Director	Salary (Rs.)*
Mr. Snehdeep Aggarwal	18,39,600
Ms. JaspalSethi	11,79,600
Mr. A. K. Gadhok	9,82,241

*Salary includes Basic Salary, Perquisites & Allowances as per Income Tax Rules and contribution to Provident Fund.

The details of sitting fees paid for attending the Board/Committee Meetings to the Non-Executive Directors for the financial year 2014-2015 is as under: -

Name of the Director	Board Meeting Fees (Rs.)	Committee Meeting Fees (Rs.)	Total (Rs.)
Mr. C. L. Handa	13887	14221	28108
Mr. Ramesh Bhatia	2777	-	2777
Mr. A. Sahasranaman	8333	-	8333
Mr. Shashank	13887	11999	25886
Mr. Sandeep Seth	16664	14221	30885
Mr. Nikhil Aggarwal	-	-	-
Mr. V.K. Chopra	2777	-	2777
Ms. Annapurna Dixit	5556	-	5556

SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2015

Name of the Director	Category	Number of shares held	No. of Convertible instruments held
Mr. Ramesh Bhatia	Non-Executive	340250	Nil
Mr. Nikhil Aggarwal	Non-Executive	20000	Nil
Mr. C.L. Handa	Independent Non-Executive	Nil	Nil
Mr. Shashank	Independent Non-Executive	Nil	Nil
Mr. A. Sahasranaman	Independent Non-Executive	Nil	Nil
Mr. Sandeep Seth	Independent Non-Executive	Nil	Nil
Ms. Annapurna Dixit	Independent Non-Executive	4000	Nil

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a structured questionnaire was prepared in the terms of the Board Evaluation Policy. The questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Managing Director and Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

(G) CSR COMMITTEE

(i) Composition

The Committee comprises of three Directors. Mr. Snehdeep Aggarwal is the Chairman of the Committee. Other members of the Corporate Social Responsibility Committee are Mr. Ramesh Bhatia and Mr. Sandeep Seth. Ms. Shilpa Budhia, Company Secretary acts as Secretary of the CSR Committee.

(ii) Meetings and Attendance during the financial year 2014-2015

Two Meetings of the Committee was held during the year.

Director	11.11.2014	31.03.2015
Mr. Snehdeep Aggarwal	P	P
Mr. Ramesh Bhatia	-	-
Mr. Sandeep Seth	P	P

(iii) Terms of reference

The broad terms of reference of the CSR Committee are as under:-

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under
- To recommend the amount of expenditure to be incurred on the CSR activities
- To monitor the implementation of the framework of the CSR Policy
- To disseminate factually correct information to investors, institutions and the public at large
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

Considering the cause behind the CSR Committee, the Directors have forgone the sitting fees for attending the Meetings of the Committee.

(H) RISK MANAGEMENT COMMITTEE

(i) Composition

The Committee comprises of three Directors. Mr. Snehdeep Aggarwal is the Chairman of the Committee. Other members of the Risk Management Committee are Mr. C.L. Handa and Mr. Sandeep Seth. Ms. Shilpa Budhia, Company Secretary acts as Secretary of the Committee.

(ii) Meetings and Attendance during the financial year 2014-2015

One Meeting of the Committee was held during the year.

Director	11.11.2014
Mr. Snehdeep Aggarwal	P
Mr. C. L. Handa	-
Mr. Sandeep Seth	P

(iii) Terms of reference

The broad terms of reference of the Risk Management Committee are as under:-

- to assist the Board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks;
- Monitoring and approving the risk policies and associated practices of the Company;
- Reviewing and approving risk disclosure statements in any public documents or disclosures.

MEETING OF INDEPENDENT DIRECTORS

During the year underreview, the Independent Directors met on January 22, 2015, inter-alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Managing Director of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Directors also discussed on the compliance status and the performance of the Company over a period of three years and expressed their satisfaction on the same.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

MDA is attached separately in this Annual Report.

I. GENERAL BODY MEETINGS

The location and time of the Extra-Ordinary General Meeting held during the last 3 years are as follows:-

Extra-Ordinary General Meeting (EGM)	Date	Time of EGM	Location	No. of Special Resolutions passed
Year-2013-14	5 th June, 2014	10.00 A.M.	Sri SathyaSai International Centre, Pragati Vihar, Lodhi Road, Institutional Area, New Delhi-110003	1
Year-2012-13	26 th November, 2012	11.00 A.M.	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, Institutional Area, New Delhi-110003	3
Year-2011-12	No Meeting held			

The resolution moved at the EGM held on 26th November 2012 was passed by show of hands.

The resolution moved at EGM held on 5th June 2014 for issue of 5 lakh warrants to Promoter group on preferential basis was passed though Poll(electronically and physical ballot).

The location and time of the Annual General Meeting held during the last 3 years were as follows:-

Annual General Meeting (AGM)	Date	Time of AGM	Location	No. of Special Resolutions passed
27 th AGM	8 th September, 2014	11.00 A.M.	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, Institutional Area, New Delhi-110003	2
26 th AGM	23 rd September, 2013	10.00 A.M.	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, Institutional Area, New Delhi-110003	3
25 th AGM	27 th September, 2012	11.00 A.M.	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, Institutional Area, New Delhi-110003	-

All resolutions moved at the Annual General Meeting held on 27th September 2012 and 23rd September 2013 were passed by show of hands.

All resolutions moved at the last Annual General Meeting held on 8th September 2014 were passed through Poll (electronically and physical ballot).

II. Postal Ballot

During the year, pursuant to the provisions of the Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, the Company has passed certain resolutions through Postal Ballot, as per the details mentioned below:

The Company as per the Postal Ballot notice dated February 13, 2015 passed Five Special Resolutions for (i) Amendment of the Main Objects Clause of the Memorandum of Association of Company, (ii) Amendment of Incidental or Ancillary Objects Clause of the Memorandum of Association, (iii) Deletion of the Other Objects Clause of the Memorandum of Association of Company, (iv) Amendment of the Liability Clause of the Memorandum of Association and (v) Adoption of New Set of Articles of Association of the Company in pursuance to the provisions of Companies Act, 2013.

The Company had appointed Mr. Ravi Sharma, Practicing Company Secretary as Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. The details of results of Postal Ballot are as under:

Promoter/ Public	No. of Shareheld (1)	No. of votes polled(2)	% of Votes polled on outstanding shares(3)= [(2)/(1)]*100	No. of Votes- infavour(4)	No. of Votes- against(5)	% of Votes in favour on votes polled(6)= [(4)/(2)]*100	% of Votes against on votes polled(7)= [(5)/(2)]*100
Special Resolution No. – 1 : Amendment of the Main Objects Clause of the Memorandum of Association of Company							
Mode of Voting (Postal ballot paper)							
Promoter and Promoter Group	1846150	1846150	100%	1846150	-	100%	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	520726	520726	100%	520726	-	100%	-
Total (A)	2366876	2366876	100%	2366876	-	100%	-
Mode of Voting (E-Voting)							
Promoter and Promoter Group	-	-	-	-	-	-	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	6071	6071	100%	6046	25	99.58%	0.41%
Total (B)	6071	6071	100%	6046	25	99.58%	0.41%
RESULT (A+B)	2372947	2372947	100%	2372922	25	99.58%	0.41%

BHARTIYA INTERNATIONAL LTD.

Promoter/ Public	No. of Shareheld (1)	No. of votes polled(2)	% of Votes polled on outstanding shares(3)= [(2)/(1)]*100	No. of Votes- infavour(4)	No. of Votes- against(5)	% of Votes in favour on votes polled(6)= [(4)/(2)]*100	% of Votes against on votes polled(7)= [(5)/(2)]*100
Special Resolution No. – 2 : Amendment of Incidental or Ancillary Objects Clause of the Memorandum of Association							
Mode of Voting (Postal ballot paper)							
Promoter and Promoter Group	1846150	1846150	100%	1846150	-	100%	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	520726	520726	100%	520726	-	100%	-
Total (A)	2366876	2366876	100%	2366876	-	100%	-
Mode of Voting (E-Voting)							
Promoter and Promoter Group	-	-	-	-	-	-	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	6071	6071	100%	5946	125	97.94	2.06
Total (B)	6071	6071	100%	5946	125	97.94	2.06
RESULT (A+B)	2372947	2372947	100%	2372822	125	99.99	0.01
Special Resolution No. – 3 : Deletion of the Other Objects Clause of the Memorandum of Association of Company							
Mode of Voting (Postal ballot paper)							
Promoter and Promoter Group	1846150	1846150	100%	1846150	-	100%	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	520726	520726	100%	520726	-	100%	-
Total (A)	2366876	2366876	100%	2366876	-	100%	-
Mode of Voting (E-Voting)							
Promoter and Promoter Group	-	-	-	-	-	-	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	6071	6071	100%	5946	125	97.94	2.06
Total (B)	6071	6071	100%	5946	125	97.94	2.06
RESULT (A+B)	2372947	2372947	100%	2372822	125	99.99	0.01
Special Resolution No. – 4 : Amendment of the Liability Clause of the Memorandum of Association							
Mode of Voting (Postal ballot paper)							
Promoter and Promoter Group	1846150	1846150	100%	1846150	-	100%	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	520726	520726	100%	520726	-	100%	-
Total (A)	2366876	2366876	100%	2366876	-	100%	-

BHARTIYA INTERNATIONAL LTD.

Promoter/ Public	No. of Shareheld (1)	No. of votes polled(2)	% of Votes polled on outstanding shares(3)= [(2)/(1)]*100	No. of Votes- infavour(4)	No. of Votes- against(5)	% of Votes in favour on votes polled(6)= [(4)/(2)]*100	% of Votes against on votes polled(7)= [(5)/(2)]*100
Mode of Voting (E-Voting)							
Promoter and Promoter Group	-	-	-	-	-	-	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	5821	5821	100%	5696	125	97.85	2.15
Total (B)	5821	5821	100%	5696	125	97.85	2.15
RESULT (A+B)	2372697	2372697	100%	2372572	125	99.99	0.01
Special Resolution No. – 5 : Adoption of New Set of Articles of Association of the Company in pursuance to the provisions of Companies Act, 2013							
Mode of Voting (Postal ballot paper)							
Promoter and Promoter Group	1846150	1846150	100%	1846150	-	100%	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	520726	520726	100%	520726	-	100%	-
Total (A)	2366876	2366876	100%	2366876	-	100%	-
Mode of Voting (E-Voting)							
Promoter and Promoter Group	-	-	-	-	-	-	-
Public Institutional holders	-	-	-	-	-	-	-
Public-Others	6071	6071	100%	5946	125	97.94	2.06
Total (B)	6071	6071	100%	5946	125	97.94	2.06
RESULT (A+B)	2372947	2372947	100%	2372822	125	99.99	0.01

PROCEDURE FOR POSTAL BALLOT

In compliance with clause 35B of the Listing Agreement and sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting facility to all its members, to enable them to cast their votes electronically. The company engages the services of NSDL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting.

The company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members/list of beneficiaries as on cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding)/the Company's registrar and share transfer agents (in case of physical shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical ballot forms are requested to return the forms duly completed and signed, to the Scrutinizer on or before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting.

The Scrutinizer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman/authorized officer. The results are also displayed on the Company's

website www.bhartiyafashion.com besides being communicated to the Stock Exchanges, Depository and Registrar and Share Transfer Agents. The date of declaration of the results by the Company is deemed to be the date of passing of the resolutions.

Special resolution proposed to be passed by way of Postal Ballot

None of the businesses proposed to be transacted in the ensuing AGM require the passing of a special resolution by way of Postal Ballot.

DISCLOSURES

(i) All transactions entered into with the related parties as defined under the Companies Act, 2013 and clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of section 188 of the Companies Act, 2013. There were no materially significant related party transactions that may have a potential conflict with the interests of the Company at large. Transactions with the related parties are disclosed in Note to the Accounts in the Annual Report. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Committee for review and recommendation to the Board for their approval.

As required under clause 49, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company (www.bhartiyafashion.com)

(ii) While preparation of financial statements during the period under review, no accounting treatment which was different from that prescribed in the Accounting Standard was followed. The Company has followed the Accounting Standards referred to in section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

(iii) Company has laid down adequate procedure to inform the Board about the risk assessment and risk minimization procedures.

(iv) There have been no instances of non-compliance by the Company on any matter related to capital markets and no penalties or strictures have been imposed by SEBI or the Stock Exchange during the last three years

(v) In compliance with the SEBI regulations on prevention of Insider Trading, the Company has constituted a comprehensive code of conduct for its management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company, and cautioning them of the consequences of violation. Further, as per the revised guidelines on (Prohibition of Insider Trading) Regulations, 2015, the company has implemented a Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information

(vi) A Whistle Blower Policy is in place and the employees have direct access to the Audit Committee to raise their concerns.

(vii) The Company has complied with all mandatory requirements of Corporate Governance as specified under clause 49 of the Listing Agreement.

MEANS OF COMMUNICATION

(i) The Unaudited quarterly/half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Agreement with the Stock Exchanges.

(ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper. In addition, the same are published in local language (Hindi) newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.

(iii) The Company's Financial results and officials press releases are displayed on the Bhartiya Group's website: www.bhartiyafashion.com.

(iv) Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.

CORPORATE FILING AND DISSEMINATION SYSTEM (CFDS)

As required under Clause 52 of the Listing Agreement all disclosures and communications to BSE & NSE are filed electronically through the CFDS portal and the hard copies of the said disclosures and correspondence are also filed with the Stock Exchanges.

NSE ELECTRONIC APPLICATIONS PROCESSING SYSTEM (NEAPS)

All compliance related filings like shareholding pattern, corporate governance report, media releases etc. are also filed electronically on NEAPS.

BSE LISTING CENTER

All compliance related filings like shareholding pattern, corporate governance report, media releases etc. are also filed electronically on the BSE listing center.

SEBI COMPLAINT REDRESS SYSTEM (SCORES)

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by the investors of actions taken on the complaints and its current status.

GENERAL SHAREHOLDER INFORMATION

1. **AGM: Date, Time and Venue** : Monday, 21st September, 2015, 11.00 a.m. at
Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road,
Institutional Area, New Delhi-110003.
2. **Financial Calendar for 2015-2016**
Financial year - April to March
 Results for Quarter ending 30th June, 2015 : by 14th of August, 2015
 Results for Quarter ending 30th Sep., 2015 : by 14th of November, 2015
 Results for Quarter ending 31st Dec., 2015 : by 14th of February, 2015
 Year ending 31st March, 2016 : by the 30th of May, 2016
3. **Book Closure** : Tuesday the 15th September, 2015 to
Monday the 21st September, 2015
(both days inclusive)
4. **Dividend Payment Date** : On or before 20th October, 2015
if declared at Annual General
Meeting on 21st September, 2015
5. **Listing on Stock Exchanges & Stock Code**
The Company is listed at following Stock Exchanges:-
 1. BSE Limited (Stock Code: 526666) and
 2. National Stock Exchange of India Ltd. (Stock Code: Symbol-BIL, Series - BE)
 The Annual listing fee for the year 2015-2016 has been duly paid to both the Stock Exchanges.

Demat ISIN Number with NSDL & CDSL for Equity shares - **INE 828A01016**

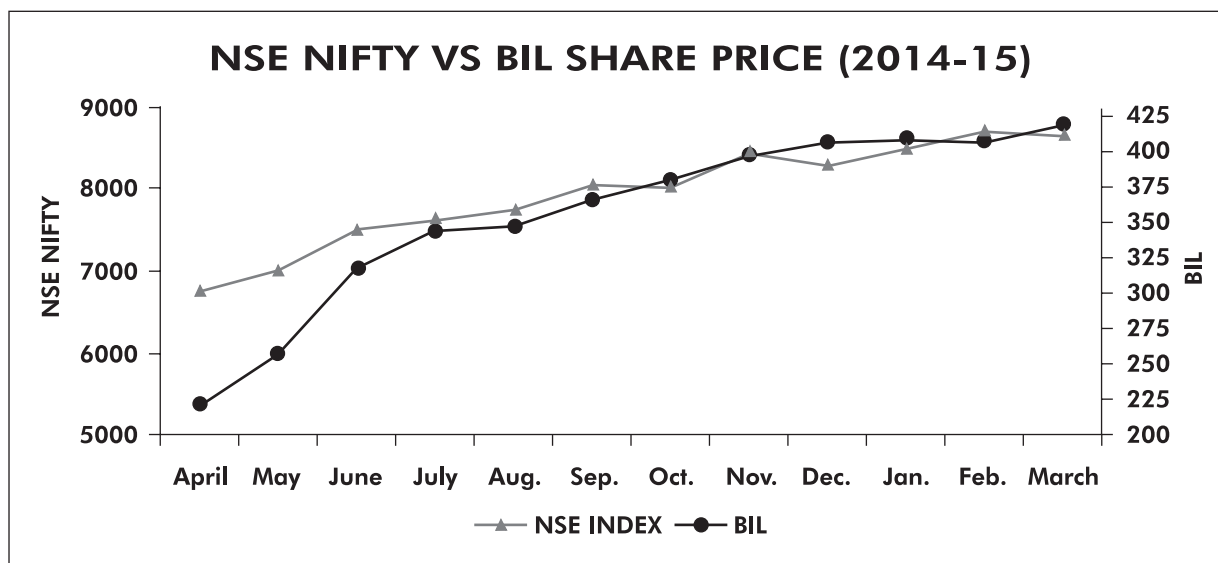
Demat ISIN Number with NSDL & CDSL for Warrants - **INE828A13011**

Annual Custody Issuer fee for the financial year 2015-16 has been paid by the Company to NSDL and CDSL.

6. Market Price Data: High, Low during each month in last financial year

Months	BIL			Months	NSE Nifty		
	High (Rs.)	Low (Rs.)	Average (Rs.)		High (Rs.)	Low (Rs.)	Average (Rs.)
Apr-14	238.85	203.20	221.03	Apr-14	6869.85	6650.40	6760.13
May-14	280.90	224.95	252.93	May-14	7563.50	6638.55	7101.03
Jun-14	365.75	266.55	316.15	Jun-14	7700.05	7239.50	7469.78
Jul-14	378.00	315.00	346.50	Jul-14	7840.95	7422.15	7631.55
Aug-14	368.00	319.35	343.68	Aug-14	7968.25	7540.10	7754.13
Sep-14	387.50	350.25	368.88	Sep-14	8180.20	7841.80	8011.00
Oct-14	404.00	364.20	384.10	Oct-14	8330.75	7723.85	8027.30
Nov-14	445.00	371.95	408.48	Nov-14	8535.35	8290.25	8412.80
Dec-14	423.95	375.00	399.48	Dec-14	8623.00	7961.35	8292.18
Jan-15	423.90	397.00	410.45	Jan-15	8996.60	8065.45	8531.03
Feb-15	428.80	381.00	404.90	Feb-15	8941.10	8470.50	8705.80
Mar-15	484.40	390.00	437.20	Mar-15	9119.20	8269.15	8694.18

7. Stock Performance in comparison to broad-based indices such as Nifty, S&P Sensex, etc.



Registrar & Share Transfer Agent

(For both Physical & Electronic Transfer etc.)

: MAS Services Ltd.

T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi-110 020
Tel. No. 26387281-83,
Fax No. 26387384
E-mail: info@masserv.com

8. Share Transfer System

Share transfers are processed and share certificates duly endorsed are returned within a period of seven days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Share Transfer Committee which consists of two members i.e. Mr. Snehdeep Aggarwal & Mr. A. K. Gadhok, Directors of the Company. Share transfer/transmissions approved by the Committee are placed at the Board Meeting from time to time. Company Secretary of the Company acts as Secretary of the Committee. A summary of transfer/transmission of securities of the Company so approved by the Share Transfer Committee is placed at every Board Meeting / Stakeholders Relationship Committee. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with Stock Exchanges. As at March 31, 2015 there was no Equity Share pending for Transfer, also there was no Demat Request pending as on March 31, 2015.

9. Distribution of Shareholding as on March 31, 2015

No. of Shares	SHAREHOLDERS		SHAREHOLDING	
	Number	% to total	Number	% to total
Upto-250	5065	88.89	286988	2.56
251-500	249	4.37	98939	0.88
501-1000	132	2.32	107837	0.96
1001-2000	65	1.14	96788	0.86
2001-3000	22	0.39	54963	0.49
3001-4000	18	0.32	64973	0.58
4001-5000	26	0.46	123494	1.10
5001-10000	49	0.86	383427	3.42
10001 & above	72	1.26	9996439	89.15
Total	5698	100.00	11213848	100.00

10. Shareholding Pattern as on March 31, 2015

Category	No. of Share held	% of Paid up Capital
Promoters Holding	1483612	13.23
Persons acting in concert	3680950	32.83
Mutual Funds	3000	0.03
Banks	2112	0.02
NRIs/OCBs	1010022	9.01
Indian Corporate Bodies	2913574	25.98
Indian Public	2120573	18.91
Total	11213848	100

- 12. Dematerialization of shares and liquidity** : As on March 31, 2015, 97.13% of the Paid-up share capital has been dematerialized.
- 13. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity** : As on 31.03.2015, 500,000 warrants were outstanding. These warrants were allotted to the Promoter Group on Preferential basis. During FY 2014-15, the Company had converted 1 lakh outstanding warrants to Equity Shares resulting in the increased paid-up Equity capital to Rs. 112,138,480/-
- 14. Plant Locations** : Bangalore and Chennai.
- 15. Address for Correspondence** : **Registered Office**
 Bhartiya International Ltd.
 E-52, New Manglapuri, Mandi Road (Mehrauli) New Delhi-110 030.
 Tel No.: 011-26808177, 46002100
 Fax No.: 011-26803485,
 E-mail: shares@bhartiya.com
Company Secretary and Compliance Officer
 Ms. Shilpa Budhia
 Bhartiya International Ltd.
 E-52, New Manglapuri, Mandi Road (Mehrauli) New Delhi-110 030.
 Tel No.: 011-26808177, 46002100
 Fax No.: 011-26803485

Prevention of Insider Trading:

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has instituted a comprehensive code of conduct for prohibition of insider trading in the Company's shares. The Company has adopted Code of practice and procedure for fair disclosure of unpublished price sensitive information as per SEBI (Prohibition of Insider Trading) Regulations, 2015.

Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital. This audit is carried out every quarter and the report there on is submitted to the Stock Exchanges, NSDL and CDSL and is placed before the Stakeholders Relationship Committee of the Board of Directors of the Company. The audit, inter alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

Corporate Identity Number (CIN)

Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L74899DL1987PLC026607.

NON-MANDATORY REQUIREMENTS

The non-mandatory requirements have been adopted by the Company to the extent it is in line with the nature of business activities of the Company. However, steps have been taken to implement the other requirements in a phased manner.

The Company is sending half yearly communication to its shareholders highlighting the financial and operational performance. The Internal Auditor is reporting to the Audit Committee. The Board comprises of 3 Executive Directors including one Managing Director. The company has deployed a CEO for fashion business separately.

COMPLIANCE CERTIFICATE

Certificate from the Statutory Auditor, M/s. Sushil Poddar & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is annexed hereinafter.

CODE OF CONDUCT DECLARATION

Declaration

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of sub-clause (II) E of Clause 49 of the Listing Agreement with stock exchanges, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended March 31, 2015.

New Delhi, 25th May, 2015

Sd/-
Snehdeep Aggarwal
Managing Director

For and on behalf of the Board

New Delhi, 25th May, 2015

Sd/-
Snehdeep Aggarwal
Managing Director

Sd/-
Ramesh Bhatia
Director

To
The Board of Directors
Bhartiya International Ltd.

CEO/CFO CERTIFICATION

We, Snehdeep Aggarwal, Managing Director and Manoj Khattar, Chief Financial Officer responsible for the finance function to the best of our knowledge and belief, certify that:-

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief :
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2015 are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit Committee and steps have been to rectify these deficiencies.
- D. i. There has not been any significant change in internal control over financial reporting during the year under reference;
- ii. There has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
- iii. We are not aware of any instance during the year of significant fraud with involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board

Sd/-
Snehdeep Aggarwal
Managing Director

Sd/-
Manoj Khattar
Chief Financial Officer

New Delhi, 25th May, 2015

AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members
Bhartiya International Ltd.

We have examined the compliance of Conditions of Corporate Governance by Bhartiya International Ltd. ("the Company") for the financial year ended on 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for **Sushil Poddar & Co.**
Chartered Accountants
Firm Registration No. 014969N

S. K. Poddar
Partner
Mem. No. 094479
New Delhi, 25th May, 2015

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Bhartiya International Ltd.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Bhartiya International Limited ('the Company'), which comprise the balance sheet as at 31st March, 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance 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 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 standalone 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its profit 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **SUSHIL PODDAR & CO.**
Chartered Accountants
Firm Registration No. 014969N

S.K. Poddar
Partner
Mem. No. 094479
New Delhi, 25th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March, 2015, we report that:

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management according to a regular program which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
- ii. (a) As explained to us, physical verification of inventory, except material lying with third parties and in transit, has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. Discrepancies noticed on verification of inventory as compared to book records were not material and these have been properly dealt with in the books of accounts.
- iii. (a) The company has granted interest free unsecured loans to two bodies corporates covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')

- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3 (iii) (a) of the Order is not applicable to the company in respect of repayment of the principal amount.
- (c) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanation given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act, for the Company.
- vii. (a) According to the records of the company, the company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Excise Duty, Custom Duty, Value Added Tax, Cess and any other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of the statutory dues referred to above were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) Following are the amounts which are disputed and not paid by the Company:

Nature of Demand	Amount in Rs	Period to which the Amount Relates	Forum where appeal has been filed
Income Tax (Tax& Interest)	1,16,39,722/- & 5,86,060/-	A.Y 2003-04 & A.Y 2004-05	High Court
Karnataka VAT	28,76,543/-	F.Y 2009-2010	Joint Commissioner of Commercial Taxes (Appeals)

- (d) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- viii. The company does not have accumulated losses and has not incurred cash losses in the current financial year covered by our audit and the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institutions or banks.
- x. In our opinion, the terms and conditions on which the company has given guarantees for loans taken by its wholly owned subsidiaries from banks or financial institutions are not prima-facie prejudicial to the interest of the company.
- xi. In our opinion, the term loans have been applied for the purpose for which they were obtained.
- xii. Based upon the audit procedure performed and information and explanation given by the management we report that during the year no fraud on or by the company has been noticed or reported by the management.

for **SUSHIL PODDAR & CO.**
Chartered Accountants
Firm Registration No. 014969N

S.K. Poddar
Partner
Mem. No. 094479
New Delhi, 25th May, 2015

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2015

PARTICULARS	Note No.	Amount in Rs.	
		AS AT 31st March, 2015	AS AT 31st March, 2014
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	112,138,480	110,638,480
(b) Reserves and Surplus	3	1,493,558,875	1,355,903,673
(c) Money Received against Share Warrant	4	30,000,000	2,175,000
2 Non-Current Liabilities			
(a) Long-Term Borrowings	5	313,229,647	312,674,190
(b) Deferred Tax Liabilities	6	32,571,517	33,967,191
(c) Other Long-Term Liabilities	7	15,978,600	14,526,000
(d) Long-Term Provisions	8	11,212,708	9,623,324
3 Current Liabilities			
(a) Short-Term Borrowings	9	1,553,869,143	1,157,828,830
(b) Trade Payable	10	290,973,431	207,984,975
(c) Other Current Liabilities	11	246,923,783	212,638,479
(d) Short-Term Provisions	12	86,556,874	65,813,677
TOTAL		4,187,013,058	3,483,773,819
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets	13		
(i) Tangible Assets		593,375,581	557,685,216
(ii) Intangible Assets		3,782,281	3,250,224
(iii) Capital Work In Progress		50,718,597	31,995,649
(iv) Intangible Assets Under Development		9,453,800	3,528,300
(b) Non Current Investments	14	605,518,776	593,623,211
(c) Long Term Loans And Advances	15	67,052,486	112,775,097
(d) Other Non-Current Assets	16	201,000	241,200
2 Current assets			
(a) Current Investments	17	10,257,167	8,388,432
(b) Inventories	18	1,776,740,129	1,484,398,496
(c) Trade Receivables	19	515,736,025	184,392,565
(d) Cash & Cash Equivalents	20	165,121,930	179,007,484
(e) Short Term Loans and advances	21	389,015,086	324,447,745
(f) Other Current assets	22	40,200	40,200
TOTAL		4,187,013,058	3,483,773,819

Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

for **SUSHIL PODDAR & CO.**

Chartered Accountants

Firm Registration No. 014969N

For and on behalf of the Board

S.K. Poddar

Partner

Mem. No. 094479

Shilpa Budhia

Company Secretary

Manoj Khattar

Chief Financial Officer

Snehdeep Aggarwal

Managing Director

Ramesh Bhatia

Director

New Delhi, 25th May, 2015

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Note No.	Amount in Rs.	
		Year Ended 31st March, 2015	Year Ended 31st March, 2014
Income:			
Revenue From Operations	23	4,239,478,289	3,186,956,741
Other income	24	26,508,680	22,517,394
Total Revenue		4,265,986,969	3,209,474,135
Expenses:			
Cost of Raw Material Consumed	25	2,143,320,591	1,212,074,530
Purchases of Stock In Trade		420,838,792	722,509,246
Changes in Inventories of Finished Goods	26	(83,498,793)	(44,008,555)
Employee Benefits Expenses	27	213,421,842	175,734,029
Finance Cost	28	85,222,797	143,599,876
Depreciation and Amortization Expense	29	38,624,537	25,339,595
Other Expenses	30	1,234,934,430	834,575,716
Total Expenses		4,052,864,196	3,069,824,437
Profit before Tax and Exceptional Items		213,122,773	139,649,698
Less Exceptional Items:	31	-	7,631,333.00
Profit before taxes		213,122,773	132,018,365
Tax Expense:	32		
Current Tax		71,670,637	38,044,794
Deferred Tax		776,816	7,588,773
Profit for the year		140,675,320	86,384,798
Earnings Per Equity Share:			
(1) Basic		12.61	7.81
(2) Diluted		12.39	7.77

Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

for **SUSHIL PODDAR & CO.**

Chartered Accountants

Firm Registration No. 014969N

For and on behalf of the Board

S.K. Poddar

Partner

Mem. No. 094479

Shilpa Budhia

Company Secretary

Manoj Khattar

Chief Financial Officer

Snehdeep Aggarwal

Managing Director

Ramesh Bhatia

Director

New Delhi, 25th May, 2015

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Amount in Rs.	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxes	213,122,773	139,649,698
Adjusted for :		
Depreciation/Amortisation	38,624,537	25,339,595
Financial Costs	138,547,771	100,491,389
Effect of Exchange rate change	(53,324,974)	43,108,487
Loss/(Profit) on sale of fixed assets (net)	1,791,423	(1,083,046)
Loss/(Profit) on sale of Investments (net)	(2,638,596)	(1,035,025)
Dividend from Current Investments	(109,770)	(401,145)
Rental Income	(22,499,225)	(21,256,475)
Provision for Employee Stock Option Benefits	(170,363)	170,363
Share of Loss of Subsidiary	203,302	175,251
Provision no longer required	(1,464,391)	-
	98,959,714	145,509,394
Operating profit before working capital change	312,082,487	285,159,092
Adjustment for :		
Inventories	(292,341,633)	(581,292,533)
Trade and Other Receivables	(331,343,460)	89,190,251
Loans and Advances	(66,950,891)	(97,156,357)
Trade and Other Payables	109,070,559	(4,631,716)
	(581,565,425)	(593,890,355)
Cash generated from operations	(269,482,938)	(308,731,263)
Income Tax Paid (net)	(55,386,857)	(43,138,206)
Effect of Exchange rate change	53,324,974	(43,108,487)
NET CASH FROM OPERATING ACTIVITIES	(271,544,821)	(394,977,956)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale/(Purchases) of Investment (Net)	(9,864,615)	26,941,407
Dividend from Current Investment	109,770	401,145
Loans & Advances to Subsidiaries	51,943,953	603,599
Advance for Capital Assets	(2,890,813)	3,000,888
Rent Received	22,499,225	21,256,475
Sale of Fixed Assets	838,025	2,363,577
Purchase of fixed assets/Capital W.I.P.	(108,493,181)	(60,904,710)
Cash Flow from Investment Activities before Exceptional Items	(45,857,636)	(6,337,619)
Dividend from Overseas Subsidiary	-	67,345,000
Net Cash used in Investment Activities	(45,857,636)	61,007,381
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Short Term Borrowings	396,040,313	489,317,128
Net Proceeds from Long Term Borrowings	14,863,420	40,808,515
Finance Cost Paid	(138,547,771)	(100,491,389)
Share Capital Issue Proceeds (including Share Capital/Warrants)	44,325,000	-
Dividend paid (including dividend tax)	(13,164,059)	(13,110,083)
NET CASH USED IN FINANCING ACTIVITIES	303,516,903	416,524,171
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	(13,885,554)	82,553,596
Cash and Cash Equivalents-Opening Balance	179,007,484	96,453,888
Cash and Cash Equivalents-Closing Balance	165,121,930	179,007,484

As per our report of even date attached

for **SUSHIL PODDAR & CO.**

Chartered Accountants

Firm Registration No. 014969N

For and on behalf of the Board

S.K. Poddar

Partner

Mem. No. 094479

Shilpa Budhia

Company Secretary

Manoj Khattar

Chief Financial Officer

Snehdeep Aggarwal

Managing Director

Ramesh Bhatia

Director

New Delhi, 25th May, 2015

**STANDALONE NOTES FORMING PART OF THE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015****1.0 SIGNIFICANT ACCOUNTING POLICIES:****a) Method of Accounting**

These financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India to comply with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires judgments, estimates and assumptions to be made that effect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialised.

c) Fixed Assets

Fixed assets are stated at cost of acquisition inclusive of duties, non refundable taxes, incidental expenses related to acquisition and reduced by accumulated depreciation, impairment loss & Subsidy/Grant received if any. In respect of project involving construction, related pre-operational expenses form part of the value of assets capitalised. Interest on borrowings and other costs directly attributable to the asset during the period of construction/acquisition upto the date the asset is put to use is also added to the cost of fixed assets.

d) Depreciation

In respect of fixed assets acquired during the year, depreciation is charged on a straight line basis so as to write off the cost of assets over the useful lives as prescribed in Schedule II of the Companies Act, 2013 and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remanding useful life. Cost of Leasehold land is amortised over the period of lease.

e) Inventories

Raw materials and consumables have been valued at cost after providing for obsolescence. Cost comprise of cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Finished goods are valued at lower of cost or net realisable value. Cost is determined as per the absorption costing method.

f) Foreign Exchange Transactions

a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

b) Current Assets and Current Liabilities, outstanding in foreign currency at the year end, are converted at the closing exchange rates.

c) Investments in Overseas Subsidiary is carried at the original rupee cost.

d) In respect of transactions at the overseas offices,

i) revenue expenditure and income during the year are converted into Indian Rupees at the average rate prevailing during the year.

ii) Fixed assets acquired are accounted for at the actual exchange rate prevailing at the time of acquisition.

iii) Current Assets and Liabilities are translated at the rate prevailing on the last working day of the year.

iv) Balances of the Head Office account appearing in foreign currency in branch books are translated at corresponding rupee balance appearing in the Head Office books

e) All gains/losses on such conversion are charged to profit and loss account.

g) Retirement Benefits

The employer's contribution to the employees provident fund is accounted for on accrual basis and is charged to the profit and loss account during the year. The gratuity liability is provided for all eligible employees during the year on accrual basis. Provision is made for value of unutilised leave due to employees at the end of the year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**h) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized as part of cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

i) Revenue Recognition**Sale of Goods**

Revenue is recognised when the significant risks and rewards of ownership of the goods are passed on to the buyer which is generally on dispatch of goods to customers.

Export Incentive

Export Incentive under the "Duty Entitlement Pass Book Scheme" and "Duty Draw back scheme" are accounted for in the Year of Export

Other export incentives are accounted for on actual receipt basis.

Dividend

Dividend income is recognised when the right to receive the dividend is established

j) Investment

All long term investments are stated at cost. Provision in the carrying amount of long term investments is made for any diminution in value considered permanent. Current Investments are carried at lower of cost or market value.

k) Taxation

Provision for tax for the year comprises current Income Tax determined to be payable in respect of taxable income and deferred tax being the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent periods.

l) Government Grants

Grants received against specific fixed assets are adjusted to the cost of assets. Revenue Grants are recognised in the Profit and Loss Account in accordance with the related scheme.

m) Impairment of Assets

Where there is a indication that an asset is impaired, the recoverable amount, if any, is estimated and the impairment loss is recognised to the extent carrying amount exceeds recoverable amount.

n) Provisions Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company.

o) Employee Share based payments

The Company has formulated Employee Stock Option Plans (ESOP Schemes) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Scheme provides for grant of option to employee of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period. Employee Stock Option granted by the Company are accounted under the 'Intrinsic Value Method' stated in the Guidance Note on 'Employee Share Based Payment' issued by the Institute of Chartered Accountants of India.

p) Derivative Financial Instruments and Hedge Accounting

The Company has adopted principles of hedges accounting as set out in Accounting Standard (AS) 30, "Financial Instruments Recognition and Measurement", to the extent that the adoption does not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements of the Company Law and other regulatory requirements. The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts reduce the risk or cost to the Company. The Company does not use these contracts for trading or speculation purpose.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
2.0 SHARE CAPITAL		
Authorised Share Capital		
a) 20,000,000 (Previous Year 20,000,000) Equity Shares of Rs. 10/- each	200,000,000	200,000,000
b) 500,000 (Previous Year 500,000) Preference Shares of Rs. 100/- each	50,000,000	50,000,000
	250,000,000	250,000,000
Issued, Subscribed & Paid up :		
a) 1,12,13,848 (Previous Year 1,10,63,848) equity shares of Rs.10/- each fully paid Up.	112,138,480	110,638,480
	112,138,480	110,638,480

2.1 The details of Shareholders holding more than 5% shares

Name of the share holders	As at	As at	As at	As at
	31st March, 2015 No. of Shares	31st March, 2015 % of Holding	31st March, 2014 No. of Shares	31st March, 2014 % of Holding
(a) Snehdeep Aggarwal	1,143,362	10.24	1,143,362	10.33
(b) Bharitya Infotech Pvt. Ltd.	1,000,000	8.96	1,000,000	9.04
(c) Bhartiya Global Holdings Pvt. Ltd.	1,350,000	12.09	1,350,000	12.20
(d) Spirit Impex Pvt Ltd.	1,200,000	10.75	1,200,000	10.85
(e) Bhartiya Finstock Pvt. Ltd.	681,926	6.11	615,536	5.56
(f) Morgan Stanlay Asia (Singapore) PTE	745,315	6.68	-	-

2.2 Reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March, 2015 No. of Shares	As at 31st March, 2014 No. of Shares
Shares outstanding at the beginning of the year	11,063,848	10,463,848
Shares Issued during the year	150,000	600,000
Shares outstanding at the end of the year	11,213,848	11,063,848

2.3 The Company has only one class of equity shares having a par values of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. 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 of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion of the number of equity share held by the shareholders.

2.4 100,000 Equity shares of Rs. 10/- each at a premium of Rs. 77/- each issued to non-promoters on conversion of preferential Share Warrants.

2.5 The Company allotted 50,000 Equity shares of Rs. 10/- each at a premium of Rs. 146/- each in terms of the Employee Stock Option scheme upon exercise of right of conversion of 50,000 options into equity shares by the employee.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
3 RESERVES & SURPLUS AMOUNT IN INR		
i) Share Premium A/c		
As Per last Balance Sheet	376,165,000	376,165,000
Add: On issue of Shares	15,000,000	-
	391,165,000	376,165,000
ii) Prferential Share Warrant Forfeited	8,500,000	8,500,000
iii) General Reserves		
As Per last Balance Sheet	219,851,233	199,851,233
Add: Transferred from Profit and Loss A/c	20,000,000	20,000,000
	239,851,233	219,851,233
iv) Surplus in Statement of Profit & loss		
As Per last Balance Sheet	751,217,077	697,776,428
Less Adjustment relating to Fixed Assets (Refer Note No. 13.3)	4,236,036	-
Add: Profit for the Year	140,675,320	86,384,798
	887,656,361	784,161,226
Less : Appropriations		
- General Reserve	20,000,000	20,000,000
- Proposed Dividend	11,213,848	11,063,848
- Tax on Dividend	2,282,876	1,880,301
	854,159,637	751,217,077
Less : Dividend Paid on Fresh issue of Shares	100,000	-
Less : Dividend Tax on Fresh issue of Shares	16,995	-
	854,042,642	751,217,077
V) Stock Option Outstanding	-	170,363
TOTAL	1,493,558,875	1,355,903,673
4 MONEY RECEIVED AGAINST SHARE WARRANTS		
a) Preferential Share Warrant :		
1,00,000 Preferential Share warrant paid up Rs. 21.75/- each. (Previous Year 1,00,000 warrants of Paid up Rs. 21.75/- each.)	2,175,000	2,175,000
Add : 5,00,000 Preferential Share Warrants issued paid up Rs.60/- each (Previous Year - Nil)	30,000,000	-
	32,175,000	2,175,000
Less : 1,00,000 Preferential Share Warrants Converted into Equity Shares paid up Rs. 21.75/- (Previous Year - Nil)	2,175,000	-
	30,000,000	2,175,000

- 4.1** The Company has allotted 500,000 warrants to promoter company on 18th June, 2014 on preferential basis, convertible into equity shares of Rs. 10/- each fully paid up. The holders of warrants have a right to apply one equity share of Rs. 10/- each at a premium of Rs. 230/- with in a period of 18 months from the date of allotment. Against this the company has received Rs. 60/- per warrant.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
5 LONG TERM BORROWINGS		
Secured		
- Term Loans from Banks	309,995,660	309,671,412
- Vehicle Loans from Banks	3,233,987	3,002,778
TOTAL	313,229,647	312,674,190
5.1	Term Loan from Allahabad Bank, balance outstanding amounting to Rs. 418.95 lacs (31st March, 2014 Rs. 768.03 lacs) is secured by first parri passu charge (with Axis Bank) on specific land, building and machinery of the project created out of the Term loan and personal guarantee of one of the Director. The loan is repayable in fifteen equal quarterly instalments starting from April 2013. Last installment due in January 2017. Rate of interest 13.75 p.a. as at year end (Previous Year 13.70 % p.a.)	
5.2	Term Loans from IDBI Bank, balance outstanding amounting to Rs 728.83 lacs (31st March, 2014 Rs. 750.00 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurgaon and personal guarantee of one of the Director. The loan is repayable in 180 monthly Installment starting from February, 2013. Last installment due in February, 2028. Rate of Interest 12.25 % p.a. as at year end (Previous Year 12.25% p.a.)	
5.3	Term Loans from IDBI Bank, balance outstanding amounting to Rs 1873.71 lacs (31st March, 2014 Rs. 1935.69 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurgaon and personal guarantee of one of the Director. Repayable in 161 monthly Installment starting from June, 2014. Last installment due in November, 2027. Rate of Interest 12.5 % p.a. as at year end (Previous Year 12.25% p.a.)	
5.4	Term Loan from Axis Bank, balance outstanding amounting to Rs. 585 Lacs (31st March, 2014 Rs. Nil) is secured by exclusive charge over the fixed assets funded out of it. Exclusive charge by way of Equitable Mortgage over the immovable property situated at plot No 69, 3rd Road, 1st Phase, Jigani industrial Area, Part of Sy No 588 & 590 Jigani, Anekai Taluk, Banglore, 562106 and personal guarantee of one of the Director The Loan is repayble in 15 Quarterly Installment starting from September, 2015. Last installment due in June, 2019. Rate of interest 12.25% p.a. as at year end (previous year - N/A)	
5.5	Vehicle Loans are secured by way of hypothecation of vehicles financed by the Bank.	
6 DEFERRED TAX LIABILITY (NET)		
a) Deferred Tax Assets Related to Capital Lossess	(4,637,414)	(5,170,131)
b) Deferred Tax Liabilites Related to Fixed Assets	37,208,931	39,137,322
TOTAL	32,571,517	33,967,191
7 OTHER LONG TERM LIABILITIES		
(a) Security Deposit from related parties (refer note no 33.12)	15,978,600	14,526,000
TOTAL	15,978,600	14,526,000
8 LONG TERM PROVISIONS		
(a) Provision for employees benefit Provision for Gratuity	11,212,708	9,623,324
TOTAL	11,212,708	9,623,324

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
9 SHORT TERM BORROWINGS		
Secured		
- Working Capital Loans From Banks	1,553,869,143	1,157,828,830
TOTAL	1,553,869,143	1,157,828,830
9.1 Working Capital facilities are secured against hypothecation of stocks of raw - materials, stock in process, finished goods, Other Current assets, specified immovable property, movable fixed assets, lien on fixed deposits, exports bills and personal guarantee of Director.		
9.2 Foreign documentary bills discounted with Banks have been shown as a contingent liability. The same are secured against the export bills and the personal guarantee of Director.		
10 TRADE PAYABLE		
(a) Payable	176,915,490	161,402,713
(b) Payable to related parties (refer note no 33.12)	2,667,339	18,020,935
(c) Acceptance	111,390,602	28,561,327
TOTAL	290,973,431	207,984,975
10.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act have not been given.		
11 OTHER CURRENT LIABILITIES		
(a) Current maturities of Long Term Borrowings	52,250,193	37,942,230
(b) Unclaimed Dividend	968,223	1,071,138
(c) Due to Employees	21,289,708	14,769,115
(d) Temporary Book Overdraft	-	30,213,055
(e) Expenses Payable	149,411,565	119,789,108
(f) Statutory Dues Payable	10,198,609	4,591,111
(g) Other Payables	9,012,999	1,058,710
(h) Interest Accrued but not due	3,792,486	3,204,012
TOTAL	246,923,783	212,638,479
12 SHORT TERM PROVISIONS		
(a) Provision for Employees benefits	6,339,314	3,379,451
(b) Provision for Income Tax	66,720,836	49,490,077
(c) Proposed Dividend	11,213,848	11,063,848
(d) Tax on Proposed Dividend	2,282,876	1,880,301
TOTAL	86,556,874	65,813,677

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

13 FIXED ASSETS

Amount in Rs.

PARTICULARS	Gross Block			Depreciation			Net Block			
	As at 1st April, 2014	Additions/ Adjustments during the year	Deduction/ Retirement during the year	As at 31st March, 2015	As at 1st April, 2014	Adjustment to Retained Earnings	For the year	Deduction/ adjustments during the year	As at 31st March, 2014	As at 31st March, 2015
Tangible Assets :										
Own Assets :										
Land	22,324,670	-	-	22,324,670	-	-	-	-	22,324,670	22,324,670
Lease hold land	30,000,000	30,000,000	-	60,000,000	1,097,561	-	624,136	-	28,902,439	58,278,303
Building	361,669,030	6,356,589	-	368,025,619	46,623,731	-	8,964,444	-	315,045,299	312,437,444
Machinery	163,955,238	34,086,113	-	198,041,351	37,167,856	110,923	12,762,504	-	126,787,382	148,000,068
Vehicles	33,613,097	2,844,283	6,066,387	30,390,993	17,620,480	-	2,752,106	4,494,948	15,992,617	14,513,355
Furniture	37,279,075	1,782,873	14,467,597	24,594,351	17,468,506	1,748,717	3,047,079	13,765,994	19,810,569	16,096,043
Office Equipments	29,324,601	1,921,312	7,636,681	23,609,232	6,961,297	3,374,594	4,034,353	7,280,275	22,363,304	16,519,263
Computers	9,701,135	3,700,262	2,700,630	10,700,767	3,242,199	989,862	3,962,901	2,700,630	6,458,936	5,206,435
Total (A)	687,866,846	80,691,432	30,871,295	737,686,983	130,181,630	6,224,096	36,147,523	28,241,847	557,685,216	593,375,581
Previous Year	665,867,866	27,010,025	5,011,045	687,866,846	109,274,133	-	24,638,011	3,730,514	556,593,733	557,685,216
Intangible Assets :										
Computer Software	4,381,691	3,153,301	223,216	7,311,776	1,131,467	184,430	2,436,814	223,216	3,250,224	3,782,281
Total (B)	4,381,691	3,153,301	223,216	7,311,776	1,131,467	184,430	2,436,814	223,216	3,250,224	3,782,281
Previous Year	4,028,110	353,580	-	4,381,690	470,083	-	661,384	-	3,558,027	3,250,224
Capital work in Progress										
Capital work in Progress	31,995,649	43,826,859	25,103,911	50,718,597	-	-	-	-	31,995,649	50,718,597
Total (C)	31,995,649	43,826,859	25,103,911	50,718,597	-	-	-	-	31,995,649	50,718,597
Previous Year	1,982,844	31,995,649	1,982,844	31,995,649	-	-	-	-	1,982,844	31,995,649
Intangible Assets under Development										
Intangible Assets under Development	3,528,300	5,925,500	-	9,453,800	-	-	-	-	3,528,300	9,453,800
Total (D)	3,528,300	5,925,500	-	9,453,800	-	-	-	-	3,528,300	9,453,800
Previous Year	-	3,528,300	-	3,528,300	-	-	-	-	-	3,528,300
Total (A+B+C+D)	727,772,486	133,597,092	56,198,422	805,171,156	131,313,097	6,408,526	38,584,337	28,465,063	596,459,389	657,330,259
Previous Year	671,878,820	62,887,554	6,993,889	727,772,485	109,744,216	-	25,299,395	3,730,514	562,134,604	596,459,389

13.1 Registration formalities in respect of properties for Rs.18,50,000/- (Previous Year 18,50,000/-) are pending.

13.2 During the Year ending 31st March, 2015 certain assets which were not in use having net book value of Rs. 10,58,009/-were retired.

13.3 In compliance with the provisions of Schedule II of the Companies Act, 2013, fixed assets which has completed their useful life as on 1st April 2014, the carrying value (net of residual value) amounting to Rs. 42,36,036/- (net of deferred tax of Rs. 21.72 Lacs) has been recognized in the Retain Earning.

13.4 Had the Company continued with the previous method of depreciation, depreciation and amortization expenses for the year would have been lower by Rs. 1,08,36,045/-.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.			
	No. of Shares/Units	As at 31 st March, 2015	No. of Shares/Units	As at 31 st March, 2014
14 NON CURRENT INVESTMENTS (at cost unless otherwise specified)				
A) Trade Investments :				
i) In Equity Shares of Subsidiary Companies - Unquoted				
1 Equity share of Rs. 10/- each, fully paid in Bhartiya Global Marketing Ltd.	4,999,020	49,990,200	2,499,020	24,990,200
2 Equity Shares of Rs. 10/- each, fully paid in Bhartiya International Sez Ltd.	12,069,230	120,692,300	12,069,230	120,692,300
3 Equity Shares of Rs. 10/- each, fully paid in Bhartiya Retail Fashion Ltd.	50,000	500,000	50,000	500,000
4 Equity Shares in Ultima S.A. Switzerland (having par value of SFR 1,000)	1,000	33,785,508	1,000	33,785,508
5 Equity Shares in World Fashion Trade Ltd. (having par value of \$ 1)	1,000	44,780	1,000	44,780
6 Member's Contribution in B I L Group LLC	-	69,914,747	-	70,118,049
Total Investments in Subsidiary Companies		274,927,535		250,130,837
ii) In Equity Shares of Associates Companies - Unquoted				
1 Equity Shares of Rs. 10/- each, fully paid in Bhartiya Urban infrastructure & Land Development Co. Pvt. Ltd.	11,200,000	280,000,000	11,200,000	280,000,000
2 Equity Shares of Rs. 10/- each, fully paid in Tada Mega cluster Pvt. Ltd.	5,000	50,000	5,000	50,000
iii) In Preference Shares of Associates Companies-Unquoted				
1 Compulsory Convertible Preference Shares of Rs. 10/- each, fully paid in Bhartiya Urban infrastructure & Land Development Co. Pvt. Ltd.	4,796,865	119,960,000	4,796,865	119,960,000
Total Investments in Associate Companies		400,010,000		400,010,000
TOTAL TRADE INVESTMENTS (A)		674,937,535		650,140,837
B) Other Investments				
i) Government Securities & Others Unquoted				
1 Indra Vikas Patra	-	6,500	-	6,500
Total	-	6,500	-	6,500
ii) Investments in Mutual Funds (Quoted)				
1 Dspml India T.I.G.E.R Fund - Growth	-	-	118,509	5,000,000
2 Dspbr Top 100 Equity Fund - G	-	-	43,518	4,000,000
3 Kotak 50 Equity Scheme - Growth	-	-	21,795	2,004,366
4 Goldman Sachs Liquid Exchange Traded Scheme	602.45	603,233	-	-
Total		603,233		11,004,366

BHARTIYA INTERNATIONAL LTD.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.			
	No. of Shares/Units	As at 31 st March, 2015	No. of Shares/Units	As at 31 st March, 2014
iii) Investments in Debenture (Unquoted)				
REDEEMABLE NCD OF CITICORP FINANCE INDIA	-	-	-	2,500,000
Total		-		2,500,000
TOTAL OTHER INVESTMENTS (B)		609,733		13,510,866
TOTAL NON CURRENT INVESTMENTS (A+B)		675,547,268		663,651,703
Less:- Provision for diminution in the value of Investments		70,028,492		70,028,492
TOTAL NON CURRENT INVESTMENTS		605,518,776		593,623,211
Aggregate amount of quoted Investments		603,233		11,004,366
Market value of quoted Investments		602,000		13,118,802
Aggregate amount of unquoted Investments		604,915,543		582,618,845

- 14.1** As per the incorporation documents of BIL Group LLC, Bhartiya international Ltd is the sole member having 100% membership interest and the entire investment has been represented as members capital contribution. An LLC for income tax purposes in USA under the IRS can elect to be taxed as either a partnership or as a separate corporate entity. In the selection of being taxed as a partnership, the LLC is a pass through entity and the members get taxed on their share of the profit/loss. BIL Group LLC has, adopted to be taxed as a partnership and hence Bhartiya International Ltd being the sole member, shall be taxed for the full profit or loss in USA. The financial year closure of this LLC is 31st December and it has reported a loss of USD 3257/- (Rs. 203,302/-) in its financial year ended 31st December, 2014. Accordingly the company has accounted for the loss in the books of accounts.
- 14.2** Investment in the subsidiary Bhartiya International SEZ Ltd. include 6 equity shares of (Rs. 60/-) held in the name of a Director/nominees in fiduciary capacity for the company.
- 14.3** Investment in the wholly owned subsidiaries Ultima S.A, Switzerland, Bhartiya Global Marketing Ltd.and Bhartiya Fashion Retail Ltd, include 1 equity share of the nominal value of SFR 1,000 (Rs. 33,785/-) and 6 equity shares (Rs. 60/-) respectively held in the name of Directors/nominees in fiduciary capacity for the company.

PARTICULARS	Amount in Rs.	
	As at 31 st March, 2015	As at 31 st March, 2014
15 LONG TERM LOANS & ADVANCES		
(Unsecured & Considered Good)		
(a) Security and Other Deposits	2,545,349	2,579,018
(b) Other Advances	6,487,488	5,946,864
(c) Advance for Capital Goods	11,128,558	8,237,745
(d) Loans/Advances to related parties (refer note no 33.12)	46,891,091	96,011,470
TOTAL	67,052,486	112,775,097
16 OTHER NON CURRENT ASSETS		
(a) Preliminary Expenses (to the extent not written off)	201,000	241,200
TOTAL	201,000	241,200

BHARTIYA INTERNATIONAL LTD.
NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.			
	No. of Shares/Units	As at 31 st March, 2015	No. of Shares/Units	As at 31 st March, 2014
17 CURRENT INVESTMENTS				
i) In Equity Shares Quoted, fully paid up				
1 Bharat Forge Ltd.	620	633,651	-	-
2 Container Corp. of India Ltd.	300	438,214	-	-
3 Cummins India Ltd.	665	601,413	-	-
4 Dabur India Ltd.	3,830	930,733	-	-
5 Godrej Consumer Product Ltd.	550	605,756	-	-
6 HDFC Ltd.	1,125	834,818	-	-
7 Hindalco Industries Ltd.	-	-	5,000	617,993
8 Hindustan Copper Ltd.	-	-	9,000	987,082
9 Hindustan Zinc Ltd.	-	-	5,000	605,148
10 Hero Motocop Ltd.	140	424,470	-	-
11 Indusind Bank Ltd.	710	621,166	-	-
12 Infosys Ltd.	290	625,293	-	-
13 ITC Ltd.	1,135	420,621	-	-
14 Il&Fs Transport Network Ltd.	-	-	5,000	572,920.00
15 Jaiprakash Associates Ltd.	-	-	10,000	535,727
16 Larsan & Toubro Ltd.	450	376,877	750	708,645
17 Lupin Ltd.	750	701,466	1,000	603,378
18 L & T Finance Holding Ltd.	-	-	5,000	357,402
19 Max India Ltd.	-	-	2,500	597,680
20 Maruti Suzuki India Ltd.	170	606,458	-	-
21 Motherson Sumi Systems Ltd.	2,000	638,580	-	-
22 Page Industries Ltd.	40	414,436	-	-
23 Sun Pharmaceuticals Ltd.	475	421,648	-	-
24 Reliance Capital Ltd.	-	-	1,000	811,186
25 Reliance Industries Ltd.	-	-	800	767,038
26 Reliance Infrastructure Ltd.	-	-	350	350,903
27 Tata Consultancy Services Ltd.	160	419,346	-	-
28 Tata Steel Ltd.	-	-	4,100	2,114,372
29 Tata Motors Ltd.	750	318,872	-	-
Total		10,033,818		9,629,474
ii) In Equity Shares Unquoted, Fully Paid Up				
1 Sai Rayalaseem Paper Mills Ltd.	31,792	386,273	31,792	386,273
Total		386,273		386,273
Grand Total		10,420,091		10,015,747
Less:- Provision for diminution in the value of Investments		162,924		1,627,315
Total Current Investments		10,257,167		8,388,432
Aggregate amount of quoted Investments		9,870,894		8,002,159
Market value of quoted Investments		12,399,828		8,733,248
Aggregate amount of unquoted Investments		386,273		386,273

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
18 INVENTORIES		
Raw Materials (including material in Transit)	1,465,005,462	1,309,452,569
Stock-in-Progress	105,026,762	58,682,928
Finished Goods	185,197,451	101,698,658
Consumable Store	21,510,454	14,564,341
TOTAL	1,776,740,129	1,484,398,496
19 TRADE RECEIVABLES		
(Unsecured, considered good)		
(a) Outstanding over six months	18,236,426	12,588,273
(b) Others	497,499,599	171,804,292
TOTAL	515,736,025	184,392,565
19.1 The Company has filed legal Suit for recovery of Rs. 6,162,337/- against one of its overseas customer. Management is confident of recovery of the same and hence has not made any provision for bad & doubtful debts against this.		
20 CASH AND CASH EQUIVALENT		
(a) Balances with Banks		
- In Current Accounts	67,484,881	56,307,995
- In Fixed Deposits	93,438,161	119,767,452
(b) Cash on Hand	4,198,888	2,932,037
TOTAL	165,121,930	179,007,484
20.1 Balances with banks Includes Unclaimed Dividend of Rs. 968,223/- (Previous year Rs. 1,071,138/-)		
20.2 Fixed deposits of Rs. 53,375,585/- (Previous year Rs. 118,422,933/-) are pledged with the banks for various limits and facilities granted.		
21 SHORT TERM LOANS & ADVANCES		
(Unsecured, considered good)		
(a) Loans/Advances to Related Parties (refer note no 33.12)	8,848,462	34,146,475
(b) Advances with Suppliers	141,379,532	91,233,274
(c) Advance Income Tax	35,468,308	34,521,329
(d) Vat Receivable	65,654,096	40,904,043
(e) Prepaid Expenses	7,030,895	8,073,092
(f) Security & Other Deposits	3,739,512	3,084,424
(g) Advance to Staff	8,551,233	6,927,654
(h) Export Incentive Receivable	118,283,523	105,533,570
(i) Other Advances	59,525	23,884
TOTAL	389,015,086	324,447,745
21.1 The company has filed a writ petition before the Madras High Court for the recovery of drawback amounting to Rs. 3,363,721/- against the Chief Commissioner of Customs Chennai. The management is confident for the recovery of the said amount and hence has not made any provision for bad & doubtful debts against this.		

BHARTIYA INTERNATIONAL LTD.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
22 OTHER CURRENT ASSETS		
(a) Preliminary Expenses (to be written off in next year)	40,200	40,200
TOTAL	<u>40,200</u>	<u>40,200</u>
		Amount in Rs.
PARTICULARS	Year Ended 31st March, 2015	Year Ended 31st March, 2014
23 REVENUE FROM OPERATION		
(a) Sales	3,935,965,611	2,971,625,841
Less Excise Duty	25,527,051	7,701,572
Net Sales	<u>3,910,438,560</u>	<u>2,963,924,269</u>
(b) Export Incentives	329,039,729	223,032,472
TOTAL	<u>4,239,478,289</u>	<u>3,186,956,741</u>
24 OTHER INCOME		
(a) Dividend from Current Investments	109,770	401,145
(b) Net gain on sale of Current Investments	2,638,596	1,035,025
(c) Provision for diminution in Value of Investments written back	1,464,391	-
(d) Rental Income	22,499,225	21,256,475
(e) Profit/(Loss) of Subsidiary	(203,302)	(175,251)
TOTAL	<u>26,508,680</u>	<u>22,517,394</u>
25 RAW MATERIAL CONSUMPTION		
Opening Stock	1,382,699,838	845,415,860
Add : Purchases	2,352,163,431	1,749,358,508
	<u>3,734,863,269</u>	<u>2,594,774,368</u>
Less : Closing Stock	1,591,542,678	1,382,699,838
TOTAL	<u>2,143,320,591</u>	<u>1,212,074,530</u>
26 CHANGE IN INVENTORIES OF FINISHED GOODS		
(a) Opening Stock	101,698,658	57,690,103
(b) Closing Stock	185,197,451	101,698,658
Decrease/(Increase)	<u>(83,498,793)</u>	<u>(44,008,555)</u>
27 EMPLOYEE BENEFITS EXPENSES		
(a) Salary & Allowances	191,193,390	158,885,804
(b) Contribution to Provident & Other fund	13,731,519	9,903,614
(c) Staff Welfare Expenses	8,496,933	6,944,611
TOTAL	<u>213,421,842</u>	<u>175,734,029</u>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
28 FINANCE COST		
(a) Interest Expense- Net	117,436,142	91,327,260
(b) Borrowing Cost	21,111,629	9,164,129
(c) Loss/(profit) on foreign currency transactions	(53,324,974)	43,108,487
TOTAL	85,222,797	143,599,876
29 DEPRECIATION AND AMORTISATION		
(a) Depreciation	38,584,337	25,299,395
(b) Preliminary Expenses	40,200	40,200
TOTAL	38,624,537	25,339,595
30 OTHER EXPENSES		
(I) Manufacturing Expenses		
(a) Fabrication Charges	777,222,780	534,795,143
(b) Other Manufacturing Expenses	17,177,493	14,996,100
(c) Freight & Cartage	15,286,716	13,718,610
(II) Selling & Administrative Expenses		
(a) Legal And Professional Charges	32,632,022	27,189,492
(b) Power & Fuel	12,379,095	10,127,711
(c) Auditors Remuneration	685,396	550,000
(d) Bank Charges	25,890,707	27,023,038
(e) Repair & Maintainence		
- Building	2,570,450	2,361,651
- Plant & Machinery	2,969,303	2,492,677
- Others	10,727,046	6,982,358
(f) Communication	9,262,460	6,077,740
(g) Rates Taxes & Duties	3,284,675	2,795,322
(h) Insurance	4,499,973	3,538,460
(i) Rent	5,993,871	4,450,488
(j) Travelling & Conveyence	75,147,980	57,115,717
(k) Freight on Exports	52,313,403	29,833,536
(l) Commission, Brokerage & Discount	136,531,466	52,961,415
(m) Loss on Sale/Discard of Fixed Assets	1,791,423	(1,083,046)
(n) Misc. Expenses	26,292,787	23,842,001
(o) Expenditure towards CSR activites	959,745	-
(p) Directors Meeting Fees	104,322	88,963
(q) Packing Expenses	21,211,317	14,718,340
TOTAL	1,234,934,430	834,575,716

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
31 EXCEPTIONAL ITEMS		
(a) Dividend received from Overseas Subsidiary	-	67,345,000
Income Tax Provision	-	(11,445,283)
	-	55,899,717
(b) Provision for diminution in Investments	-	(63,531,050)
TOTAL	-	(7,631,333)
32 TAX EXPENSE		
I) Current Tax		
(a) Current Income Tax	66,600,000	38,044,794
(b) Income Tax For earlier Year	5,070,637	-
	71,670,637	38,044,794
II) Deferred Tax		
(a) Related To Capital Assets	244,099	6,282,873
(b) Related To Brought forward Capital losses	532,717	1,305,900
	776,816	7,588,773

33.01 The previous period figure has been regrouped/reclassified, wherever necessary to conform to the current period presentation.

33.02 CONTINGENT LIABILITES AND COMMITMENTS

	As at 31st March, 2015	As at 31st March, 2014
(a) Estimated value of contract remaining to be executed on capital account and not provided for	7,899,425	9,879,947
(b) Contingent liabilities not provided for :		
i) Letter of Credit/Import Bills outstanding -	60,333,114	172,523,135
ii) Standby Letter of credit (SBLC) issued by company bankers in favour of the bankers of its subsidiaries		
- Ultima S A	668,694,300	247,260,000
- WFT Ltd	21,959,000	29,085,000
iii) Bills discounted with banks -	21,052,626	23,219,179
iv) Other Guarantee given by bank -with corporation Bank	2,113,580	4,545,000
v) Corporate Guarantee given by the company to a bank against facilities granted by that bank to its wholly owned subsidiaries Ultima SA and its subsidiary Ultima Italia SRL	943,050,000	53,300,000
vi) Income Tax Demand under dispute	12,225,782	12,225,782
vii) Karnataka VAT Demand under dispute -	2,876,543	-
viii) Forward Contracts outstanding		
In GBP	1.85 Million (Rs. 1722.30 Lacs)	0.50 Million (Rs. 530 Lacs)
IN USD	9 Million (Rs. 5658 Lacs)	1.75 Million (Rs. 1124.9 Lacs)
IN EURO	0.45 Million (Rs. 306.4 Lacs)	-

BHARTIYA INTERNATIONAL LTD.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.			
	Year Ended 31st March, 2015	Year Ended 31st March, 2014		
33.03 VALUE OF IMPORTS ON CIF BASIS				
Raw Material	1,100,203,099	910,006,847		
Purchase under Merchandise Trade	354,169,903	681,392,052		
Capital Goods	9,132,530	19,035,348		
33.04 EXPENDITURE IN FOREIGN CURRENCY (on payment basis)				
Agent Commission/Claim on Sales	82,647,588	94,993,525		
Foreign Travelling	13,821,904	9,124,100		
Others	1,706,959	7,942,989		
Interest on Import bills	1,027,318	6,026,803		
Administration, selling and other expenses at Overseas Trading Offices (on accrual basis)	-	1,698,937		
33.05 EARNING IN FOREIGN CURRENCY				
FOB Value of Sales	3,156,804,906	1,997,136,408		
Export Under Merchandising Trade	416,747,912	802,105,877		
Dividend Income	-	67,345,000		
Sampling Charges	10,512,748	12,062,922		
33.06 AMOUNT REMITTED IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND				
Year to which the dividend relates	2013-14	2012-13		
a) Number of non-resident shareholders to whom remittances were made	42	46		
b) No of shares on which remittances were made	244,080	320,882		
c) Amount remitted in Rs.	244,080	320,882		
33.07 VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL AND CONSUMABLE CONSUMED				
	Current Year		Previous Year	
	% of Consumption	Value of Consumption. Rs.	% of Consumption	Value of Consumption. Rs.
Indigenous	39	828,021,310	43	515,323,853
Imported	61	1,315,299,281	57	696,750,677
	100	2,143,320,591	100	1,212,074,530
Amount in Rs.				
PARTICULARS	Year Ended 31st March, 2015		Year Ended 31st March, 2014	
33.08 PAYMENT TO AUDITOR				
Audit Fees	550,000		550,000	
Certification	282,500		220,000	
Tax Audit	75,000		75,000	
Reimbursement of Expenses	60,000		60,000	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
33.09 Earning Per Share (EPS)		
Income available to Equity Shareholders	140,675,320	86,384,798
No of Shares at the beginning of the Year (A)	11,063,848	11,063,848
Equity allotted during the year	150,000	-
Weighted Average Shares (B)	90,521	-
Weighted Average Shares Outstanding (nos) (A+B)	11,154,369	11,063,848
Effect of Dilutive Securities Securities (nos) :		
Add: Adjustment for warrants convertible into Equity Shares	201,692	52,532
Weighted Average number of equity shares for Diluted EPS	11,356,061	11,116,380
	Rs. Per Share	Rs. Per Share
Nominal Value per share	10.00	10.00
Earnings per share (Basic)	12.61	7.81
Earnings per share (Diluted)	12.39	7.77
33.10 Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 :		
		Year Ended 31st March, 2015
i) Gross amount required to be spent by the company during the year		2,508,352
ii) Amount spent during the year		959,000
33.11 Details of Loans Given, Investments Made and Gurantee Given.		
	As at 31st March, 2015	Maximum Balance during the year
(1) Loans/Advances Given		
<i>Subsidiary Company :</i>		
a) World Fashion Trade Ltd, Mauritius	44,067,517	44,697,861
	(42,261,470)	(43,621,317)
b) Bhartiya Global Marketing Ltd.	-	53,750,000
	(535,750,000)	(535,750,000)
<i>Associates Company:</i>		
a) Tada Mega Leather Cluster Pvt Ltd	2,823,575	2,823,575
	(2,823,575)	(2,823,575)
The above loans/advances have been given for business purpose		
(2) Standby Letter of Credit (SBLC) issued by company bankers against facilities granted by banks		
<i>Subsidiary Company :</i>		
a) World Fashion Trade Ltd, Mauritius	21,959,000	29,085,000
	(29,085,000)	(37,533,923)
b) Ultima S.A, Switzerland	668,694,300	668,694,300
	(247,260,000)	(247,260,000)
(3) Corporate Guarantee given by Company to a bank for facility granted by that bank to its Subsidiaries.		
Ultima S.A. and its subsidiary Ultima Italia SRL	943,050,000	943,050,000
	(53,300,000)	(53,300,000)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

33.12 Related party disclosures

Related party disclosure as required under Accounting Standard on "Related Party Disclosures" issued by the Institute Of Chartered Accountants of India are given below :

a) Names of Related Parties & description of relationship:

i) Subsidiaries :

Domestic

Bhartiya Global Marketing Ltd.

J&J Leather Enterprises Ltd.

Bhartiya International SEZ Ltd.

Bhartiya Fashion Retail Ltd.

Overseas

World Fashion Trade Ltd., Mauritius

Ultima S.A, Switzerland

Ultima Italia SRL, Italy

BIL Group LLC, USA

Design Industry Ltd., Hongkong

ii) Associates :

Bhartiya Prakash Leather

Bhartiya Urban Infrastructure & Land Development Co Pvt. Ltd.

Bhartiya City Developers Pvt. Ltd.

Tada Mega Leather Cluster Pvt. Ltd.

iii) Key Management Personnel:

Snehdeep Aggarwal

Jaspal Sethi

A.K. Gadhok

iv) Enterprises owned or significantly influenced by key management personnel or their relatives :

Itopia Management Services (India) Pvt. Ltd.

v) Relatives of Key Management Personnel :

Kanwal Aggarwal

Arjun Aggarwal

vi) Transactions during the year with related parties

	2014-2015	2013-2014
1 Sales		
World Fashion Trade Ltd.	39,395,135	416,965,988
Ultima S.A	103,706,813	183,713,888
Ultima Italia SRL	4,160,508	10,398,841
Design Industry Ltd.	104,022,829	-
Bhartiya Global Marketing Ltd.	1,034,031	757,336
Bhartiya City Developers Pvt. Ltd.	413,096	-
2 Dividend Received		
Ultima S.A.	-	67,345,000

BHARTIYA INTERNATIONAL LTD.**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**

	2014-2015	2013-2014
3 Purchase / Job Work		
World Fashion Trade Ltd.	14,501,525	14439110
Ultima Italia SRL	44,630	-
J & J Leather Enterprises Ltd	107,616,458	92362544
4 Ticketing		
Itopia Management Services (India) Pvt. Ltd.	16,623,739	12745593
5 Salaries		
Snehdeep Aggarwal	1,839,600	1800000
Jaspal Sethi	1,179,600	1140000
A.k.Gadhok	982,241	973888
Arjun Aggarwal	300,000	360000
6 Leese Rent / Rent Paid		
Bhartiya Global Marketing Ltd.	100,000	100,000
J & J Leather Enterprises Ltd	139,500	108,000
Kanwal Agarwal	480,000	480,000
7 Commission Expenses		
Ultima Italia SRL	72,790,171	33,803,558
World Fashion Trade Ltd.	37,447,453	-
8 Leese Rent Received		
Bhartiya City Developers Pvt Ltd	21,304,800	20,175,000
9 Service Charges Paid		
Bhartiya International Sez Ltd.	3,141,668	2,052,651
10 Purchase of Land Under Lease		
Bhartiya International Sez Ltd.	30,000,000	-
11 Sale of Land		
J & J Leather Enterprises Ltd	-	2,000,000
vii) Balances Outstanding at the year end:		
1 Loans Given		
World Fashion Trade Ltd.	44,067,517	42,261,470
Bhartiya Global Marketing Ltd.	-	53,750,000
Tada Mega Leather Cluster Pvt Ltd	2,823,575	2,823,575
2 Trade Paybles		
Bhartiya International SEZ Ltd	1,321,810	3,356,247
J & J Leather Entepriees Ltd	-	13,846,226
Itopia Management Services (India) Pvt. Ltd.	1,269,774	742,707
Bhartiya Prakash Leather	75,755	75,755

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

	2014-2015	2013-2014
3 Expenses / Others Paybles		
Ultima Italia SRL	106,659,415	111,613,365
World Fashion Trade Ltd.	34,470,516	-
Bhartiya City Deveopers Pvt. Ltd.	87,509	-
Snehdeep Aggarwal	43,258	43,258
Kanwal Aggarwal	36,000	36,000
4 Advances Paid		
World Fashion Trade Ltd.	-	2,282,302
Bhartiya Global Marketing Ltd.	-	2,629,413
J & J Leather Enterprises Ltd	15,000,000	-
Ultima S.A.	8,620,237	8,249,349
BIL Group LLC	228,225	228,225
Bhartiya International SEZ Ltd	-	15,883,272
Bhartiya Urban Infrastructure & Land Development Co Pvt Ltd	-	2,050,340
5 Trade Receivable		
World Fashion Trade Ltd.	5,231,853	-
Designs Industry Ltd.	32,807,636	-
Bhartiya City Developers Pvt. Ltd.	413,096	-
6 Security Deposit (Paid)		
Bhartiya Global Marketing Ltd.	500,000	500,000
7 Security Deposit (Received)		
Bhartiya City Developers Pvt. Ltd.	15,978,600	14,526,000
8 Standby Letter of Credit (SBLC) Issued by Company Bankers		
World Fashion Trade Ltd.	21,959,000	29,085,000
Ultima S.A.	668,694,300	247,260,000
9 Corporate Guarantee given by company		
Ultima Italia SRL and Ultima S.A	943,050,000	53,300,000

33.13 SEGMENT INFORMATION
a) Business Segments:

Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Company has structured its operations into more than one segment during the year.

b) Geographic Segments

Operation of the Company do not qualify, for reporting as geographic segments, as per the criteria set out under Accounting Standard 17 on segment reporting issued by the Institute of Chartered Accountants of India.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

c) Business Segments		Rs. In Lacs			
Particulars	Leather Products	Textile/ Textile Product	Others	Unallocable	Total
a. Segment Revenue	39,782.50 (29,351.79)	2,612.28 (2,517.78)	- (-)	- (-)	42,394.78 (31,869.57)
b. Segment Results	5,003.83 (3,318.02)	181.83 (155.81)	- (-)	265.09 (225.20)	5,450.75 (3,699.03)
c. Less: Unallocable expenses net of Income	- -	- -	- -	1,934.03 (1,297.58)	1,934.03 (1,297.58)
d. Operating Profit	- -	- -	- -	- -	3,516.72 (2,401.45)
e. Less:- Interest	- -	- -	- -	1,385.48 (1,004.95)	1,385.48 (1,004.95)
f. Profit before Tax	- -	- -	- -	- -	2,131.24 (1,396.50)
g. Provision for taxation	- -	- -	- -	724.48 (456.34)	724.48 (456.34)
h. Profit after Tax	- -	- -	- -	- -	1,406.76 (940.16)
i. Capital Employed	8,932.56 (7,041.87)	114.59 (95.55)	- -	7,309.82 (7,549.76)	16,356.97 (14,687.18)

33.14 Previous year expenses debited to profit & loss account Rs. 2,736,195/- (Previous Year Rs. 3,597,331/-)

33.15 In the opinion of the Directors, the Current Assets, Loans and Advances have the value at which they are stated in the balance sheet, if realised in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.

As per our report of even date attached

for **SUSHIL PODDAR & CO.**

Chartered Accountants

Firm Registration No. 014969N

For and on behalf of the Board

S.K. Poddar

Partner

Mem. No. 094479

Shilpa Budhia

Company Secretary

Manoj Khattar

Chief Financial Officer

Snehdeep Aggarwal

Managing Director

Ramesh Bhatia

Director

New Delhi, 25th May, 2015

FINANCIAL SUMMARY

Rs. in lacs

PARTICULARS	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Equity Share Capital	627.88	727.88	786.38	786.38	866.38	946.38	1046.38	1106.38	1106.38	1121.38
Reserves & Surplus	6530.18	8133.72	9229.10	9408.75	10115.21	10823.45	11829.77	12822.93	13559.04	14935.59
Net Worth	7158.06	8861.60	10015.48	10195.14	10981.59	11769.83	12876.15	13929.31	14687.17	16356.97
Capital Employed	12128.48	17040.80	14807.19	15796.06	14831.21	13014.95	14301.90	17148.74	18395.08	20086.90
Gross Fixed Assets	1732.49	1792.46	1858.32	2964.94	3145.01	4902.96	5854.10	6718.79	7277.72	8051.71
Net Fixed Assets	1311.05	1296.92	1285.33	2296.65	2352.37	3980.62	4789.96	5621.34	5964.59	6573.30
Export Sales including Export Incentives	9550.56	12272.54	13868.47	15350.05	17898.72	16733.42	20737.51	24730.46	31869.57	42394.78
Other Income	43.58	214.64	268.84	-171.40	92.83	199.62	232.35	225.27	225.17	265.09
Total Income	9594.14	12487.19	14137.31	15178.65	17991.55	16933.04	20969.86	24955.73	32094.74	4265.99
EBDIT	921.09	1032.38	1245.27	1638.41	1400.33	1397.51	2015.28	2270.69	3085.89	3369.70
Depreciation and Amortisation	74.68	79.23	82.92	97.83	128.13	143.32	162.95	200.01	253.40	386.25
EBIT	846.41	953.15	1162.35	1540.58	1272.20	1254.19	1852.33	2070.67	2832.49	2983.46
Profit before Tax	616.45	694.43	811.74	541.42	843.23	849.06	1141.85	1224.18	1320.18	2131.23
Tax Expenses	197.98	194.33	189.86	269.76	299.75	294.83	404.94	394.61	456.34	724.47
Profit after Tax	418.47	500.10	621.88	271.66	543.48	554.23	736.91	829.57	863.84	1406.75
Equity Dividend (%)	15.00	15.00	15.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
EPS (Basic) Rs.	7.08	7.33	7.91	3.45	6.89	6.39	7.33	7.65	7.81	12.61
EPS (Diluted) Rs.	6.90	7.17	7.91	3.45	6.53	6.21	7.33	7.62	7.77	12.39

INDEPENDENT AUDITORS' REPORT

To
The Members of
Bhartiya International Ltd.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Bhartiya International Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of its associate entities, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of five overseas subsidiaries and one local subsidiary, whose financial statements reflect total assets of Rs. 1,051,853,319/- as at 31st March, 2015/31st December, 2014, total revenues of Rs. 1,892,182,551/- and net cash flows amounting to Rs. 68,841,175/- for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

We have relied on the unaudited financial statements of both the associates wherein the group's share of profit aggregate Rs. 44,163/-. These unaudited financial statements, as approved by the respective Boards of Directors of these companies, have been furnished to us by the management and our report insofar as it relates to the amounts included in respect of the associates is based solely on such approved unaudited financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the this matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company & subsidiary companies incorporated in India, we give in the Annexure 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, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group,
 - ii. The Holding Company and its Subsidiaries companies did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

for **SUSHIL PODDAR & CO.**

Chartered Accountants

Firm Registration No. 014969N

S.K. PODDAR

Partner

Mem. No. 094479

New Delhi, 25th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

As stated in Para 1 'Report on Other Legal and Regulatory Requirements' in our Auditors' report of even date, the following statement is based on the comments in the Auditors' reports on the standalone financial statements of the Holding Company and subsidiary companies incorporated in India.

- (i) (a) The Holding Company and its subsidiary companies have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Holding Company and its subsidiary companies have a regular program of physical verification of its fixed assets which in our opinion is reasonable having regard to the size of the respective company and the nature of their assets. No material discrepancies with respect to book records were noticed on such verification.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the respective management of the Holding Company and its subsidiary companies incorporated in India during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures for the physical verification of inventories followed by the management as referred to above are reasonable and adequate in relation to the size of the respective company and the nature of its business.
- (c) The Holding Company and its subsidiary companies incorporated in India are maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and these have been properly dealt with in the books of accounts.
- (iii) The Holding Company has granted interest free unsecured loans to two overseas subsidiary companies. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3 (iii) (a) of the Order is not applicable to the company in respect of repayment of the principal amount. There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the overseas subsidiaries companies. The subsidiary companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained by it under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations obtained by us the Holding Company and its subsidiary companies have an adequate internal control system commensurate with the respective size of each company and the nature of its business with regard to purchase of inventories and fixed assets and sale of goods and services and there is no continuing failure to correct major weaknesses in internal control system in any of these companies.
- (v) The Holding Company and its subsidiary companies incorporated in India have not accepted any deposits in accordance with the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The statutory auditors of one of the subsidiary company incorporated in India have broadly reviewed the books of account maintained by that company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-Section 1 of Section 148 of the Act wherever applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, the statutory auditors have not made a detailed examination of the records. For Holding company and other subsidiary companies, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013, for the products and services of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of the examination of the records of the Holding Company and its subsidiary companies incorporated in India by their respective statutory auditors, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, and other material statutory dues, as applicable, have been generally regularly deposited during the year by each of these companies with the appropriate authorities.

According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies, no undisputed dues in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax and other material statutory dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

(b) Following are the amounts which are disputed and not paid by the Holding company

Nature of Demand	Amount in Rs	Period to which the Amount Relates	Forum where appeal has been filed
Income Tax (Tax & Interest)	11,639,722/- & 586,060/-	A.Y 2003-04 & A.Y 2004-05	High Court
Karnataka VAT	2,876,543/-	FY 2009-2010	Joint Commissioner of Commercial Taxes (Appeals)

(c) According to the information and explanations given to us and on the basis of the examination of the records of the Holding Company and its subsidiary companies, the amounts required to be transferred by the Holding Company to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time. The subsidiary companies incorporated in India did not have any dues on account of Investor Education and Protection Fund.

- (viii) One of the subsidiary company has incurred cash losses on a standalone basis in the current financial year and in the immediately preceding financial year and one of the other subsidiary company has incurred cash losses in the immediately preceding financial year (No cash losses were incurred on a standalone basis in the current financial year). The Holding Company and the remaining subsidiary companies do not have any accumulated losses at the end of the year on a standalone basis, and have not incurred cash losses on a standalone basis, during the year and in the immediately preceding financial year. On a consolidated basis, the Holding Company and its subsidiaries do not have any accumulated losses at the end of the year, and have not incurred cash losses during the year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us the Holding Company and its subsidiaries company incorporated in India has not defaulted in repayment of their respective dues to their banks/financial institutions.
- (x) According to the information and explanations given to the statutory auditors of the Holding Company, the terms and conditions on which the holding company has given guarantees for loan taken by wholly owned subsidiaries from bank/financial institution is not prejudicial to its interest. The terms and conditions on which subsidiary companies have given guarantees for the loans taken by holding company from bank is not prejudicial to its interest.
- (xi) According to the information and explanations given to the respective statutory auditors, the Holding Company and its one subsidiary company have taken term loans and applied for the purpose for which it was obtained.
- (xii) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies, no instances of fraud on or by each company has been noticed or reported during the course of audit.

for **SUSHIL PODDAR & CO.**

Chartered Accountants

Firm Registration No. 014969N

S.K. PODDAR

Partner

Mem. No. 094479

New Delhi, 25th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

PARTICULARS	Note No.	Amount in Rs.	
		AS AT 31st March, 2015	AS AT 31st March, 2014
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	112,138,480	110,638,480
(b) Reserves and Surplus	3	1,627,696,084	1,451,826,701
2 Minority Interest		16,613,710	15,188,041
3 Money Received against Share Warrants	4	30,000,000	2,175,000
4 Non-Current Liabilities			
(a) Long-Term Borrowings	5	313,699,750	313,606,621
(b) Deferred Tax Liabilities	6	28,157,559	32,601,355
(c) Other Long-Term Liabilities	7	15,978,600	14,526,000
(d) Long-Term Provisions	8	13,966,170	11,625,642
5 Current Liabilities			
(a) Short-Term Borrowings	9	1,674,980,039	1,354,692,050
(b) Trade Payable	10	537,607,935	295,154,529
(c) Other Current Liabilities	11	269,704,824	127,078,812
(d) Short-Term Provisions	12	92,985,660	68,748,636
TOTAL		4,733,528,811	3,797,861,867
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets	13		
(i) Tangible Assets		666,812,584	648,042,304
(ii) Intangible Assets		4,644,893	5,252,877
(iii) Capital Work In Progress		50,718,597	31,995,649
(iii) Intangible Assets under Developments		9,453,800	3,528,300
(b) Non Current Investments	14	365,504,733	378,361,703
(c) Long Term Loans and Advances	15	22,713,931	25,388,877
(d) Other Non-Current Assets	16	731,749	809,485
(e) Goodwill on Consolidation		2,525,000	2,525,000
2 Current Assets			
(a) Current Investments	17	10,257,170	8,388,432
(b) Inventories	18	1,937,834,394	1,662,679,231
(c) Trade Receivables	19	914,690,944	288,050,149
(d) Cash & Cash Equivalents	20	355,589,116	424,902,581
(e) Short Term Loans and advances	21	391,812,164	317,715,543
(f) Other Current assets	22	239,736	221,736
TOTAL		4,733,528,811	3,797,861,867

Significant Accounting Policies 1 to 32

The accompanying notes are on integral part of the financial statements

As per our report of even date attached

SUSHIL PODDAR & CO.

For and on behalf of the Board

Chartered Accountants

Firm Registration No. 014969N

S.K. Poddar

Shilpa Budhia

Manoj Khattar

Snehdeep Aggarwal

Ramesh Bhatia

Partner

Company Secretary

Chief Financial Officer

Managing Director

Director

Mem. No. 094479

New Delhi, 25th May, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Note No.	Amount in Rs.	
		Year Ended 31st March, 2015	Year Ended 31st March, 2014
Income:			
Revenue From Operations	23	5,581,276,840	4,144,095,188
Other income	24	33,380,230	35,149,064
Total Revenue		<u>5,614,657,070</u>	<u>4,179,244,252</u>
Expenses:			
Cost of Raw Material Consumed	25	2,154,937,040	1,102,348,920
Purchases of Stock In Trade		1,392,006,602	1,484,076,245
Changes in Inventories of Finished Goods	26	(81,087,576)	(40,376,863)
Employee Benefits Expenses	27	305,158,346	252,096,827
Finance Cost	28	171,533,607	156,732,250
Depreciation and Amortization Expense	29	63,023,625	39,546,248
Other Expenses	30	1,313,720,709	975,164,546
Total Expenses		<u>5,319,292,354</u>	<u>3,969,588,173</u>
Profit Before Tax		295,364,716	209,656,079
Tax Expense:	31		
Current Tax		86,149,232	54,792,057
Deferred Tax		(2,203,050)	9,904,029
Profit/(Loss) Before Minority Interest and share in Profit/(Loss) of Associates		<u>211,418,534</u>	<u>144,959,993</u>
Less : Minority Interest		1,425,669	(145,320)
Add : Share of Profit of Associate		44,163	77,696
Profit/(Loss) for the period		<u>210,037,028</u>	<u>145,183,009</u>
Earnings Per Equity Share:			
(1) Basic		18.83	13.12
(2) Diluted		18.50	13.06

Significant Accounting Policies & notes on 1 to 32
The accompanying notes are on integral part of the financial statements

As per our report of even date attached

SUSHIL PODDAR & CO.

For and on behalf of the Board

Chartered Accountants

Firm Registration No. 014969N

S.K. Poddar

Shilpa Budhia

Manoj Khattar

Snehdeep Aggarwal

Ramesh Bhatia

Partner

Company Secretary

Chief Financial Officer

Managing Director

Director

Mem. No. 094479

New Delhi, 25th May, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Amount in Rs.	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxes	295,364,716	209,656,079
Adjusted for :		
Depreciation/Amortisation	63,023,625	39,546,248
Financial Costs	185,548,349	149,951,284
Loss/(Profit) on sale of fixed assets (net)	1,200,431	(1,083,046)
Loss/(Profit) on sale of Investments (net)	(2,636,096)	(1,032,525)
Dividend from Current Investment	(109,770)	(401,145)
Rental Income	(22,499,225)	(21,256,475)
Provision for Employees Stock Option Benefits	(170,363)	170,363
Effect of Exchange rate change	(14,014,742)	6,780,967
Provision no longer required	(1,464,391)	(6,497,441)
	208,877,818	166,178,230
Operating profit before working capital change	504,242,534	375,834,309
Adjustment for :		
Inventories	(275,155,163)	(581,546,691)
Trade and Other Receivables	(626,640,796)	87,836,200
Loans and Advances	(66,711,857)	(105,738,251)
Trade and Other Paybles	377,955,393	56,162,791
	(590,552,423)	(543,285,951)
Cash generated from operations	(86,309,889)	(167,451,642)
Income Tax Paid (net)	(70,483,940)	(46,385,239)
Effect of Exchange rate Change	14,014,742	(6,780,967)
Currency Fluctuation reserve on Consolidation	(30,756,067)	8,052,540
NET CASH FROM OPERATING ACTIVITIES	(173,535,154)	(212,565,308)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale/(Purchases) of Investment (Net)	15,132,885	27,250,006
Dividend from Current Investment	109,770	401,145
Rent Received	22,499,225	21,256,475
Sale of Fixed Assets	1,446,335	2,468,304
Purchase of fixed assets/Capital W.I.P.	(115,109,641)	(73,754,867)
Preliminary Expenses Incurred	(180,000)	-
NET CASH USED IN INVESTMENT ACTIVITIES	(76,101,426)	(22,378,937)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Long Term Borrowings	14,422,535	44,466,526
Net Proceeds from Short Term Borrowings	320,287,989	624,338,222
Share Capital Issue Proceeds (Net)	14,325,000	-
Share Warrant Issued	30,000,000	-
Dividend paid (including dividend tax)	(13,164,059)	(13,110,083)
Finance Cost Paid	(185,548,349)	(149,951,284)
NET CASH USED IN FINANCING ACTIVITIES	180,323,116	505,743,381
Net Increase/(Decrease) In Cash And Cash Equivalent (A+B+C)	(69,313,464)	270,799,136
Cash and Cash Equivalents-Opening Balance	424,902,581	154,103,445
Cash and Cash Equivalents- Closing Balance	355,589,116	424,902,581

As per our report of even date attached

SUSHIL PODDAR & CO.

For and on behalf of the Board

Chartered Accountants

Firm Registration No. 014969N

S.K. Poddar

Shilpa Budhia

Manoj Khattar

Snehdeep Aggarwal

Ramesh Bhatia

Partner

Company Secretary

Chief Financial Officer

Managing Director

Director

Mem. No. 094479

New Delhi, 25th May, 2015

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.10 General Information :

The consolidated financial statements present the consolidated accounts of Bhartiya International Ltd. with its following subsidiaries & Associates:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership	
		Current Year	Previous Year
A) SUBSIDIARY			
Indian Subsidiaries			
Bhartiya Global Marketing Ltd.	India	100%	100%
J & J Leather Enterprises Ltd.	India	100%	100%
Bhartiya International Sez Ltd.	India	89%	89%
Bhartiya Fashion Retail Ltd.	India	100%	100%
Foreign Subsidiaries			
World Fashion Trade Ltd.	Mauritius	100%	100%
BIL Group LLC	USA	100%	100%
Ultima SA	Switzerland	100%	100%
Ultima Italia SRL	Italy	100%	100%
Design Industry Ltd.	Hongkong	100%	-
B) ASSOCIATES			
Bhartiya Urban Infrastructure & Land Development Co Pvt. Ltd.	India	29.60%	29.60%
TADA Mega Leather Cluster Pvt. Ltd.	India	50%	50%

1.20 SIGNIFICANT ACCOUNTING POLICIES

1.21 Basis of Preparation of Financial Statements :

- i) These consolidated financial statements have been prepared to comply in all material aspects with applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act and other accounting principles generally accepted in India.
- ii) The financial statements of the Parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after elimination of intra-group balances and intra-group transactions in accordance with Accounting Standard 21-“Consolidated Financial Statements”
- iii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as case may be.
- iv) Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company’s shareholders
- v) Minority Interest in the share of Net Profit/(Loss) for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the Group.
- vi) Investments in associates are accounted for using the equity method of accounting as laid down under Accounting Standard (AS) 23, “Accounting for Investment in Associate in Consolidated Financial Statements”. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor’s share of the profit or loss of the investee after the acquisition date.
- vii) The consolidated financial statement have been prepared using uniform accounting policies for like transactions and other relevant in similar circumstances. The accounting polices adopted in the preparation of financial statements are consistent with those of previous year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)**1.22 Fixed Assets**

Fixed assets are stated at cost of acquisition inclusive of duties, non-refundable taxes, incidental expenses related to acquisition and reduced by subsidy/Grant. In respect of projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Interest on borrowing and other financial cost during the period of construction/acquisition, is added to the cost of Fixed Assets. Goodwill acquired in an acquisition of business are valued at the acquisition cost and amortised over their useful life.

1.23 Depreciation

In respect of fixed assets acquired during the year, depreciation is charged on a straight line basis so as to write off the cost of assets over the useful lives as prescribed in Schedule II of the Companies Act, 2013 and for the assets acquired prior to 1st April, 2014, the carrying amount as on 1st April, 2014 is depreciated over the remanding useful life. Cost of Leasehold land is amortised over the period of lease. Depreciation on assets at the overseas subsidiaries are as per the rates applicable based on estimated useful life of the asset. Depreciation on Fixed Assets of subsidiary Company J&J Leather Enterprises Limited has been calculated on Written Down Method as per the rates specified in Schedule II of the Companies Act, 2013.

1.24 Investment

All long term investments are stated at cost. Provision is made for any diminution in value considered permanent. Current Investments are carried at lower of cost or market price.

1.25 Inventories

Raw materials and consumables have been valued at cost after providing for obsolescence. Cost comprise of Cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

Finished goods are valued at lower of cost or net realisable value. Cost is determined as per the absorption costing method.

Inventories of land is valued at cost which comprises cost of land, Materials, Services and Overheads directly related to development of land.

1.26 Foreign Exchange Transactions**Individual Companies**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

Current Assets and Current Liabilities at the year end, outstanding in foreign currency, are converted at the year end rates.

All gains/losses on conversion are charged to profit and loss account.

For Consolidation

For the purpose of consolidation, the amounts appearing in foreign currencies in the Financial Statements of the foreign subsidiaries are translated into Indian Rupees at the following rates of exchange :

- a) Average rates for income and expenditure.
- b) Year end rates for assets and liabilities.

The foreign exchange gain/loss on account of income and expenditure consolidation is included in the profit and loss account and foreign exchange fluctuation gain/loss on account of consolidation of assets and liabilities of subsidiaries is transferred to "Currency Fluctuation Reserve Account".

1.27 Revenue Recognition**Sale of Goods**

Revenue is recognised when the significant risks and rewards of ownership of the goods are passed on to the buyer which is generally on dispatch of goods to customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)**Export Incentive**

Export Incentive under the "Duty Entitlement Pass Book Scheme" and "Duty Draw back scheme" are accounted for in the Year of Export. Other export incentives are accounted for on actual receipt basis.

Dividend

Dividend income is recognised when the right to receive the dividend is established

1.28 Retirement Benefits

The employer's contribution to the employees provident fund is charged to the profit and loss account during the year. The gratuity liability is provided for on all eligible employees during the year on accrual basis. Provision is made for value of unutilised leave due to employees at the end of the year.

1.29 Taxation

Provision for tax for the year comprises current income tax determined to be payable in respect of taxable income and deferred tax being the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent periods.

1.30 Government Grants

Grants received from the Government which are in the nature of promoter's contribution, and are with reference to the total investment without any liability for repayment, are treated as capital reserve. Grant received against specific fixed assets are adjusted to the cost of assets. Revenue Grants are recognised in the profit and loss account in accordance with the relevant scheme.

1.31 Derivative Financial Instruments and Hedge Accounting

The Company has adopted principles of hedges accounting as set out in Accounting Standard (AS) 30, " Financial Instruments Recognition and Measurement", to the extent that the adoption does not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements of the Company Law and other regulatory requirements. The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts reduce the risk or cost to the Company. The Company does not use these contracts for trading or speculation purpose.

1.32 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires judgments, estimates and assumptions to be made that effect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialised.

1.33 Impairment of Assets

Where there is a indication that an asset is impaired, the recoverable amount, if any, is estimated and the impairment loss is recognised to the extent carrying amount exceeds recoverable amount.

1.34 Provisions Contingent Liabilities and Contingent Assets

In accordance with Accounting Standard -29 (Provisions, Contingent Liabilities and Contingent Assets), issued by the institute of Chartered Accountants of India, provisions are recognised in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
2.0 SHARE CAPITAL		
Authorised Share Capital		
a) 20,000,000 (Previous Year 20,000,000) Equity Shares of Rs. 10/- each	200,000,000	200,000,000
b) 500,000 (Previous Year 500,000) Preference Shares of Rs. 100/- each	50,000,000	50,000,000
	250,000,000	250,000,000
Issued, Subscribed & Paid up :		
a) 1,12,13,848 (Previous Year 1,10,63,848) equity shares of Rs.10/- each fully paid Up.	112,138,480	110,638,480
	112,138,480	110,638,480

2.1 The details of Shareholders holding more than 5% shares

Name of the share holders	As at	As at	As at	As at
	31st March, 2015 No. of Shares	31st March, 2015 % of Holding	31st March, 2014 No. of Shares	31st March, 2014 % of Holding
(a) Snehideep Aggarwal	1,143,362	10.24	1,143,362	10.33
(b) Bharitya Infotech Pvt. Ltd.	1,000,000	8.96	1,000,000	9.04
(c) Bhartiya Global Holdings Pvt. Ltd.	1,350,000	12.09	1,350,000	12.20
(d) Spirit Impex Pvt. Ltd.	1,200,000	10.75	1,200,000	10.85
(e) Bhartiya Finstock Pvt. Ltd.	681,926	6.11	615,536	5.56
(f) Morgan Stanlay Asia (Singapore) PTE	745,315	6.68	-	-

2.2 Reconciliation of the number of shares outstanding is set out below:

Particulars	As at	As at
	31st March, 2015 No. of Shares	31st March, 2014 No. of Shares
Shares outstanding at the beginning of the year	11,063,848	11,063,848
Shares Issued during the year	150,000	-
Shares outstanding at the end of the year	11,213,848	11,063,848

2.3 The Company has only one class of equity shares having a par values of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. 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 of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion of the number of equity share held by the shareholders.

2.4 100,000 Equity shares of Rs. 10/- each at a premium of Rs. 77/- each issued to non-promoters on conversion of preferential Share Warrants.

2.5 The Company allotted 50,000 Equity shares of Rs. 10/- each at a premium of Rs. 146/- each in terms of the Employee Stock Option Scheme upon exercise of right of conversion of 50,000 options into equity shares by the employee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
3 RESERVES & SURPLUS		
i) Capital Reserves		
As Per last Balance Sheet	4,621,283	4,621,283
Add: Transferred from Profit and Loss A/c	-	-
	<u>4,621,283</u>	<u>4,621,283</u>
ii) Share Premium A/c		
As Per last Balance Sheet	376,165,000	376,165,000
Add: Additions during the year on fresh issue of shares	15,000,000	-
	<u>391,165,000</u>	<u>376,165,000</u>
iii) Currency Fluctuation Reserve		
As Per last Balance Sheet	33,706,547	25,654,007
Add: Addition during the year	(30,756,067)	8,052,540
	<u>2,950,480</u>	<u>33,706,547</u>
iv) Prferential Share Warrant Forfeited	8,500,000	8,500,000
v) General Reserves		
As Per last balance sheet	223,165,030	202,487,580
Add: Transferred from Profit and Loss A/c	26,964,380	20,677,450
	<u>250,129,410</u>	<u>223,165,030</u>
vi) Surplus in Statement of Profit & Loss		
As Per last Balance Sheet	805,498,478	693,937,067
Less: Adjustment relating to fixed assets (Refer Note No. 13.1)	4,627,495	-
Add: Profit for the Year	210,037,028	145,183,009
	<u>1,010,908,011</u>	<u>839,120,077</u>
Less : Appropriations		
- General Reserve	26,964,380	20,677,450
- Proposed Dividend	11,213,848	11,063,848
- Tax on Dividend	2,282,876	1,880,301
	<u>970,446,907</u>	<u>805,498,478</u>
Less : Dividend Paid on Fresh issue of Shares	100,000	-
Less : Dividend Tax on Fresh issue of Shares	16,995	-
	<u>970,329,912</u>	<u>805,498,478</u>
vii) Stock Option Outstanding	-	170,363
TOTAL	<u>1,627,696,084</u>	<u>1,451,826,701</u>

3.1 Foreign currency transactions are translated as per the accounting policy referred to in note no. 1.26. Foreign exchange gain/loss on account of income and expenditure in consolidation is included in the profit and loss, and foreign exchange fluctuation debit of Rs. 30,756,067/- (Previous year credit of Rs. 8,052,540/-) on account of consolidation of assets and liabilities of subsidiaries have been transferred to Currency Fluctuation Reserve account.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
4 Money Received against Share Warrants		
a) Preferential Share Warrant :		
1,00,000 Preferential Share warrant paid up Rs. 21.75/- each. (Previous Year 1,00,000 warrants of Paid up Rs. 21.75/- each.)	2,175,000	2,175,000
Add : 5,00,000 Preferential Share Warrants issued paid up Rs. 60/- each (Previous Year - Nil)	30,000,000	-
	32,175,000	2,175,000
Less : 1,00,000 Preferential Share Warrants Converted into Equity Shares paid up Rs. 21.75/- (Previous Year - Nil)	2,175,000	-
	30,000,000	2,175,000
4.1 The Company has allotted 500,000 warrants to promoter company on 18th June, 2014 on preferential basis, convertible into equity shares of Rs. 10/- each fully paid up. The holders of warrants have a right to apply one equity share of Rs. 10/- each at a premium of Rs. 230/- with in a period of 18 months from the date of allotment. Against this the company has received Rs. 60/- per warrant.		
5 LONG TERM BORROWINGS		
Secured		
- Term Loans from Banks	309,995,660	309,671,412
- Vehicle Loans from Banks	3,704,090	3,935,209
TOTAL	313,699,750	313,606,621
5.1 Term Loan from Allahabad Bank, balance outstanding amounting to Rs. 418.95 lacs (March 31, 2014 Rs. 768.03 lacs) is secured by first parri passu charge (with Axis Bank) on specific land, building and machinery of the project created out of the Term loan and personal guarantee of one of the Director. The loan is repayable in fifteen equal quarterly installments starting from April 2013. Last installment due in January 2017. Rate of interest 13.75 p.a. as at year end (Previous Year 13.70 % p.a.).		
5.2 Term Loans from IDBI Bank, balance outstanding amounting to Rs. 728.83 lacs (31st March, 2014 Rs. 750.00 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurgaon and personal guarantee of one of the Director. The loan is repayable in 180 monthly Installment starting from February, 2013. Last installment due in February, 2028. Rate of Interest 12.25% p.a. as at year end (Previous Year 12.25 % p.a.).		
5.3 Term Loans from IDBI Bank, balance outstanding amounting to Rs. 1,873.71 lacs (31st March, 2014 Rs. 1,935.69 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurgaon and personal guarantee of one of the Director. Repayable in 161 monthly Installment starting from June 14. Last installment due in Nov 2027. Rate of Interest 12.5% p.a. as at year end (Previous Year 12.25% p.a.)		
5.4 Term Loan from Axis Bank, balance outstanding amounting to Rs. 585 Lacs (31st March, 2014 Rs. Nil) is secured by exclusive charge over the fixed assets funded out of it. Exclusive charge by way of Equitable Mortgage over the immovable property situated at plot No 69, 3rd Road, 1st Phase, Jigani industrial Area, Part of Sy No 588 & 590 Jigani, Anekai Taluk, Bangalore, 562106 and personal guarantee of one of the Director The Loan is repayble in 15 Quarterly Installment starting from September, 2015. Last installment due in June, 2019. Rate of interest 12.25% p.a. as at year end (previous year - N/A)		
5.5 Vehicle Loans are secured by way of hypothecation of vehicles financed by the Bank.		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
6 DEFERRED TAX LIABILITY (NET)		
a) Deferred Tax Liabilities		
Related to Fixed Assets	36,865,306	40,808,599
Related to Provision for Gratuity/Bonus		
b) Deferred Tax Assets		
Related to Capital Losses	(2,449,221)	(2,981,938)
Related to Carried Forward Losses	(5,926,240)	(4,893,020)
Related to Provision for Gratuity/Bonus	(332,286)	(332,286)
TOTAL	28,157,559	32,601,355
7 OTHER LONG TERM LIABILITIES		
(a) Security Deposit from related parties (refer note no 32.7)	15,978,600	14,526,000
TOTAL	15,978,600	14,526,000
8 LONG TERM PROVISIONS		
(a) Provision for employees benefit Provision for Gratuity	13,966,170	11,625,642
TOTAL	13,966,170	11,625,642
9 SHORT TERM BORROWINGS		
Secured		
- Working Capital Loans From Banks	1,674,980,039	1,354,692,050
TOTAL	1,674,980,039	1,354,692,050
9.1 Working Capital facilities are secured against hypothecation of stocks of raw - materials, stock in process, finished goods, Other Current assets, specified immovable property, movable fixed assets, lien on fixed deposits, exports bills and personal guarantee of Director.		
9.2 Foreign documentary bills discounted with Banks have been shown as a contingent liability. The same are secured against the export bills and the personal guarantee of Director.		
9.3 Working Capital facilities in overseas subsidiaries are secured against Corporate guarantee/SBLC of Bhartiya International Limited.		
10 TRADE PAYABLE		
(a) Payable	426,217,333	266,593,202
(b) Acceptance	111,390,602	28,561,327
TOTAL	537,607,935	295,154,529
11 OTHER CURRENT LIABILITIES		
(a) Current maturities of Long Term Borrowings	52,712,522	38,383,116
(b) Unclaimed Dividend	968,223	1,071,138
(c) Statutory Dues Payable	22,918,891	5,278,963
(d) Other current liabilities	193,105,188	82,345,595
TOTAL	269,704,824	127,078,812
12 SHORT TERM PROVISIONS		
(a) Provision for Employees benefits	6,620,853	3,311,514
(b) Provision for Income Tax	72,868,083	52,492,973
(c) Proposed Dividend	11,213,848	11,063,848
(d) Tax on Proposed Dividend	2,282,876	1,880,301
TOTAL	92,985,660	68,748,636

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

13 FIXED ASSETS

Amount in Rs.

PARTICULARS	Gross Block				Depreciation			Net Block		
	As at 1st April, 2014	Additions/ Adjustments during the year	Deduction/ Retirement during the year	As at 31st March, 2015	As at 1st April, 2014	Retained Earnings for the year	For the year	Deduction/ adjustments during the year	As at 31st March, 2014	As at 31st March, 2015
Tangible Assets :										
Own Assets :										
Land	25,570,461	-	-	25,570,461	-	-	-	-	25,570,461	25,570,461
Lease Hold Land	30,000,000	30,000,000	-	60,000,000	1,097,561	-	624,136	-	28,902,439	58,278,303
Building	432,467,669	6,725,277	-	439,192,946	74,876,554	-	16,955,776	-	357,591,115	347,360,616
Machinery	247,015,970	36,681,454	-	283,697,424	87,193,107	110,923	21,668,765	-	159,822,863	174,724,629
Vehicles	45,441,634	5,378,666	6,412,757	44,407,543	25,714,214	78,332	4,759,406	4,824,000	19,727,420	18,679,591
Furniture	69,193,387	2,553,999	14,467,597	57,279,789	42,644,420	1,755,030	6,900,745	13,765,994	37,534,201	19,745,588
Office Equipments	31,965,246	2,208,527	7,636,681	26,537,092	8,754,578	3,597,369	4,351,219	7,280,275	23,210,668	17,114,201
Computers	11,306,377	3,759,962	2,700,630	12,365,709	4,638,006	1,047,106	4,042,032	2,700,630	6,668,371	5,339,195
Total (A)	892,960,744	87,307,885	31,217,665	949,050,964	244,918,440	6,588,760	59,302,079	28,570,899	648,042,304	666,812,584
Previous Year	858,507,074	39,860,183	5,406,513	892,960,744	211,370,310	-	37,569,385	4,021,255	647,136,764	648,042,304
Intangible Assets :										
Computer Software	5,017,282	3,153,301	223,216	7,947,367	1,498,750	279,475	2,558,929	223,216	3,518,532	3,833,429
Goodwill	25,640,943	-	-	25,640,943	23,906,598	-	922,881	-	1,734,345	811,464
Total (B)	30,658,225	3,153,301	223,216	33,588,310	25,405,348	279,475	3,481,810	223,216	5,252,877	4,644,893
Previous Year	30,304,645	353,580	-	30,658,225	23,650,221	-	1,755,127	-	6,654,424	5,252,877
Capital work in Progress										
Capital work in Progress	31,995,649	43,826,859	25,103,911	50,718,597	-	-	-	-	31,995,649	50,718,597
Total (C)	31,995,649	43,826,859	25,103,911	50,718,597	-	-	-	-	31,995,649	50,718,597
Previous Year	1,982,844	31,995,649	1,982,844	31,995,649	-	-	-	-	1,982,844	31,995,649
Intangible Assets under Development										
Intangible Assets under Development	3,528,300	5,925,500	-	9,453,800	-	-	-	-	3,528,300	9,453,800
Total (D)	3,528,300	5,925,500	-	9,453,800	-	-	-	-	3,528,300	9,453,800
Previous Year	-	3,528,300	-	3,528,300	-	-	-	-	-	3,528,300
Total (A+B+C+D)	959,142,918	140,213,545	56,544,792	1,042,811,671	270,323,788	6,868,235	62,783,889	28,794,115	311,181,797	688,819,130
Previous Year	890,794,563	75,737,712	7,389,357	959,142,918	235,020,531	-	39,324,512	4,021,255	655,774,032	688,819,130

13.1 Registration formalities in respect of properties for Rs.18,50,000/- (Previous Year 18,50,000/-) are pending.

13.2 During the Year ending 31st March, 2015 certain assets which were not in use having net book value of Rs. 10,58,009/-were retired.

13.3 In compliance with the provisions of Schedule II of the Companies Act, 2013, fixed assets which has completed their useful life as on 1st April 2014, the carrying value (net of residual value) amounting to Rs. 46,27,495/- (net of deferred tax of Rs. 22,40Lacs) has been recognized in the Retain Earning.

13.4 Had the Company continued with the previous method of depreciation, depreciation and amortization expenses for the year would have been lower by Rs. 2,03,29,151/-.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.			
	No. of Shares/Units	As at 31 st March, 2015	No. of Shares/Units	As at 31 st March, 2014
14 NON CURRENT INVESTMENTS				
Trade Investments (Unquoted at cost)				
(a) Capital in Firm "Bhartiya Prakash Leathers"		50,000		50,000
(b) Investment in Associate Company				
Equity Shares #	11,205,000	244,885,000	11,205,000	244,840,837
Preference Shares	4,796,865	119,960,000	4,796,865	119,960,000
		<u>364,895,000</u>		<u>364,850,837</u>
Non Trade Investments				
A) Investments in Mutual Funds (Quoted)				
1 DSPML India T.I.G.E.R Fund - Growth	-	-	118,509	5,000,000
2 DSPBR Top 100 Equity Fund - Growth	-	-	43,518	4,000,000
3 Kotak 50 Equity Scheme - Growth	-	-	21,795	2,004,366
4 Goldman Sachs Liquid Exchange Traded Scheme	602,45	603,233	-	-
		<u>603,233</u>		<u>11,004,366</u>
B) Investments in Debenture (Unquoted)				
1 Redeemable NCD of Citicorp Finance India	-	-	-	2,500,000
		-		<u>2,500,000</u>
C) Other Investments				
1 Indra Vikas Patra	-	6,500	-	6,500
		<u>6,500</u>		<u>6,500</u>
Gross Total		<u>365,504,733</u>		<u>378,361,703</u>
# Particulars of Investment in equity shares of Associate				
Name of Associate Company				
A) Bhartiya Urban Infrastructure & Land Development Co Pvt. Ltd.		29.60%		29.60%
Cost of acquisition		280,000,000		280,000,000
Share of post acquisition reserves & surplus		(35,115,920)		(35,185,956)
Carrying Value		<u>244,884,080</u>		<u>244,814,044</u>
B) TADA Mega Leather Cluster Pvt. Ltd.		0.50		0.50
Cost of acquisition		50,000		50,000
Share of post acquisition reserves & surplus		(49,080)		(23,207)
Carrying Value		<u>920</u>		<u>26,793</u>

BHARTIYA INTERNATIONAL LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
15 LONG TERM LOANS & ADVANCES		
(Unsecured & Considered Good)		
(a) Security and Other Deposits	8,764,845	6,856,657
(b) Other Advances	13,949,086	18,532,220
TOTAL	22,713,931	25,388,877
16 OTHER NON CURRENT ASSETS		
(a) Preliminary Expenses (to the extent not written off)	710,749	788,485
(b) Other Advances	21,000	21,000
TOTAL	731,749	809,485

PARTICULARS	Amount in Rs.			
	No. of Shares/Units	As at 31 st March, 2015	No. of Shares/Units	As at 31 st March, 2014
17 CURRENT INVESTMENTS				
i) In Equity Shares Quoted, fully paid up				
1 Bharat Forge Ltd.	620	633,651	-	-
2 Container Corp of India Ltd.	300	438,214	-	-
3 Cummins India Ltd.	665	601,413	-	-
4 Dabur India Ltd.	3,830	930,733	-	-
5 Godrej Consumer Product Ltd.	550	605,756	-	-
6 HDFC Ltd.	1,125	834,818	-	-
7 Hindalco Industries Ltd.	-	-	5,000	617,993
8 Hindustan Copper Ltd.	-	-	9,000	987,082
9 Hindustan Zinc Ltd.	-	-	5,000	605,148
10 Hero Motocop Ltd.	140	424,470	-	-
11 Indusind Bank Ltd.	710	621,166	-	-
12 Infosys Ltd.	290	625,293	-	-
13 ITC Ltd.	1,135	420,621	-	-
14 IL&FS Transport Network Ltd.	-	-	5000	572,920
15 Jaiprakash Associates Ltd.	-	-	10,000	535,727
16 Larsan & Toubro Ltd.	450	376,877	750	708,645
17 Lupin Ltd.	750	701,466	1,000	603,378
18 L&T Finance Holdings Ltd.	-	-	5,000	357,402
19 Max India Ltd.	-	-	2,500	597,680
20 Maruti Suzuki India Ltd.	170	606,458	-	-
21 Motherson Sumi Systems Ltd.	2,000	638,580	-	-
22 Page Industries Ltd.	40	414,436	-	-
23 Sun Pharmaceuticals Ltd.	475	421,648	-	-
24 Reliance Capital Ltd.	-	-	1,000	811,186
25 Reliance Industries Ltd.	-	-	800	767,038

BHARTIYA INTERNATIONAL LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Amount in Rs.				
PARTICULARS	No. of Shares/Units	As at 31 st March, 2015	No. of Shares/Units	As at 31 st March, 2014
26 Reliance Infrastructure Ltd.	-	-	350	350,903
27 Tata Consultancy Services Ltd.	160	419,346	-	-
28 Tata Steel Ltd.	-	-	4,100	2,114,372
29 Tata Motors Ltd.	750	318,875	-	-
Total		10,033,821		9,629,474
ii) In Equity Shares Unquoted, Fully Paid Up				
1 Sai Rayalaseem Paper Mills Ltd.	31,792	386,273	31,792	386,273
Total		386,273		386,273
Grand Total		10,420,094		10,015,747
Less:- Provision for diminution in the value of Investments		162,924		1,627,315
TOTAL CURRENT INVESTMENTS		10,257,170		8,388,432
Aggregate amount of quoted Investments		9,870,895		8,002,159
Market value of quoted Investments		12,399,828		8,733,248
Aggregate amount of unquoted Investments		386,273		386,273

Amount in Rs.		
PARTICULARS	As at 31 st March, 2015	As at 31 st March, 2014
18 INVENTORIES		
As Valued and Certified by the management		
(a) Raw Materials	1,591,886,164	1,383,034,023
(b) Finished Goods	222,378,804	141,291,228
(c) Work In Progress	123,569,426	138,353,980
TOTAL	1,937,834,394	1,662,679,231
19 TRADE RECEIVABLES		
(a) Unsecured, considered good	914,690,944	288,050,149
TOTAL	914,690,944	288,050,149
19.1 The Company has filed legal Suit for recovery of Rs. 6,162,337/- against one of its overseas customer. Management is confident of recovery of the same and hence has not made any provision for bad & doubtful debts against this.		
20 CASH AND CASH EQUIVALENT		
(a) Balances with Banks		
- In Current Accounts	256,583,449	298,992,102
- In Fixed Deposits	93,438,161	119,767,452
(b) Cash on Hand	5,567,506	6,143,027
TOTAL	355,589,116	424,902,581

20.1 Balances with banks Includes Unclaimed Dividend of Rs. 968,223/- (Previous year Rs. 1,071,138/-)

20.2 Fixed Deposits of Rs. 53,375,585/- (previous year Rs. 118,422,933/-) are pledged with the banks for various limits and facilities granted.

BHARTIYA INTERNATIONAL LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)**

PARTICULARS	Amount in Rs.	
	As at 31st March, 2015	As at 31st March, 2014
21 SHORT TERM LOANS & ADVANCES		
(Unsecured, considered good)		
(a) Advance Tax/TDS	39,533,603	34,823,785
(b) Vat Receivable	67,317,129	43,362,021
(c) Prepaid Expenses	10,339,054	9,355,366
(d) Export Incentive Receivable	118,283,523	105,533,570
(e) Other Advances	156,338,855	124,640,801
TOTAL	391,812,164	317,715,543

The company has filed a writ petition before the Madras High Court for the recovery of drawback amounting to Rs. 3,363,721/- against the Chief Commissioner of Customs Chennai. The management is confident for the recovery of the said amount and hence has not made any provision for bad & doubtful debts against this.

22 OTHER CURRENT ASSETS

(a) Preliminary Expenses (to be written off in next year)	239,736	221,736
TOTAL	239,736	221,736

PARTICULARS	Amount in Rs.	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
23 REVENUE FROM OPERATION		
(a) Sales	5,252,237,111	3,921,062,716
(b) Export Incentive	329,039,729	223,032,472
TOTAL	5,581,276,840	4,144,095,188
24 OTHER INCOME		
(a) Dividend Income	109,770	401,145
(b) Profit on sale of Investments	2,636,096	1,032,525
(c) Rental Income	22,499,225	21,256,475
(d) Other Income	6,670,748	5,961,478
(e) Provision for Diminution in Value of Investments written back	1,464,391	6,497,441
TOTAL	33,380,230	35,149,064
25 RAW MATERIAL CONSUMPTION		
Opening Stock	1,383,034,023	848,892,661
Add : Purchases	2,363,789,181	1,636,490,282
	3,746,823,204	2,485,382,943
Less : Closing Stock	1,591,886,164	1,383,034,023
RAW MATERIAL CONSUMPTION	2,154,937,040	1,102,348,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
26 CHANGE IN INVENTORIES OF FINISHED GOODS		
(a) Opening Stock	141,291,228	100,914,365
(b) Closing Stock	222,378,804	141,291,228
Decrease/(Increase)	(81,087,576)	(40,376,863)
27 EMPLOYEE BENEFITS EXPENSES		
(a) Salary & Allowances	277,195,263	229,069,585
(b) Contribution to Provident & Other fund	13,984,697	10,385,805
(c) Staff Welfare Expenses	13,978,386	12,641,437
TOTAL	305,158,346	252,096,827
28 FINANCE COST		
(a) Interest & Other financial charges	185,548,349	149,951,283
(b) Loss/(Profit) on foreign currency transactions	(14,014,742)	6,780,967
TOTAL	171,533,607	156,732,250
29 DEPRECIATION AND AMORTISATION		
(a) Depreciation	62,783,889	39,324,512
(b) Preliminary Expenses W/off	239,736	221,736
TOTAL	63,023,625	39,546,248
30 OTHER EXPENSES		
(I) Manufacturing Expenses		
Job work/Fabrication charges	825,911,582	575,919,300
Freight & Cartage	18,502,290	19,349,021
Other Manufacturing Expenses	20,907,017	17,273,155
(II) Selling & Administrative Expenses		
Rent	18,320,123	13,421,199
Travelling	89,356,432	72,706,140
Power & Fuel	25,296,280	21,582,702
Insurance	6,354,318	5,046,692
Freight Outward	59,159,819	36,200,440
Commission, Brokerage & Discount	38,345,464	13,315,563
Repair & Maintenances	26,638,701	20,281,565
Miscellaneous Expenses	40,139,627	37,215,463
Communication Cost	11,686,956	8,315,277
Consultancy Charges	99,911,297	103,283,168
Rates, Taxes & Duties	6,698,678	15,590,223
Auditors Remuneration	3,016,310	1,940,381
Loss on Sale of Fixed Assets	1,200,431	(1,083,046)
Expenditure towards CSR Activities	959,745	-
Directors Meeting Fees	104,322	88,963
Packing Expenses	21,211,317	14,718,340
TOTAL	1,313,720,709	975,164,546

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

PARTICULARS	Amount in Rs.	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
31 TAX EXPENSE		
I) Current Tax		
(a) Current Year Tax	81,078,595	54,889,756
(b) Earlier Year Tax	5,070,637	(97,699)
	<u>86,149,232</u>	<u>54,792,057</u>
II) Deferred Tax		
(a) Related To Fixed Assets	(1,702,547)	6,523,512
(b) Related To Capital Losses	532,717	1,305,900
(c) Related To Brought forward Losses	(1,033,220)	2,074,617
	<u>(2,203,050)</u>	<u>9,904,029</u>
32.1 CONTINGENT LIABILITIES AND COMMITMENTS		
1 Estimated value of contract remaining to be executed on capital Account and not provided for	7,899,425	9,879,947
2 Contingent liabilities not provided for		
i) Letter of Credit/Import Bills outstanding -	60,333,114	172,523,135
ii) Standby Letter of credit (SBLC) issued by company bankers in favour of the bankers of its subsidiaries		
- Ultima S A	668,694,300	247,260,000
- WFT Ltd	21,959,000	29,085,000
iii) Bills discounted with banks -	21,052,626	23,219,179
iv) Other Guarantee given by bank -with corporation Bank	2,113,580	4,545,000
v) Corporate Guarantee given by the company to a bank against facilities granted by that bank to its wholly owned subsidiaries		
- Ultima Italia Srl	-	53,300,000
- Ultima SA	943,050,000	-
vi) Income Tax Demand under dispute	12,225,782	12,225,782
vii) Karnataka VAT Demand under dispute -	2,876,543	-
viii) Corporate Guranantee executed by the Subsidiary Company to bank against facilities granted by bank to parent company	345,000,000	345,000,000
xi) Forward Contracts outstanding		
In GBP	1.85 Million (Rs.1722.30 Lacs)	0.50 Million (Rs 530 Lacs)
IN USD	9 Million (Rs. 5658 Lacs)	1.75 Million (Rs 1124.9 Lacs)
IN EURO	0.45 Million (Rs 306.4 Lacs)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

32.2 Disclosures as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as Subsidiary/ Associates :

Name of the Entities	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit or Loss	
	As a % of Consolidated net Assets	Amount in Rs.	As a % of Consolidated Profit	Amount in Rs.
Parent :				
Bhartiya International Ltd	91.56%	1,635,697,355	66.54%	140,675,320
SUBSIDIARY				
Indian Subsidiaries				
Bhartiya Global Marketing Ltd.	2.49%	44,418,360	(1.17%)	(2,474,758)
J & J Leather Enterprises Ltd.	2.41%	43,091,823	0.02%	34,458
Bhartiya International Sez Ltd.	8.45%	150,924,108	6.10%	12,896,820
Bhartiya Fashion Retail Ltd.	0.02%	336,099	(0.01%)	(25,486)
Foreign Subsidiaries				
World Fashion Trade Ltd.	(-3.00%)	(53,675,255)	1.97%	4,155,177
BIL Group LLC	0.005%	82,099	(0.10%)	(203,303)
Ultima SA	12.59%	224,898,687	24.62%	52,058,017
Ultima Italia SRL	8.05%	143,727,810	0.36%	763,749
Design Industry Ltd.	0.26%	4,719,189	1.58%	3,335,243
Sub Total		2,194,220,274		211,215,236
Inter-Company Elimination & Consolidation Adjustments	(-22.83%)	(407,772,000)	0.10%	203,298
Grand Total		1,786,448,274		211,418,534
Minority Interest in Subsidiaries		(16,613,710)		(1,425,669)
Share of Profit in Associates				44,163
		1,769,834,564		210,037,028

32.3 Earning Per Share (EPS)

	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Income available to Equity Shareholders	210,037,028	145,183,009
No of Shares at the beginning of the Year (A)	11,063,848	11,063,848
Equity allotted during the year	150,000	-
Weighted Average Shares (B)	90,521	-
Weighted Average Shares Outstanding (nos) (A+B)	11,154,369	11,063,848
Add: adjustment for warrants convertible into Equity Shares	201,692	52,532
Weighted Average number of equity shares for Diluted EPS	11,356,061	11,116,380
Nominal Value per share	10	10
Earnings per share (Basic)	18.83	13.12
Earnings per share (Diluted)	18.50	13.06

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

32.4 Previous year figures has been regrouped/reclassified wherever necessary to conform to the Present Period Presentation.

32.5 In the opinion of the Directors, the Current Assets, Long Term Loans and Advances have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.

32.6 The audited/unaudited financial statements of foreign subsidiaries/associates have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or International Financial Reporting Standards. The differences in accounting policies of the Company and its subsidiaries/associates are not material and there are no material transactions from 1st January, 2015 to 31st March, 2015 in respect of subsidiaries having financial year ended 31st December, 2014.

32.7 Related party disclosures

Related party disclosure as required under Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

a) Name of Related Parties & Nature of Relationship:

1 Associate Parties	Bhartiya Prakash Leather Bhartiya Urban Infrastructure & Land Development Co. Pvt. Ltd. Bhartiya City Developers Pvt. Ltd Tada Mega Leather Cluster Pvt. Ltd.
2 Key Management Personnel	Snehdeep Aggarwal Jaspal Sethi A.K. Gadhok Manoj Khattar Shilpa Budhia
3 Board of Directors	Ramesh Bhatia C.L. Handa A. Sahasranaman Shashank Sandeep Seth Nikhil Aggarwal Annapurna Dixit Walter W Zwahlen A. P. S. Narag V. K. Chopra
4 Relatives of Key Management Personnel	Kanwal Aggarwal Arjun Aggarwal
5 Enterprises owned or significantly influenced by key management personnel or their relatives	Itopia Management Services (India) Pvt. Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

	Year Ended 31st March, 2015	Year Ended 31st March, 2014
b) Transactions during the year with related parties		
1 Sales		
Bhartiya City Developers Pvt. Ltd.	413,096	-
2 Ticketing		
Itopia Management Services (India) Pvt. Ltd.	16,695,525	12,862,334
3 Salaries		
Snehdeep Aggarwal	1,839,600	1,800,000
Jaspal Sethi	1,179,600	1,140,000
A.K. Gadhok	982,241	973,888
A. P. S. Narag	300,000	300,000
Nikhil Aggarwal	3,738,960	3,686,734
Walter W Zwahlen	5,965,646	5,118,127
Arjun Aggarwal	300,000	360,000
4 Sitting Fees		
C.L. Handa	28,108	20,298
Shashank	25,886	13,515
A. Sahasranaman	8,333	11,692
Ramesh Bhatia	2,777	2,778
Sandeep seth	30,885	23,382
Nikhil Aggarwal	-	5,528
Mr. V. K. Chopra	2,777	11,770
Annapurna Dixit	5,556	-
5 Leese Rent/Rent Paid		
Kanwal Aggarwal	480,000	480,000
6 Leese Rent Received		
Bhartiya City Developers Pvt. Ltd.	21,304,800	20,175,000
c) Balances Outstanding at the year end:		
1 Loans Given		
Tada Mega Leather Cluster Pvt. Ltd.	2,823,575	3,447,575
2 Trade Paybles		
Itopia Management Services (India) Pvt. Ltd.	1,269,774	742,707
Bhartiya Prakash Leather	75,755	75,755
3 Expenses/Others Paybles		
Bhartiya City Deveopers Pvt. Ltd.	87,509	-
Snehdeep Aggarwal	43,258	43,258
Kanwal Aggarwal	36,000	36,000
Arjun Aggarwal	-	25,000
4 Advances Paid		
Bhartiya Urban Infrastructure & Land Development Co. Pvt. Ltd.	-	2,050,340
5 Trade Receivable		
Bhartiya City Developers Pvt. Ltd.	413,096	-
7 Security Deposit (Received)		
Bhartiya City Developers Pvt. Ltd.	15,978,600	14,526,000
8 Capital A/c Partnership		
Bhartiya Prakash Leather	50,000	50,000
9 Current A/c Partnership		
Bhartiya Prakash Leather	616,529	619,029

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)
32.8 SEGMENT INFORMATION
a) Business Segments

Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Company has structured its operations into more than one segment during the year.

b) Geographic Segments

Operation of the Company do not qualify, for reporting as geographic segments, as per the criteria set out under Accounting Standard 17 on segment reporting issued by the Institute of Chartered Accountants of India

Particulars	Rs. in Lacs				
	Leather Products	Textile/Textile Product	Others	Unallocable	Total
a. Segment Revenue	44,127.92 (33,686.35)	11,384.85 (7,754.60)	300.00 -	- -	55,812.77 (41,440.95)
b. Segment Results	5,029.56 (3,800.46)	521.61 (400.55)	174.62 (-28.96)	- (351.49)	5,725.79 (4,523.54)
c. Less: Unallocable Expenses net of Income	- -	- -	- -	- -	916.66 (626.51)
d. Operating Profit	- -	- -	- -	- -	4,809.13 (3,897.03)
e. Less:- Interest	- -	- -	- -	- -	1,855.48 (1,809.42)
f. Profit before Taxes	- -	- -	- -	- -	2,953.65 (2,087.61)
g. Provision for taxation (Current Tax & Deferred Tax)	- -	- -	- -	- -	839.46 (638.01)
h. Profit after Taxes	- -	- -	- -	- -	2,114.19 (1,449.60)
i. Capital Employed	9,767.37 (8,132.57)	357.14 (536.29)	1,509.79 (1,206.92)	6,230.18 (5,922.50)	17,864.48 (15,798.28)

32.9 Debit and Credit balances of parties are subject to their confirmation.

As per our report of even date attached

SUSHIL PODDAR & CO.

Chartered Accountants

Firm Registration No. 014969N

For and on behalf of the Board

S.K. Poddar

Partner

Mem. No. 094479

Shilpa Budhia

Company Secretary

Manoj Khattar

Chief Financial Officer

Snehdeep Aggarwal

Managing Director

Ramesh Bhatia

Director

New Delhi, 25th May, 2015

CONSOLIDATED FINANCIAL SUMMARY

Rs. in lacs

PARTICULARS	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Equity Share Capital	627.88	727.88	786.38	786.38	866.38	946.38	1,046.38	1,106.38	1,106.38	1,121.38
Reserves & Surplus	6,086.99	7,557.50	8,778.76	8,915.05	9,584.10	10,597.23	12,007.26	13,113.65	14,518.27	16,276.96
Net Worth	6,823.37	8,955.38	9,565.14	9,850.72	10,749.66	11,949.95	13,300.71	14,395.12	15,798.28	17,864.48
Capital Employed	11,158.11	14,123.44	12,239.03	12,418.81	12,951.37	12,908.50	14,613.58	17,572.83	19,521.88	21,582.50
Gross Fixed Assets	2,721.94	2,859.23	2,918.21	4,633.08	4,935.44	6,857.03	7,926.79	8,907.95	9,591.43	10,428.12
Net Fixed Assets	1,834.71	1,791.85	1,674.52	3,191.73	3,246.21	4,906.96	5,729.65	6,557.74	6,888.19	7,316.30
Export Sales including Export Incentives	12,917.12	15,167.78	16,312.22	18,201.11	20,635.10	19,523.02	25,067.32	30,306.03	41,440.95	55,812.77
Other Income	164.36	217.02	333.03	(151.61)	(3.93)	246.16	231.92	315.73	351.49	333.80
Total Income	13,081.48	15,384.80	16,645.25	18,049.50	20,631.17	19,769.18	25,299.24	30,621.76	41,792.44	56,146.57
EBDIT	1,270.24	1,265.34	1,620.19	1,980.00	1,707.06	2,102.78	2,929.87	2,951.26	4,059.35	5,299.22
Depreciation	173.94	195.85	189.87	204.16	251.54	281.25	288.70	323.63	395.46	630.24
EBIT	1,096.30	1,069.49	1,430.31	1,775.83	1,455.52	1,821.53	2,641.17	2,627.63	3,663.88	4,668.98
Profit before Tax	727.75	720.63	1,018.44	572.28	858.66	1,001.60	1,609.53	1,442.25	2,096.56	2,953.65
Tax Expenses	254.47	241.60	238.39	291.43	357.53	337.68	453.79	433.40	646.96	839.46
Profit before Minority Interest and share in Profit and Loss of Associates	473.29	479.03	780.05	280.85	501.13	663.92	1,155.74	1,008.85	1,449.60	2,114.19
Minority Interest	-	-	-	(0.72)	(0.61)	(0.34)	8.72	(3.73)	(1.45)	14.26
Share in Profit and Loss of Associates	-	82.93	141.50	59.13	42.40	26.38	1.82	1.29	0.78	0.44
Net Profit	473.29	396.10	638.55	222.43	459.34	637.88	1,145.19	1,013.87	1,451.83	2,100.37
Equity Dividend (%)	15.00	15.00	15.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
EPS (Basic) Rs.	8.01	5.81	8.12	2.83	5.82	7.36	11.39	9.35	13.12	18.83
EPS(Diluted) Rs.	7.81	5.68	8.12	2.83	5.52	7.15	11.39	9.31	13.06	18.50

AOC-1

Pursuant to Proviso to Sub-Section 3 of Section 129 with Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of Financial Statement of Subsidiaries/Associates Companies/Joint Ventures

PART-A: SUBSIDIARIES

Name of Subsidiary	Financial Year Ended	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities (excluding Share capital & Reserves & Surplus)	Investments	Turnover	Profit /Loss before Taxation	Provision for taxation	Profit /Loss after Taxation	% of Share holding
Bhartiya Global Marketing Limited	31st March, 2015	Indian Rupee	49,990,200	(5,571,840)	49,390,142	4,971,782	32,317,500	6,823,558	(3,461,997)	(987,239)	(2,474,758)	100
J&J Leather Enterprises Ltd.	31st March, 2015	Indian Rupee	20,750,000	22,341,823	67,104,965	24,013,142	-	107,621,732	210,731	176,273	34,458	100
Bhartiya International SEZ Ltd.	31st March, 2015	Indian Rupee	135,692,300	15,231,808	154,670,141	3,746,033	-	33,141,668	16,006,720	3,109,900	12,896,820	88.95
Bhartiya Fashion Retail Ltd.	31st March, 2015	Indian Rupee	500,000	(163,901)	341,099	5,000	-	-	(25,486)	-	(25,486)	100
Ullima S.A	31st March, 2015	CHF (Swiss Franc)	33,785,508	191,113,179	521,346,694	296,448,007	137,965,160	1,093,618,743	55,095,364	3,037,347	52,058,017	100
Design Industry Ltd.	31st March, 2015	HK\$ (Hong Kong Dollar)	805,500	3,913,689	42,978,670	38,259,482	-	171,806,218	3,335,243	-	3,335,243	100
Ullima Italia SRL	31st March, 2015	Euro	137,159,660	6,568,150	229,332,276	85,604,466	-	159,876,948	6,926,197	6,162,448	763,749	100
World Fashion Trade Ltd.	31st Dec., 2014	HK\$ (Hong Kong Dollar)	44,780	(53,720,035)	191,158,049	244,833,305	-	306,761,131	4,155,177	-	4,155,177	100
BIT Group LLC	31st Dec., 2014	US Dollars	69,450	12,649	257,043	174,944	-	-	(203,303)	-	(203,303)	100

	CHF	HK\$	Euro	US\$
Exchange rate for Balance Sheet items	64.485	8.055	67.415	62.480
Exchange rate for Profit and Loss	64.980	7.880	77.190	61.080

PART-B: ASSOCIATES AND JOINT VENTURES

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

NAME OF ASSOCIATES AND JOINT VENTURES	LAST AUDITED BALANCE SHEET DATE	Share of Associate/Joint Venture held by the company as on year end			Description of Significant Influence	Reason why the associate/joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance sheet	Profit/Loss for the Year	
		No.	Amount of Investment in Associate/Joint venture	Extent of Holding				Considered in Consolidation	Not Considered in Consolidation
Bhartiya Prakash Leather	31st March, 2015	-	50,000	50.00%	Partner's Capital	Considered	-	(2,500)	-
Bhartiya Urban Infrastructure & Land Development Co. Pvt. Ltd.	31st March, 2015	11,200,000	280,000,000	29.60%	Voing Power	Not Applicable	757,128,808	70,036	-
Tada Mega Leather Cluster Pvt. Ltd.	31st March, 2015	5,000	50,000	50.00%	Voing Power	Not Applicable	1,840	(25,873)	-

BHARTIYA

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